

50 Section 1. Section 1367 of the racing, pari-mutuel wagering and breed-  
51 ing law, as added by chapter 174 of the laws of 2013, is amended to read  
52 as follows:

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1 § 1367. Sports wagering. 1. As used in this section:

2 (a) "Agent" means an entity that is party to a contract with a casino  
3 authorized to operate a sports pool and is approved by the commission to  
4 operate a sports pool on behalf of such casino;

5 (b) "Authorized sports bettor" means an individual who is physically  
6 present in this state when placing a sports wager, who is not a prohib-  
7 ited sports bettor, that participates in sports wagering offered by a  
8 casino. The intermediate routing of electronic data in connection with  
9 mobile sports wagering shall not determine the location or locations in  
10 which a wager is initiated, received or otherwise made;

11 (c) "Brand" means the name and logo on the interface of a mobile  
12 application or internet website accessed via a mobile device or computer  
13 which authorized sports bettors use to access a sports betting platform;

14 (d) "Casino" means a licensed gaming facility at which gambling is  
15 conducted pursuant to the provisions of this article;

16 ~~(b)~~ (e) "Commission" means the commission established pursuant to  
17 section one hundred two of this chapter;

18 ~~(c)~~ (f) "Collegiate sport or athletic event" means a sport or  
19 athletic event offered or sponsored by or played in connection with a  
20 public or private institution that offers educational services beyond  
21 the secondary level;

22 (g) "Exchange wagering" means a form of wagering in which an author-  
23 ized sports bettor, on the one hand, and one or more authorized sports  
24 bettors, a casino or an agent or an operator, on the other hand place  
25 identically opposing sports wagers on an exchange operated by a casino  
26 or an agent or an operator;

27 (h) "Global risk management" means the direction, management, consul-  
28 tation and/or instruction for purposes of managing risks associated with  
29 sports wagering conducted pursuant to this section and includes the  
30 setting and adjustment of betting lines, point spreads, or odds and  
31 whether to place layoff bets as permitted by this section;

32 ~~(d)~~ (i) "High school sport or athletic event" means a sport or  
33 athletic event offered or sponsored by or played in connection with a  
34 public or private institution that offers education services at the  
35 secondary level;

36 (j) "In-play sports wager" means a sports wager placed on a sports  
37 event after the sports event has begun and before it ends;

38 (k) "Layoff bet" means a sports wager placed by a casino sports pool  
39 with another casino sports pool;

40 (l) "Minor" means any person under the age of twenty-one years;

41 (m) "Mobile sports wagering platform" or "platform" means the combina-  
42 tion of hardware, software, and data networks used to manage, adminis-  
43 ter, or control sports wagering and any associated wagers accessible by  
44 any electronic means including mobile applications and internet websites  
45 accessed via a mobile device or computer;

46 (n) "Operator" means a casino which has elected to operate a sports  
47 pool or the agent of such casino;

48 ~~(e)~~ (o) "Professional sport or athletic event" means an event at  
49 which two or more persons participate in sports or athletic events and  
50 receive compensation in excess of actual expenses for their partic-  
51 ipation in such event;

52 (p) "Prohibited sports bettor" means:

53 (i) any officer or employee of the commission;

54 (ii) any principal or key employee of a casino or operator, except as  
55 may be permitted by the commission for good cause shown;

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1 (iii) any casino gaming or non-gaming employee at the casino that  
2 employs such person and at any operator that has an agreement with that  
3 casino;

4 (iv) any contractor, subcontractor, or consultant, or officer or  
5 employee of a contractor, subcontractor, or consultant, of a casino if  
6 such person is directly involved in the operation or observation of  
7 sports wagering, or the processing of sports wagering claims or  
8 payments;

9 (v) Any person subject to a contract with the commission if such  
10 contract contains a provision prohibiting such person from participating  
11 in sports wagering;

12 (vi) Any spouse, child, brother, sister or parent residing as a member  
13 of the same household in the principal place of abode of any of the  
14 foregoing persons at the same casino where the foregoing person is  
15 prohibited from participating in sports wagering;

16 (vii) any individual with access to non-public confidential informa-  
17 tion about sports wagering;

18 (viii) any amateur or professional athlete if the sports wager is  
19 based on any sport or athletic event overseen by the athlete's sports  
20 governing body;

21 (ix) any sports agent, owner or employee of a team, player and umpire  
22 union personnel, and employee referee, coach or official of a sports  
23 governing body, if the sports wager is based on any sport or athletic  
24 event overseen by the individual's sports governing body;

25 (x) any individual placing a wager as an agent or proxy for an other-  
26 wise prohibited sports bettor; or

27 (xi) any minor;

