

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

Regulatory Impact Statement

1. **STATUTORY AUTHORITY:** Racing, Pari-Mutuel Wagering and Breeding Law (“Racing Law”) section 104(19) grants authority to the Gaming Commission (“Commission”) to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law section 1307(1) authorizes the Commission to adopt regulations that it deems necessary to protect the public interest in carrying out the provisions of Racing Law Article 13.

Racing Law section 1342(1) authorizes the Commission to establish a list of persons who are required to be excluded from any licensed gaming facility and to define the standards for the exclusion of persons from the premises of a licensed gaming facility.

Racing Law section 1342(3) mandates the licensed gaming facilities exclude or eject from the premises any person placed by the Commission on the list of persons to be excluded or ejected.

Racing Law section 1342(4) mandates the Commission establish classifications of persons required to be excluded from the gaming facility premises by the licensed gaming facility.

2. **LEGISLATIVE OBJECTIVES:** The above referenced statutory provisions carry out the legislature’s stated goal “to tightly and strictly” regulate casinos “to guarantee public confidence and trust in the credibility and integrity of all casino gambling in the state and to prevent organized crime from any involvement in the casino industry” as set forth in Racing Law section 1300(10).

3. **NEEDS AND BENEFITS:** The proposed rules implement the above listed statutory directives regarding the exclusion of persons whose presence in a licensed gaming facility would be inimical to the interests of the state or to licensed gaming. The rules specify with respect to the above listed statutory directives to assure certain persons are not permitted upon the premises of any licensed gaming facility in New York State. The rules set forth the criteria upon which a person is considered inimical to the state or licensed gaming, their placement on the exclusion list, and the duty of the licensed facility to exclude the person from the premises.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules: There are no costs to the regulated parties as a result of these regulations.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: The Commission currently conducts hearings in lottery, video lottery gaming and horse racing and maintains an excluded persons list for video lottery gaming. Based on that experience, the Commission anticipates that the costs associated with the proposed rules would be negligible.

(c) The information, including the source or sources of such information, and methodology upon which the cost analysis is based: The cost estimates are based on the Commission’s experience regulating racing and gaming activities within the State.

5. **LOCAL GOVERNMENT MANDATES:** There are no local government mandates associated with these rules.

6. **PAPERWORK:** These rules do not impose paperwork burdens on the regulated parties. The paperwork burden is born by the Commission with the responsibility to maintain the exclusion list with all criteria stated in the regulations.

7. **DUPLICATION:** These rules do not duplicate, overlap or conflict with any existing State or federal requirements.

8. **ALTERNATIVES:** The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulation. Alternatives were discussed and considered with stakeholders and compared to other jurisdictions regulations. This included providing clarification on a gaming facility licensee’s knowledge of patrons on the Commission’s excluded persons list. The Commission is also required to promulgate these rules pursuant to Racing Law sections 1342(1), 1342(3) and 1342(4).

9. **FEDERAL STANDARDS:** There are no federal standards applicable to the licensing of gaming facilities in New York; it is purely a matter of New York State law.

10. **COMPLIANCE SCHEDULE:** The Commission anticipates that the affected parties will be able to achieve compliance with these rules upon adoption.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

These rules will not have any adverse impact on small businesses, local governments, jobs or rural areas. These rules are intended to promote public confidence and trust in the credibility and integrity of casino gambling in New York State. These rules will ensure that licensed gaming facilities exclude from their premises persons known to be inimical to the interest of the state or of licensed gaming.

These rules apply solely to licensed gaming facilities and therefore the rules do not impact local governments or small businesses as it is not expected that any local government or small business will hold a gaming facility license.

These rules impose no adverse impact on rural areas. These rules apply uniformly throughout the state and apply solely to licensed gaming facilities.

These rules will have no adverse impact on job opportunities.

These rules will not adversely impact small businesses, local governments, jobs, or rural areas. Accordingly, a full Regulatory Flexibility Analysis, Rural Area Flexibility Analysis, and Job Impact Statement are not required and have not been prepared.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Definitions of Terms Used Throughout Subchapter B, Casino Gaming

I.D. No. SGC-28-16-00007-P

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

Proposed Action: Amendment of section 5300.1 of Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19) and 1307(1)

Subject: Definitions of terms used throughout Subchapter B, Casino Gaming.

