

such subscriber's subscription, the prize winning(s) in the account will be remitted to the subscriber.

(d) For payment of a prize that does not meet the threshold amount for Federal tax reporting to a group subscriber, payment will be made in one payment in the name of the group and the group representative as indicated on the application form, and remitted to the group representative.]

([e]/c) For payment of a prize that meets or exceeds the threshold amount for Federal withholding to a group subscriber, a payment representing [an equal] *the designated* share of the prize will be remitted to each individual member of the group. If the subscription or renewal application does not show the taxpayer identification number (social security number or Federal employer identification number) of each group member, the division will withhold appropriate income taxes in accordance with the applicable back-up withholding rules.

Subdivisions (c) section 5005.7 are amended to read as follows:

§ 5005.7. Subscription disputes.

(c) If there is a discrepancy between the information set forth on an application [form] and the information set forth in a confirmation letter, the subscriber may ask the commission, by written or electronic communication, to resolve the discrepancy. After such a report is received by the commission, the commission shall resolve the discrepancy as soon as possible and issue a revised confirmation letter. Resolution may include, but is not limited to, cancellation of the subscription. No change in the subscription shall be effective until a revised confirmation letter is issued. No request to resolve a discrepancy shall be accepted after the effective date in the confirmation letter issued.

Subdivisions (a) and (b) of section 5005.8 are amended to read as follows:

§ 5005.8. Subscription miscellaneous.

(a) [Furthermore, the] *The* commission, pursuant to the commission's statutory authority, may from time to time add games to the commission's subscription program [(including but not limited to Mega-Millions)].

(b) A subscription renewal must be processed [at least 12 business days] prior to the expiration date of a current subscription in order to avoid a lapse in the subscription. A renewal application [form] containing current subscription number, games, game numbers, plan, effective date and expiration date will be sent to the subscriber either electronically or by mail. The commission will make reasonable efforts to process renewal applications to assure no interruptions; however, the commission shall not be responsible for an interruption if a renewal application is not processed in sufficient time.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, 1 Broadway Center, PO Box 7500, Schenectady, NY 12301-7500, (518) 388-3407, email: gamingrules@gaming.ny.gov

Data, views or arguments may be submitted to: Same as above.

Public comment will be received until: 45 days after publication of this notice.

Five-Year Review of Existing Rules An assessment of public comments is not attached because no comments were received. Not applicable.

Regulatory Impact Statement

1. Statutory authority: Pursuant to the authority conferred in New York State Tax Law Sections 1601, 1604, 1612, and Racing, Pari-Mutuel Wagering and Breeding Law Section 104, the following amendments shall take effect upon publication in the State Register. Section 1601 of the Tax Law states the purpose of Article 34 of the Tax Law is to carry out the constitutional mandate to establish a lottery operated by the State. Section 1604 of the Tax Law provides for the Lottery's authority to promulgate rules and regulations governing the Lottery. Subdivision 19 of Section 104 of the Racing, Pari-Mutuel Wagering and Breeding Law authorizes the Gaming Commission to promulgate rules and regulations necessary to carry out its responsibilities.

2. Legislative objectives: The Lottery's purpose is to generate revenue for the support of education in the State through the operation of Lottery games. Amendment of these regulations forwards such purpose by better reflecting player preferences and updating the regulations to reflect use of electronic mediums.

3. Needs and benefits: The Division of Lottery offers a subscription program, which permits a customer to play the same number selections for a period of consecutive drawings over a set period. The proposed revision to the regulations will better serve customer needs and preferences and reflect the use of electronic technology. The revisions include: paper or electronic applications; eliminate the requirement that a group application contain the names, addresses and social security numbers of each group member; make 10-member maximum group size apply only to mail applications; modify definition of group to mean two or more individuals

whose combined qualifications meet that of an individual subscriber; make requirement of NYS address applicable to applications sent by postal mail; make subscription prizes that are less than the threshold amount for Federal tax reporting payable to a credit account, which may be used to purchase additional wagers or may be cashed out; eliminate 12 -day-lead time for renewals; and various technical changes.

4. Costs:

a. Costs to regulated parties for the implementation and continuing compliance with the rule: There are no costs to stakeholders.

b. Costs to the agency, the State, and local governments for the implementation and continuation of the rule: No additional operating costs are anticipated, since funds originally appropriated for the expenses of operating the existing subscription program are expected to be sufficient to support these amendments.

c. Sources of cost evaluations: The foregoing cost evaluations are based on the New York State Lottery's experience in operating State Lottery games for more than 40 years.

5. Local government mandates: The proposed amendment does not impose any new programs, services, duties or responsibilities upon any county, city, town, village, school district, fire district or other special district.