28 ~~[(f)]~~ (q) "Prohibited sports event" means any collegiate sport or  
29 athletic event that takes place in New York or a sport or athletic event  
30 in which any New York college team participates regardless of where the  
31 event takes place, or high school sport or athletic event;

32 ~~[(g)]~~ (r) "Registered sports governing body" means a sports governing  
33 body that is headquartered in the United States and who has registered  
34 with the commission to receive royalty fee revenue in such form as the  
35 commission may require;

36 (s) "Sports event" means any professional sport or athletic event and  
37 any collegiate sport or athletic event, except a prohibited sports event  
38 or a horse racing event;

39 ~~[(h)]~~ (t) "Sports governing body" means the organization that  
40 prescribes final rules and enforces codes of conduct with respect to a  
41 sporting event and participants therein;

42 (u) "Sports pool" means the business of accepting wagers on any sports  
43 event by any system or method of wagering; [and

44 ~~[(i)]~~ (v) "Sports wager" means cash or cash equivalent that is paid by  
45 an authorized sports bettor to a casino to participate in sports wager-  
46 ing offered by such casino;

47 (w) "Sports wagering" means wagering on sporting events or any portion  
48 thereof, or on the individual performance statistics of athletes partic-  
49 ipating in a sporting event, or combination of sporting events, by any  
50 system or method of wagering, including, but not limited to, in-person  
51 communication and electronic communication through internet websites  
52 accessed via a mobile device or computer and mobile device applications.  
53 Any wager through electronic communication is deemed made at the phys-  
54 ical location of the server or other equipment used by an operator to  
55 accept mobile sports wagering. The term "sports wagering" shall  
56 include, but is not limited to, single-game bets, teaser bets, parlays,

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1 over-under bets, moneyline, pools, exchange wagering, in-game wagering,  
2 in-play bets, proposition bets and straight bets;

3 (x) "Sports wagering gross revenue" means: (i) the amount equal to the  
4 total of all sports wagers not attributable to prohibited sports events  
5 that an operator collects from all players, less the total of all sums  
6 not attributable to prohibited sports events paid out as winnings to all

7 sports bettors, however, that the total of all sums paid out as winnings  
8 to sports bettors shall not include the cash equivalent value of any  
9 merchandise or thing of value awarded as a prize, or (ii) in the case of  
10 exchange wagering pursuant to this section, the commission on winning  
11 sports wagers by authorized sports bettors retained by the operator. The  
12 issuance to or wagering by authorized sports bettors at a casino of any  
13 promotional gaming credit shall not be taxable for the purposes of  
14 determining sports wagering gross revenue;

15 (y) "Sports wagering lounge" means an area wherein a sports pool is  
16 operated.

17 ~~2. [No gaming facility may conduct sports wagering until such time as~~  
18 ~~there has been a change in federal law authorizing such or upon a ruling~~  
19 ~~of a court of competent jurisdiction that such activity is lawful.~~

20 ~~3.]~~ (a) In addition to authorized gaming activities, a [~~licensed~~  
21 ~~gaming facility~~] casino may when authorized by subdivision two of this  
22 section operate a sports pool upon the approval of the commission and in  
23 accordance with the provisions of this section and applicable regu-  
24 lations promulgated pursuant to this article. The commission shall hear  
25 and decide promptly and in reasonable order all applications for a  
26 license to operate a sports pool, shall have the general responsibility  
27 for the implementation of this section and shall have all other duties  
28 specified in this section with regard to the operation of a sports pool.  
29 The license to operate a sports pool shall be in addition to any other  
30 license required to be issued to operate a [~~gaming facility~~] casino. No  
31 license to operate a sports pool shall be issued by the commission to  
32 any entity unless it has established its financial stability, integrity  
33 and responsibility and its good character, honesty and integrity.

34 No later than five years after the date of the issuance of a license  
35 and every five years thereafter or within such lesser periods as the  
36 commission may direct, a licensee shall submit to the commission such  
37 documentation or information as the commission may by regulation  
38 require, to demonstrate to the satisfaction of the executive director of  
39 the commission that the licensee continues to meet the requirements of  
40 the law and regulations.

41 (b) As a condition of licensure the commission shall require that each  
42 licensee authorized to conduct sports wagering pay a one-time fee of  
43 fifteen million dollars. Such fee shall be paid within thirty days of  
44 gaming commission approval prior to license issuance and deposited into  
45 the commercial gaming revenue fund established pursuant to section thir-  
46 teen hundred fifty-two of this article.

47 (c) A sports pool shall be operated in a sports wagering lounge  
48 located at a casino. The lounge shall conform to all requirements  
49 concerning square footage, design, equipment, security measures and  
50 related matters which the commission shall by regulation prescribe.