Purpose: To define terms applicable to Subchapter B, Casino Gaming.

Text of proposed rule: § 5300.1. Definitions.

Unless the context indicates otherwise, the following definitions and the definitions set forth in Racing, Pari-Mutuel Wagering and Breeding Law section 1301 are applicable throughout this Subchapter:

(a) Ancillary casino vendor means a vendor providing goods or services to a gaming facility applicant or licensee that are ancillary to gaming activity.

(b) Casino vendor means a vendor providing goods or services to a gaming facility applicant or licensee that directly relate to gaming activity.

(c) Career or professional offender means any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain, using such methods as are deemed criminal violations of the public policy of this State.

(d) Career offender cartel means any group of persons who operate together as career offenders.

(e) Commission means the commissioners, staff and designees of the New York State Gaming Commission.

(f) Credit slip means a form used to record either the return of chips from a gaming table to the cage or the transfer of markers or negotiable checks from a table game to a cage or bankroll.

(g) Dealer means a person assigned to operate games.

(h) Drop box means the box attached to a table game that is used to collect the following items:

(1) currency;

(2) coin;

(3) cash equivalents;

(4) damaged chips; and

(5) all other forms used by the gaming facility and deposited in the drop box as part of the audit trail.

[(f)](i) Excluded person means a person who is excluded from a gaming facility pursuant to Part 5326 of this Subchapter.

(j) Fill means a transaction whereby a supply of chips or coins is transferred from a bankroll to a table.

(k) Gaming cheat means a person who is engaging in or attempting to engage in, or who is suspected of cheating, theft, embezzlement, a violation of this Subchapter or other illegal activities, or activities that are deemed a violation under Penal Law article 225 or equivalent violations in other jurisdictions, including a person who is required to be excluded or ejected from the licensed facility under Racing, Pari-Mutuel Wagering and Breeding Law section 1342 or Part 5327 of this Subchapter.

[g](l) Gaming facility means the premises approved under a gaming license, which includes a gaming area and any other nongaming structure related to the gaming area and may include, without limitation, hotels, restaurants and other amenities.

(m) Hand means either one game in a series, one deal in a card game or the cards held by a player in a card game, as the context requires.

(n) Match-play coupon means a coupon with a fixed, stated value that is issued and redeemed and the stated value of which, when presented by a patron with chips that are equal to or greater in value to the stated value

of the coupon, is included in the amount of the patron's wager in determining the payout on any winning bet at an authorized game.

[h](o) Material change means modification to physical or financial aspects in a manner that creates an inconsistency with the application submitted by a licensee or applicant for license. Physical aspects impact the proposed gaming facility or project site through addition, removal or alteration of the quality and nature of gaming and non-gaming amenities. Financial aspects impact the capital and financing structure through addition, removal or alteration of financing source or sources, schedule of financing source or sources and arrangement or agreements of financing plan.

[i](p) Non-gaming employee means any natural person, not otherwise included in the definition of casino key employee or gaming employee, who is employed by a gaming facility licensee or an affiliate, intermediary, subsidiary or holding company of a gaming facility licensee.

[j](q) Passive investor means an investor owning, holding or controlling up to 25 percent of the publicly traded securities issued by a gaming facility licensee or applicant or holding, intermediate or parent company of a licensee in the ordinary course of business for investment purposes only and who does not, nor intends to, exercise influence or control over the affairs of the issuer of such securities, nor over any licensed subsidiary of the issuer of such securities.

(r) Pit means the area enclosed or encircled by the arrangement of table games in which gaming facility personnel administer and supervise the live games played at the tables by patrons located outside the perimeter of such area.

(s) Promotional gaming chip and promotional coupon mean non-cashable instruments that may be used for game play.