6. Paperwork: There are no changes in paperwork requirements.

7. Duplication: There are no relevant State programs or regulations which duplicate, overlap or conflict with the proposed amendment.

8. Alternatives: The alternative to amending the subscription regulations is to continue the currently effective subscription program regulations and prevent the Lottery from providing greater convenience to its players and updating the regulations to reflect use of electronic mediums.

9. Federal standards: The proposed amendment does not exceed any minimum standards imposed by the Federal government.

10. Compliance schedule: The proposed amendment will be effective upon publication of a Notice of Adoption in the New York State Register.

Regulatory Flexibility Analysis

A rural area flexibility analysis is not required for this proposal since it will not impose any adverse economic impact or reporting, recordkeeping or other compliance requirements on rural areas. This proposal amends the subscription regulations in the interest of customer convenience and preferences; and to recognize electronic technology.

Rural Area Flexibility Analysis

A regulatory flexibility analysis is not required for this proposal since it will not impose any adverse economic impact or reporting, record keeping or other compliance requirements on small businesses or local governments. This proposal amends the subscription regulations in the interest of customer convenience and preferences; and to recognize electronic technology.

Job Impact Statement

A job impact statement is not submitted because this proposed rule will have no adverse impact on jobs or employment opportunities. This proposal amends the subscription regulations in the interest of customer convenience and preferences; and to recognize electronic technology.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Manner in Which Prize Payments Are Made

I.D. No. SGC-52-15-00006-P

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following proposed rule:

Proposed Action: This rule is proposed pursuant to 5-Year Review of Existing Rules. Amendment of section 5002.5 of Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, section 104; Tax Law, sections 1601, 1604, 1612 and 1617

Subject: Manner in which prize payments are made.

Purpose: To better reflect customer and retailer preferences and the administrative needs of the Commission.

Text of proposed rule: Section 5002.5 is amended to read as follows:

§ 5002.5. Manner of payment.

(a) [Cash payment.]

[(1) A prize payable on a winning instant game ticket having a value of \$25 or less may be obtained in cash from the lottery sales agent who sold the ticket.]

[(2) A prize payable on a winning instant game ticket having a value of \$100 may be obtained in cash from any lottery sales agent.]

[(3) A prize payable on a winning computerized game ticket having a

value of up to and including \$600 may be obtained in cash from any lottery sales agent participating in the computer network from which such ticket was sold.]

[(b) Check payment.]

[(1) Any prize over \$600 shall be payable only by check.]

[(2)] Any prize may be claimed by mailing a completed prize claim form to the commission at the address announced by the commission for such purpose. [Any prize paid by mail shall be payable only by check.]

(b) [(3)] Any prize paid at an office of the commission, or by an agent designated by the commission to pay prizes of more than \$600 each on behalf of the commission, shall be [payable only] paid by check or by any alternative method of payment determined by the commission (such as a commission-issued debit card).

(c) Any prize of \$600 or less may be claimed at any lottery retailer location and the prize shall be paid in cash or by any alternative method of payment determined by the commission (such as a commission-issued debit card). Any prize of more than \$600 must be claimed directly from the commission or an agent designated by the commission, pursuant to subdivisions (a) or (b) of this Part.

(d) [(4)] Any [lotto subscription] prize won by a subscriber through a subscription pursuant to Part 5005 of this Chapter shall be payable [only by check] as follows:

(1) by check or alternative method of payment determined by the commission (such as a commission-issued debit card), if the prize is more than \$600; or

(2) the prize amount shall be made available in the subscriber's player account, if the prize is \$600 or less.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center Schenectady, New York 12301, (518) 388-3407, email: gamingrules@gaming.ny.gov

Data, views or arguments may be submitted to: Same as above.

Public comment will be received until: 45 days after publication of this notice.

Five-Year Review of Existing Rules An assessment of public comments is not attached because no comments were received. Not applicable.

Regulatory Impact Statement

1. Statutory authority: Pursuant to the authority conferred in New York State Tax Law Sections 1601, 1604, 1612, and Racing, Pari-Mutuel Wagering and Breeding Law Section 104, the following amendments shall take effect upon publication in the State Register. Section 1601 of the Tax Law states the purpose of Article 34 of the Tax is to carry out the constitutional mandate to establish a lottery operated by the State. Section 1604 of the Tax Law provides for the Lottery's authority to promulgate rules and regulations governing the Lottery. Subdivision 19 of Section 104 of the Racing, Pari-Mutuel Wagering and Breeding Law authorizes the Gaming Commission to promulgate rules and regulations necessary to carry out its responsibilities.