51 ~~[-e)]~~ (d) The operator of a sports pool shall establish or display the  
52 odds at which wagers may be placed on sports events.

53 ~~[-d)]~~ (e) An operator shall accept wagers on sports events only from  
54 persons physically present in the sports wagering lounge, or through  
55 mobile sports wagering offered pursuant to section thirteen hundred

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1 sixty-seven-a of this title. A person placing a wager shall be at least  
2 twenty-one years of age.

3 ~~[-e)]~~ (f) An operator may also accept layoff bets as long as the  
4 authorized sports pool places such wagers with another authorized sports  
5 pool or pools in accordance with regulations of the commission. A sports  
6 pool that places a layoff bet shall inform the sports pool accepting the  
7 wager that the wager is being placed by a sports pool and shall disclose  
8 its identity.

9 (g) An operator may utilize global risk management pursuant to the  
10 approval of the commission.

11 (h) An operator shall not admit into the sports wagering lounge, or  
12 accept wagers from, any person whose name appears on the exclusion list.

13 ~~[-f)]~~ (i) The holder of a license to operate a sports pool may  
14 contract with [~~an entity~~] an agent to conduct any or all aspects of that

15 operation, or the operation of mobile sports wagering offered pursuant  
16 to section thirteen hundred sixty-seven-a of this title, including but  
17 not limited to brand, marketing and customer service, in accordance with  
18 the regulations of the commission. [~~That entity~~] Each agent shall obtain  
19 a license as a casino vendor enterprise prior to the execution of any  
20 such contract, and such license shall be issued pursuant to the  
21 provisions of section one thousand three hundred twenty-seven of this  
22 article and in accordance with the regulations promulgated by the  
23 commission.

24 [~~(g)~~] (j) If any provision of this article or its application to any  
25 person or circumstance is held invalid, the invalidity shall not affect  
26 other provisions or applications of this article which can be given  
27 effect without the invalid provision or application, and to this end the  
28 provisions of this article are severable.

29 [~~4.-~~] 3. (a) All persons employed directly in wagering-related activ-  
30 ities conducted within a sports wagering lounge shall be licensed as a  
31 casino key employee or registered as a gaming employee, as determined by  
32 the commission. All other employees who are working in the sports wager-  
33 ing lounge may be required to be registered, if appropriate, in accord-  
34 ance with regulations of the commission.

35 (b) Each operator of a sports pool shall designate one or more casino  
36 key employees who shall be responsible for the operation of the sports  
37 pool. At least one such casino key employee shall be on the premises  
38 whenever sports wagering is conducted.

39 [~~5.-~~] 4. Except as otherwise provided by this article, the commission  
40 shall have the authority to regulate sports pools and the conduct of  
41 sports wagering under this article to the same extent that the commis-  
42 sion regulates other gaming. No casino shall be authorized to operate a  
43 sports pool unless it has produced information, documentation, and  
44 assurances concerning its financial background and resources, including  
45 cash reserves, that are sufficient to demonstrate that it has the finan-  
46 cial stability, integrity, and responsibility to operate a sports pool.  
47 In developing rules and regulations applicable to sports wagering, the  
48 commission shall examine the regulations implemented in other states  
49 where sports wagering is conducted and shall, as far as practicable,  
50 adopt a similar regulatory framework. The commission shall promulgate  
51 regulations necessary to carry out the provisions of this section,  
52 including, but not limited to, regulations governing the:

53 (a) amount of cash reserves to be maintained by operators to cover  
54 winning wagers;

55 (b) acceptance of wagers on a series of sports events;

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1 (c) maximum wagers which may be accepted by an operator from any one  
2 patron on any one sports event;

3 (d) type of wagering tickets which may be used;

4 (e) method of issuing tickets;

5 (f) method of accounting to be used by operators;

6 (g) types of records which shall be kept;

7 (h) use of credit and checks by patrons;

8 (i) the process by which a casino may place a layoff bet;

9 (j) the use of global risk management;

10 (k) type of system for wagering; and

11 [~~(j)~~] (l) protections for a person placing a wager.

12 [~~6.-~~] 5. Each operator shall adopt comprehensive house rules governing  
13 sports wagering transactions with its [~~patrons~~] authorized sports  
14 bettors. The rules shall specify the amounts to be paid on winning  
15 wagers and the effect of schedule changes. The house rules, together  
16 with any other information the commission deems appropriate, shall be  
17 conspicuously displayed in the sports wagering lounge and included in  
18 the terms and conditions of the account wagering system, and copies  
19 shall be made readily available to patrons.