[k](t) Qualified institutional investor means an institutional investor holding up to 15 percent of the publicly traded securities of a gaming facility applicant or licensee, or holding, intermediary or subsidiary company thereof, for investment purposes only and does not, nor intends, to exercise influence or control over the affairs of the issuer of such securities, nor over any licensed subsidiary of the issuer of such securities. To qualify as an institutional investor, an investor, other than a State or Federal pension plan, must meet the requirements of a qualified institutional buyer as defined in regulations of the United States Securities and Exchange Commission. A qualified institutional investor includes, without limitation, any of the following:

- (1) a bank as defined under Federal securities laws;
- (2) an insurance company as defined under Federal investment company laws;
- (3) an investment company registered under Federal investment company laws;
- (4) an investment advisor registered under Federal investment company laws;
- (5) collective trust funds as defined under Federal investment company laws;
- (6) an employee benefit plan or pension fund subject to the Employee Retirement Income Security Act, subject to certain exclusions;
- (7) a State or Federal government pension plan; and
- (8) such other persons as the commission may determine for reasons consistent with policies of the commission.

[l](u) Qualifier means a related party in interest to an applicant, including, without limitation, a close associate or financial resource of such applicant. Qualifiers may include, without limitation:

- (1) if the gaming facility applicant is a corporation:
 - (i) each officer;
 - (ii) each director;
- (iii) each shareholder holding five percent or more of the common stock of such company; and
 - (iv) each lender;
- (2) if the gaming facility applicant is a limited liability corporation:
 - (i) each member;
 - (ii) each transferee of a member's interest;
 - (iii) each director;
 - (iv) each manager; and
 - (v) each lender;
- (3) if the gaming facility applicant is a limited partnership:
 - (i) each general partner;
 - (ii) each limited partner; and
 - (iii) each lender;
- (4) if the gaming facility applicant is a partnership:
 - (i) each partner; and
 - (ii) each lender;
- (5) any gaming facility licensee manager or operator;
- (6) any direct and indirect parent entity of a gaming facility applicant or licensee, including any holding company;
- (7) any entity having a beneficial or proprietary interest of five percent or more in a gaming facility applicant or licensee;

(8) any other person or entity that has a business association of any kind with the gaming facility applicant or licensee; and

(9) any other person or entity that the commission may designate as a qualifier.

(v) Shift means the normal daily work period of a group of employees administering and supervising the operations of live gaming devices.

(w) Supervisor means a person employed in the operation of the authorized games in a gaming facility in a supervisory capacity or empowered to make discretionary decisions that regulate gaming facility operations, including without limitation, pit managers, floorpersons, gaming facility shift managers, the assistant gaming facility manager and the gaming facility manager.

[m](x) Temporary service provider means a vendor, a vendor's agents, servants and employees engaged by a gaming facility licensee to perform temporary services at a gaming facility for no more than 30 days in any 12-month period.

[n](y) Vendor registrant means any vendor that offers goods and services to a gaming facility applicant or licensee that is not a casino vendor or an ancillary casino vendor.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center, 6th Floor, Schenectady, NY 12305, (518) 388-3407, email: kristen.buckley@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.

Regulatory Impact Statement

1. STATUTORY AUTHORITY: Racing, Pari-Mutuel Wagering and Breeding Law ("Racing Law") section 104(19) grants authority to the Gaming Commission ("Commission") to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law section 1307(1) grants rule making authority to the Commission to implement, administer and enforce the provisions of Racing Law Article 13.

2. LEGISLATIVE OBJECTIVES: This rule making carries out the legislative objectives of the above-referenced statutes.

3. NEEDS AND BENEFITS: This rule making is necessary to establish the definitions of specific terms used throughout the New York State Gaming Commission Rules and Regulations, Chapter IV, Subchapter B, thereby enabling the Commission to implement Article 13 of the Racing Law and help New York State to capitalize on the economic development potential of legalized gambling, create thousands of well-paying jobs and increase revenue to the State. In addition this rule making is necessary to promote public confidence and trust in the credibility and integrity of casino gambling in New York State.

Section 5300.1 sets forth the definitions applicable to the New York State Gaming Commission Rules and Regulations, Chapter IV, Subchapter B. The proposed amendments contain the addition of new definitions necessitated by the promulgation of new rules by the Commission under Subchapter B.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules: The rule sets forth definitions for specific terms used throughout the New York State Gaming Commission Rules and Regulations, Chapter IV, Subchapter B. The rule will not impose any additional costs on the regulated parties.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: The rule sets forth definitions for specific terms used throughout the New York State Gaming Commission Rules and Regulations, Chapter IV, Subchapter B. The rule will not impose any additional costs on the regulatory agency, the State or local governments.