2. Legislative objectives: The Lottery's purpose is to generate revenue for the support of education in the State through the operation of Lottery games. Amendment of these regulations forwards such purpose by offering alternative means of prize payment to players in the interest of player convenience.

3. Needs and benefits: The Division of Lottery proposes amendments to its regulations to add flexibility in the manner in which prize payments are made and to bring consistency to prize payments provisions for instant games and draw games. The amendments would simplify the rules and allow the Commission in the future to offer an alternative means of payment, such as debit card. Prizes won by those participating in the Lottery subscription program would be credited to the subscription account for future subscription purchases or remitted to the subscriber at his or her request, if the prize was less than the threshold withholding amount for Federal tax reporting.

4. Costs:

a. Costs to regulated parties for the implementation and continuing compliance with the rule: There are no costs to stakeholders.

b. Costs to the agency, the State, and local governments for the implementation and continuation of the rule: No additional operating costs are anticipated, since funds originally appropriated for the expenses of operating the Lottery and the manner in which prize payments are made are expected to be sufficient to support these amendments.

c. Sources of cost evaluations: The foregoing cost evaluations are based on the New York State Lottery's experience in operating State Lottery games for more than 40 years.

5. Local government mandates: The proposed amendment does not impose any new programs, services, duties or responsibilities upon any country, city, town, village school district, fire district or other special district.

6. Paperwork: There are no changes in paperwork requirements.

7. Duplication: There are no relevant State programs or regulations which duplicate, overlap or conflict with the proposed amendment.

8. Alternatives: The alternative to amending these prize payment regulations is to continue the current prize payment methods and prevent the Lottery from providing greater convenience to its players and better serve player needs and preferences.

9. Federal standards: The proposed amendment does not exceed any minimum standards imposed by Federal government.

10. Compliance schedule: The proposed amendment will be effective upon publication of a Notice of Adoption in the New York State Register.

Regulatory Flexibility Analysis

A regulatory flexibility analysis is not required for this proposal since it will not impose any adverse economic impact or reporting, record keeping or other compliance requirements on small businesses or local governments. This proposal amends prize payment regulations in the interest of customer convenience and preferences.

Rural Area Flexibility Analysis

A rural area flexibility analysis is not required for this proposal since it will not impose any adverse economic impact or reporting, recordkeeping or other compliance requirements on rural areas. This proposal amends prize payment regulations in the interest of customer convenience and preferences.

Job Impact Statement

A job impact statement is not submitted because this proposed rule will have no adverse impact on jobs or employment opportunities. This proposal amends prize payment regulations in the interest of customer convenience and preferences.

**PROPOSED RULE MAKING
NO HEARING(S) SCHEDULED**

Prohibiting the Administration of Stanozolol to Racehorses

I.D. No. SGC-52-15-00007-P

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following proposed rule:

Proposed Action: Amendment of sections 4043.15 and 4120.12 of Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 103(2), 104(1), (19), 301(1), (2) and 902(1)

Subject: Prohibiting the administration of stanozolol to racehorses.

Purpose: To preserve the safety and integrity of pari-mutuel racing while generating reasonable revenue for the support of government.

Text of proposed rule: Section 4043.15 of 9 NYCRR would be amended as follows:

§ 4043.15. Anabolic steroids.

(a) Anabolic steroids shall not be administered except [that the] as permitted by subdivision (d) of this section. A violation of this section may be established by a finding by the laboratory conducting tests for the commission that an anabolic steroid was present in a blood sample taken from such horse, except for the following substances [may be administered during permitted time frames and] at concentrations that [on race day] are less than these thresholds:

* * *

[(3) Stanozolol (Winstrol): All horses may have less than 100 pg/ml in plasma.]

[(4)] (3) Testosterone:

(i) Female horses and geldings may have less than 100 pg/ml in plasma; and

(ii) Intact male horses may have less than 2,000 pg/ml in plasma.

[(5)] (4) In addition, no anabolic steroid shall be administered by injection into a joint at any time.

* * *

(d) Any horse to which [a permissible] an anabolic steroid that is listed in subdivision (a) of this section has been administered in order to assist in the recovery from an illness or injury may be placed on the veterinarian's list in order to monitor the concentration of the drug. Once the concentration is below the designated plasma threshold the horse is eligible to be removed from the list.

* * *

Section 4120.12 of 9 NYCRR would be amended as follows:

§ 4120.12. Anabolic steroids.

(a) Anabolic steroids shall not be administered except [that the] as permitted by subdivision (d) of this section. A violation of this section may be established by a finding by the laboratory conducting tests for the com-