20 6. (a) Each casino that offers sports wagering shall annually submit a  
21 report to the commission no later than the twenty-eighth of February of  
22 each year, which shall include the following information:

23 (i) the total amount of sports wagers received from authorized sports  
24 bettors;  
25 (ii) the total amount of prizes awarded to authorized sports bettors;  
26 (iii) the total amount of sports wagering gross revenue received by  
27 the casino;  
28 (iv) the total amount contributed in sports betting royalty revenue  
29 pursuant to subdivision eight of this section;  
30 (v) the total amount of wagers received on each sports governing  
31 body's sporting events;  
32 (vi) the number of accounts held by authorized sports bettors;  
33 (vii) the total number of new accounts established in the preceding  
34 year, as well as the total number of accounts permanently closed in the  
35 preceding year;  
36 (viii) the total number of authorized sports bettors that requested to  
37 exclude themselves from sports wagering; and  
38 (ix) any additional information that the commission deems necessary to  
39 carry out the provisions of this article.  
40 (b) Upon the submission of such annual report, to such extent that the  
41 commission deems it to be in the public interest, the commission shall  
42 be authorized to conduct a financial audit of any casino, at any time,  
43 to ensure compliance with this article.  
44 (c) The commission shall annually publish a report based on the aggre-  
45 gate information provided by all casinos pursuant to paragraph (a) of  
46 this subdivision, which shall be published on the commission's website  
47 no later than one hundred eighty days after the deadline for the  
48 submission of individual reports as specified in such paragraph (a).  
49 7. (a) Within thirty days of the end of each calendar quarter, a casi-  
50 no offering sports wagering shall remit to the commission a sports  
51 wagering royalty fee of one-fifth (.20) of one percent of the amount  
52 wagered on sports events conducted by registered sports governing  
53 bodies. The fee shall be remitted on a form as the commission may  
54 require, on which the casino shall identify the percentage of wagering  
55 during the reporting period attributable to each registered sport  
56 governing body's sports events.

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1 (b) No later than the thirtieth of April of each year, a registered  
2 sports governing body may submit a claim for disbursement of the royalty  
3 fee funds remitted by casinos in the previous calendar year on their  
4 respective sports events. Within thirty days of submitting its claim  
5 for disbursement, the registered sports governing body shall meet with  
6 the commission to provide the commission with evidence of policies,  
7 procedures and training programs it has implemented to protect the  
8 integrity of its sports events.

9 (c) Within thirty days of its meeting with the registered sports  
10 governing body, the commission shall approve a timely claim for  
11 disbursement.

12 8. For the privilege of conducting sports wagering in the state, casi-  
13 nos shall pay a tax equivalent to eight and one-half percent of their  
14 sports wagering gross revenue.

15 9. The commission shall pay into the commercial gaming revenue fund  
16 established pursuant to section ninety-seven-nnnn of the state finance  
17 law eighty-five percent of the state tax imposed by this section; any  
18 interest and penalties imposed by the commission relating to those  
19 taxes; all penalties levied and collected by the commission; and the  
20 appropriate funds, cash or prizes forfeited from sports wagering. The  
21 commission shall pay into the commercial gaming fund five percent of the  
22 state tax imposed by this section to be distributed for problem gambling  
23 education and treatment purposes pursuant to paragraph a of subdivision  
24 four of section ninety-seven-nnnn of the state finance law. The commis-  
25 sion shall pay into the commercial gaming fund five percent of the state  
26 tax imposed by this section to be distributed for the cost of regulation  
27 pursuant to paragraph c of subdivision four of section ninety-seven-nnnn  
28 of the state finance law. The commission shall pay into the commercial  
29 gaming fund five percent of the state tax imposed by this section to be

30 distributed in the same formula as market origin credits pursuant to  
31 section one hundred fifteen-b of this chapter. The commission shall  
32 require at least monthly deposits by the casino of any payments pursuant  
33 to subdivision eight of this section, at such times, under such condi-  
34 tions, and in such depositories as shall be prescribed by the state  
35 comptroller. The deposits shall be deposited to the credit of the state  
36 commercial gaming revenue fund. The commission shall require a monthly  
37 report and reconciliation statement to be filed with it on or before the  
38 tenth day of each month, with respect to gross revenues and deposits  
39 received and made, respectively, during the preceding month.

40 10. The commission may perform audits of the books and records of a  
41 casino, at such times and intervals as it deems appropriate, for the  
42 purpose of determining the sufficiency of tax payments. If a return  
43 required with regard to obligations imposed is not filed, or if a return  
44 when filed or is determined by the commission to be incorrect or insuf-  
45 ficient with or without an audit, the amount of tax due shall be deter-  
46 mined by the commission. Notice of such determination shall be given to  
47 the casino liable for the payment of the tax. Such determination shall  
48 finally and irrevocably fix the tax unless the casino against whom it is  
49 assessed, within thirty days after receiving notice of such determi-  
50 nation, shall apply to the commission for a hearing in accordance with  
51 the regulations of the commission.

52 11. Nothing in this section shall apply to interactive fantasy sports  
53 offered pursuant to article fourteen of this chapter. Nothing in this  
54 section authorizes any entity that conducts interactive fantasy sports  
55 offered pursuant to article fourteen of this chapter to conduct sports

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1 wagering unless it separately qualifies for, and obtains, authorization  
2 pursuant to this section.

3 12. A sports governing body may notify the commission that it desires  
4 to restrict, limit, or exclude wagering on its sporting events by  
5 providing notice in the form and manner as the commission may require.  
6 Upon receiving such notice, the commission shall review the request in  
7 good faith, seek input from the casinos on such a request, and if the  
8 commission deems it appropriate, promulgate regulations to restrict such  
9 sports wagering. If the commission denies a request, the sports govern-  
10 ing body shall be afforded notice and the right to be heard and offer  
11 proof in opposition to such determination in accordance with the regu-  
12 lations of the commission. Offering or taking wagers contrary to  
13 restrictions promulgated by the commission is a violation of this  
14 section. In the event that the request is in relation to an emergency  
15 situation, the executive director of the commission may temporarily  
16 prohibit the specific wager in question until the commission has the  
17 opportunity to issue temporary regulations addressing the issue.

18 13. (a) The commission shall designate the division of the state  
19 police to have primary responsibility for conducting, or assisting the  
20 commission in conducting, investigations into abnormal betting activity,  
21 match fixing, and other conduct that corrupts a betting outcome of a  
22 sporting event or events for purposes of financial gain.

23 (b) Casinos shall maintain records of sports wagering operations in  
24 accordance with regulations promulgated by the commission. These regu-  
25 lations shall, at a minimum, require a casino to adopt procedures to  
26 obtain personally identifiable information from any individual who plac-  
27 es any single wager in an amount of ten thousand dollars or greater.

28 (c) The commission shall cooperate with a sports governing body and  
29 casinos to ensure the timely, efficient, and accurate sharing of infor-  
30 mation.

31 (d) The commission and casinos shall cooperate with investigations  
32 conducted by sports governing bodies or law enforcement agencies,  
33 including but not limited to providing or facilitating the provision of  
34 account-level betting information and audio or video files relating to  
35 persons placing wagers; provided, however, that the casino be required  
36 to share any personally identifiable information of an authorized sports  
37 bettor with a sports governing body only pursuant to an order to do so

38 by the commission or a law enforcement agency or court of competent  
39 jurisdiction.

40 (e) Casinos shall promptly report to the commission any information  
41 relating to:

42 (i) criminal or disciplinary proceedings commenced against the casino  
43 in connection with its operations;

44 (ii) abnormal betting activity or patterns that may indicate a concern  
45 with the integrity of a sporting event or events;

46 (iii) any potential breach of the relevant sports governing body's  
47 internal rules and codes of conduct pertaining to sports wagering, as  
48 they have been provided by the sports governing body to the casino;

49 (iv) any other conduct that corrupts a betting outcome of a sporting  
50 event or events for purposes of financial gain, including match fixing;  
51 and

52 (v) suspicious or illegal wagering activities, including use of funds  
53 derived from illegal activity, wagers to conceal or launder funds  
54 derived from illegal activity, using agents to place wagers, using  
55 confidential non-public information, and using false identification.

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1 The commission shall also promptly report information relating to  
2 conduct described in subparagraphs (ii), (iii) and (iv) of this para-  
3 graph to the relevant sports governing body.

4 (f) Casinos shall maintain the confidentiality of information provided  
5 by a sports governing body to the casino, unless disclosure is required  
6 by this section, the commission, other law, or court order.

7 (g) The commission, by regulation, may authorize and promulgate any  
8 rules necessary to implement agreements with other states, or authorized  
9 agencies thereof to enable the sharing of information to facilitate  
10 integrity monitoring and the conduct of investigations into abnormal  
11 betting activity, match fixing, and other conduct that corrupts a  
12 betting outcome of a sporting event or events for purposes of financial  
13 gain.

14 (h) The commission shall study the potential for the creation of an  
15 interstate database of all sports wagering information for the purpose  
16 of integrity monitoring, and shall create a final report regarding all  
17 findings and recommendations to be delivered upon completion of all  
18 objectives described herein, but in no event later than March first, two  
19 thousand twenty, to the governor, the speaker of the assembly and the  
20 temporary president of the senate.

21 14. (a) Casinos shall use whatever data source they deem appropriate  
22 for determining the result of sports wagering involving sports wagers.

23 (b) The commission shall promulgate regulations to allow an authorized  
24 sports bettor to file a complaint alleging an underpayment or non-pay-  
25 ment of a winning sports wager. Any such regulations shall provide that  
26 the commission utilize the statistics, results, outcomes, and other data  
27 relating to a sporting event that have been obtained from the relevant  
28 sports governing body in determining the validity of such claim.

29 15. A casino shall not permit sports wagering by anyone they know, or  
30 should have known, to be a prohibited sports bettor.

31 16. Sports wagering conducted pursuant to the provisions of this  
32 section is hereby authorized.

33 17. The conduct of sports wagering in violation of this section is  
34 prohibited.

35 18. (a) In addition to any criminal penalties provided for under arti-  
36 cle two hundred twenty-five of the penal law, any person, firm, corpo-  
37 ration, association, agent, or employee, who is not authorized to offer  
38 sports wagering under this section or section thirteen hundred sixty-  
39 seven-a of this title, and who knowingly offers or attempts to offer  
40 sports wagering or mobile sports wagering in New York shall be liable  
41 for a civil penalty of not more than one hundred thousand dollars for  
42 each violation, not to exceed five million dollars for violations aris-  
43 ing out of the same transaction or occurrence, which shall accrue to the  
44 state and may be recovered in a civil action brought by the commission.

45 (b) Any person, firm, corporation, association, agent, or employee who

46 knowingly violates any procedure implemented under this section, or  
47 section thirteen hundred sixty-seven-a of this title, shall be liable  
48 for a civil penalty of not more than five thousand dollars for each  
49 violation, not to exceed fifty thousand dollars for violations arising  
50 out of the same transaction or occurrence, which shall accrue to the  
51 state and may be recovered in a civil action brought by the commission.

52 § 2. The racing, pari-mutuel wagering and breeding law is amended by  
53 adding a new section 1367-a to read as follows:

54 § 1367-a. Mobile sports wagering. 1. (a) Except as provided in this  
55 subdivision, the terms in this section shall have the same meanings as  
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1 such terms are defined in subdivision one of section thirteen hundred  
2 sixty-seven of this title.

3 (b) "Operator" means an entity offering a mobile sports wagering plat-  
4 form including an agent.

5 2. (a) No casino shall administer, manage, or otherwise make available  
6 a mobile sports wagering platform to persons located in New York state  
7 unless registered with the commission pursuant to this section. A casino  
8 may use one mobile sports wagering platform and brand provided that such  
9 platform and brand has been reviewed and approved by the commission. A  
10 casino may contract with an independent operator to provide its mobile  
11 sports wagering platform.

12 (b) Registrations issued by the commission shall remain in effect for  
13 five years. The commission shall establish a process for renewal.

14 (c) The commission shall publish a list of all operators and casinos  
15 registered to offer mobile sports wagering in New York state pursuant to  
16 this section on the commission's website for public use.

17 (d) The commission shall promulgate regulations to implement the  
18 provisions of this section, including the development of the initial  
19 form of the application for registration. Such regulations shall provide  
20 for the registration and operation of mobile sports wagering in New York  
21 state and shall include, but not be limited to, responsible protections  
22 with regard to compulsive play and safeguards for fair play.

23 3. In the event that a casino contracts with an operator to provide  
24 its mobile sports wagering platform and brand, such operator shall  
25 obtain a license as a casino vendor enterprise prior to the execution of  
26 any such contract, and such license shall be issued pursuant to the  
27 provisions of section one thousand three hundred twenty-seven of this  
28 article and in accordance with the regulations promulgated by the  
29 commission.

30 3-a. (a) The commission shall prescribe the initial form of the appli-  
31 cation for registration, for casinos and operators, which shall require,  
32 but not be limited to:

33 (i) the full name and principal address of the operator;

34 (ii) if a corporation, the name of the state in which incorporated and  
35 the full names and addresses of any partner, officer, director, share-  
36 holder holding ten percent or more equity, and ultimate equitable  
37 owners;

38 (iii) if a business entity other than a corporation, the full names  
39 and addresses of the principals, partners, shareholders holding five  
40 percent or more equity, and ultimate equitable owners;

41 (iv) whether such corporation or entity files information and reports  
42 with the United States Securities and Exchange Commission as required by  
43 section thirteen of the Securities Exchange Act of 1934, 15 U.S.C. §§  
44 78a-78kk; or whether the securities of the corporation or entity are  
45 regularly traded on an established securities market in the United  
46 States;

47 (v) the type and estimated number of contests to be conducted annual-  
48 ly;

49 (vi) a statement of the assets and liabilities of the operator.

50 (b) The commission may require the full names and addresses of the  
51 officers and directors of any creditor of the operator, and of those  
52 stockholders who hold more than ten percent of the stock of the credi-  
53 tor.

54 (c) Upon receipt of an application for registration for each individ-  
55 ual listed on such application as an officer or director, the commission  
56 shall submit to the division of criminal justice services a set of fing-  
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1 erprints, and the division of criminal justice services processing fee  
2 imposed pursuant to subdivision eight-a of section eight hundred thir-  
3 ty-seven of the executive law and any fee imposed by the federal bureau  
4 of investigation. Upon receipt of the fingerprints, the division of  
5 criminal justice services shall promptly forward a set of the individ-  
6 ual's fingerprints to the federal bureau of investigation for the  
7 purpose of a nationwide criminal history record check to determine  
8 whether such individual has been convicted of a criminal offense in any  
9 state other than New York or in a federal jurisdiction. The division of  
10 criminal justice services shall promptly provide the requested criminal  
11 history information to the commission. For the purposes of this section,  
12 the term "criminal history information" shall mean a record of all  
13 convictions of crimes and any pending criminal charges maintained on an  
14 individual by the division of criminal justice services and the federal  
15 bureau of investigation. All such criminal history information sent to  
16 the commission pursuant to this subdivision shall be confidential and  
17 shall not be published or in any way disclosed to persons other than the  
18 commission, unless otherwise authorized by law.

19 (d) Upon receipt of criminal history information pursuant to paragraph  
20 (c) of this subdivision, the commission shall make a determination to  
21 approve or deny an application for registration; provided, however, that  
22 before making a determination on such application, the commission shall  
23 provide the subject of the record with a copy of such criminal history  
24 information and a copy of article twenty-three-A of the correction law  
25 and inform such prospective applicant seeking to be credentialed of his  
26 or her right to seek correction of any incorrect information contained  
27 in such criminal history information pursuant to the regulations and  
28 procedures established by the division of criminal justice services.  
29 The commission shall deny any application for registration, or suspend,  
30 refuse to renew, or revoke any existing registration issued pursuant to  
31 this article, upon the finding that the operator or registrant, or any  
32 partner, officer, director, or shareholder:

33 (i) has knowingly made a false statement of material fact or has  
34 deliberately failed to disclose any information required by the commis-  
35 sion;

36 (ii) has had a gaming registration or license denied, suspended, or  
37 revoked in any other state or country for just cause;

38 (iii) has legally defaulted in the payment of any obligation or debt  
39 due to any state or political subdivision; or

40 (iv) has at any time knowingly failed to comply with any requirement  
41 outlined in this section, any other provision of this article, any regu-  
42 lations promulgated by the commission or any additional requirements of  
43 the commission.

44 (e) All determinations to approve or deny an application pursuant to  
45 this article shall be performed in a manner consistent with subdivision  
46 sixteen of section two hundred ninety-six of the executive law and arti-  
47 cle twenty-three-A of the correction law. When the commission denies an  
48 application, the operator shall be afforded notice and the right to be  
49 heard and offer proof in opposition to such determination in accordance  
50 with the regulations of the commission.

51 4. (a) As a condition of registration in New York state, each operator  
52 shall implement the following measures:

53 (i) limit each authorized sports bettor to one active and continuously  
54 used account on their platform, and prevent anyone they know, or should  
55 have known to be a prohibited sports bettor from maintaining accounts or  
56 participating in any sports wagering offered by such operator;

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1 (ii) adopt appropriate safeguards to ensure, to a reasonable degree of  
2 certainty, that authorized sports bettors are physically located within

3 the state when engaging in mobile sports betting;

4 (iii) prohibit minors from participating in any sports wagering, which  
5 includes:

6 (1) if an operator becomes or is made aware that a minor has created  
7 an account, or accessed the account of another, such operator shall  
8 promptly, within no more than two business days, refund any deposit  
9 received from the minor, whether or not the minor has engaged in or  
10 attempted to engage in sports wagering; provided, however, that any  
11 refund may be offset by any prizes already awarded;

12 (2) each operator shall provide parental control procedures to allow  
13 parents or guardians to exclude minors from access to any sports wager-  
14 ing or platform. Such procedures shall include a toll-free number to  
15 call for help in establishing such parental controls; and

16 (3) each operator shall take appropriate steps to confirm that an  
17 individual opening an account is not a minor;

18 (iv) when referencing the chances or likelihood of winning in adver-  
19 tisements or upon placement of a sports wager, make clear and conspicu-  
20 ous statements that are not inaccurate or misleading concerning the  
21 chances of winning and the number of winners;

22 (v) enable authorized sports bettors to exclude themselves from sports  
23 wagering and take reasonable steps to prevent such bettors from engaging  
24 in sports wagering from which they have excluded themselves;

25 (vi) permit any authorized sports bettor to permanently close an  
26 account registered to such bettor, on any and all platforms supported by  
27 such operator, at any time and for any reason;

28 (vii) offer introductory procedures for authorized sports bettors,  
29 that shall be prominently displayed on the main page of such operator  
30 platform, that explain sports wagering;

31 (viii) implement measures to protect the privacy and online security  
32 of authorized sports bettors and their accounts;

33 (ix) offer all authorized sports bettors access to his or her account  
34 history and account details;

35 (x) ensure authorized sports bettors' funds are protected upon deposit  
36 and segregated from the operating funds of such operator and otherwise  
37 protected from corporate insolvency, financial risk, or criminal or  
38 civil actions against such operator;

39 (xi) list on each website, in a prominent place, information concern-  
40 ing assistance for compulsive play in New York state, including a toll-  
41 free number directing callers to reputable resources containing further  
42 information, which shall be free of charge; and

43 (xii) ensure no sports wagering shall be based on a prohibited sports  
44 event.

45 (b) Operators shall not directly or indirectly operate, promote, or  
46 advertise any platform or sports wagering to persons located in New York  
47 state unless registered pursuant to this article.

48 (c) Operators shall not offer any sports wagering based on any prohib-  
49 ited sports event.

50 (d) Operators shall not permit sports wagering by anyone they know, or  
51 should have known, to be a prohibited sports bettor.

52 (e) Advertisements for contests and prizes offered by an operator  
53 shall not target prohibited sports bettors, minors, or self-excluded  
54 persons.

55 (f) Operators shall prohibit the use of third-party scripts or script-  
56 ing programs for any exchange wagering contest and ensure that measures

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1 are in place to deter, detect and, to the extent reasonably possible,  
2 prevent cheating, including collusion, and the use of cheating devices,  
3 including use of software programs that submit exchange wagering sports  
4 wagers unless otherwise approved by the commission.

5 (g) Operators shall develop and prominently display procedures on the  
6 main page of such operator's platform for the filing of a complaint by  
7 an authorized sports bettor against such operator. An initial response  
8 shall be given by such operator to such bettor filing the complaint  
9 within forty-eight hours. A complete response shall be given by such

10 operator to such bettor filing the complaint within ten business days.  
11 An authorized sports bettor may file a complaint alleging a violation of  
12 the provisions of this article with the commission.

13 (h) Operators shall maintain records of all accounts belonging to  
14 authorized sports bettors and retain such records of all transactions in  
15 such accounts for the preceding five years.

16 (i) The server or other equipment which is used by an operator to  
17 accept mobile sports wagering shall be located in the licensed gaming  
18 facility in accordance with regulations promulgated by the commission.

19 (j) All mobile sports wagering shall be conducted in compliance with  
20 this section and section thirteen hundred sixty-seven of this title.

21 5. (a) Subject to regulations promulgated by the commission, casinos  
22 may enter into agreements with operators to allow for authorized bettors  
23 to sign up to create and fund accounts on mobile sports wagering plat-  
24 forms offered by the casino.

25 (b) Authorized sports bettors may sign up to create their account on a  
26 mobile sports wagering platform in person at a casino or through an  
27 operators' internet website accessed via a mobile device or computer, or  
28 mobile device applications.

29 (c) Authorized sports bettors may deposit and withdraw funds in their  
30 account on a mobile sports wagering platform in person at a casino,  
31 electronically recognized payment methods, or via any other means  
32 approved by the commission.

33 § 3. Section 104 of the racing, pari-mutuel wagering and breeding law  
34 is amended by adding a new subdivision 24 to read as follows:

35 24. To regulate sports wagering in New York state.

36 § 4. Subdivision 15 of section 1401 of the racing, pari-mutuel wager-  
37 ing and breeding law, as added by chapter 237 of the laws of 2016, is  
38 amended to read as follows:

39 15. "Prohibited sports event" shall mean any [~~collegiate sport or~~  
40 ~~athletic event, any~~] high school sport or athletic event or any horse  
41 racing event.

42 § 5. Severability clause. If any provision of this act or application  
43 thereof shall for any reason be adjudged by any court of competent  
44 jurisdiction to be invalid, such judgment shall not affect, impair, or  
45 invalidate the remainder of the act, but shall be confined in its opera-  
46 tion to the provision thereof directly involved in the controversy in  
47 which the judgment shall have been rendered.

48 § 6. This act shall take effect on the same date and in the same  
49 manner as section 1367 of the racing, pari-mutuel wagering and breeding  
50 law pursuant to subdivision (c) of section 52 of chapter 174 of the laws  
51 of 2013, takes effect.