(c) The information, including the source or sources of such information, and methodology upon which the cost estimate is based: This rule solely defines specific terms used throughout Subchapter B; no source or methodology was used to determine the costs imposed by this rule.

5. LOCAL GOVERNMENT MANDATES: The rule does not impose any mandatory program, service, duty, or responsibility upon local government.

6. PAPERWORK: The rule is not expected to impose any significant paperwork or reporting requirements for regulated entities.

7. DUPLICATION: The rule does not duplicate, overlap or conflict with any existing State or federal requirements.

8. ALTERNATIVES: The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulations. Alternatives were discussed and considered with stakeholders and compared to other jurisdiction regulations. These included changing bankroll to fill bank in the credit slip definition, adding table before game in the dealer definition, deleting tokens from the fill definition and deleting issued, used and redeemed from the match-play coupon definition.

9. FEDERAL STANDARDS: There are no federal standards applicable to the rule. It is purely a matter of New York State law.

10. COMPLIANCE SCHEDULE: The Commission anticipates that affected parties will be able to achieve compliance with the rule upon adoption.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

This rule will not have any adverse impact on small businesses, local governments, jobs or rural areas. The rule sets forth the definitions applicable to the New York State Gaming Commission Rules and Regulations, Chapter IV, Subchapter B. This rule amendment proposes the addition of definitions for specific terms used throughout Subchapter B and imposes no obligations or restrictions on any regulated party, local government or small business. Therefore this rule amendment will not impact local governments or small businesses.

This rule imposes no adverse impact on rural areas. This rule applies uniformly throughout the state.

This rule will have no impact on job opportunities.

This rule will not adversely impact small businesses, local governments, jobs, or rural areas.

These rules will not adversely impact small businesses, local governments, jobs, or rural areas. Accordingly, a full Regulatory Flexibility Analysis, Rural Area Flexibility Analysis, and Job Impact Statement are not required and have not been prepared.

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

Regulation of Table Game Equipment

I.D. No. SGC-28-16-00008-P

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

Proposed Action: Addition of Part 5322 to Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19), 1307(1), (2)(g), 1335(4) and (11)

Subject: Regulation of table game equipment.

Purpose: To set forth the physical characteristics, inspection, use, storage and destruction of table game equipment.

Substance of proposed rule (Full text is posted at the following State website: www.gaming.ny.gov): The addition of Part 5322 of Subtitle T of Title 9 NYCRR will allow the New York State Gaming Commission ("Commission") to prescribe requirements for the inspection, use, storage and destruction of table game equipment. The rule also prescribes the physical characteristics for certain table game equipment.

Section 5322.1 sets forth the definitions applicable to the Part. Section 5322.2 establishes the physical characteristics of gaming chips. Section 5322.3 establishes the procedure for reserve gaming chip use. Section 5322.4 sets forth the procedure for the exchange and redemption of gaming chips and table game promotional coupons. Section 5322.5 sets forth the procedure for the receipt, security, storage and destruction of gaming chips. Sections 5322.6 and 5322.7 set forth the physical characteristics and use of tournament chips and plaques. Sections 5322.8 and 5322.9 set forth the physical characteristics of big wheels and roulette equipment. Section 5322.10 establishes the inspection and storage requirements for manual or automated shakers. Sections 5322.11 through 5322.13 set forth the physical characteristics, use, storage, inspection and destruction requirements for dice and pai gow tiles. Sections 5322.14 and 5322.15 set forth the physical characteristics, use, storage, inspection and destruction requirements for playing cards. Section 5322.16 establishes procedures for the pre-shuffle and pre-inspection of playing cards. Sections 5322.17 through 5322.19 establish requirements for the use of card readers, dealing shoes, automated dealing devices and automated card shuffling devices.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center, 6th Floor, Schenectady, NY 12305, (518) 388-3407, email: kristen.buckley@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.

Regulatory Impact Statement

1. STATUTORY AUTHORITY: Racing, Pari-Mutuel Wagering and Breeding Law ("Racing Law") section 104(19) grants authority to the Gaming Commission ("Commission") to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law sec-

tion 1307(1) authorizes the Commission to adopt regulations that it deems necessary to protect the public interest in carrying out the provisions of Racing Law Article 13.

Racing Law section 1307(2)(g) authorizes the Commission to regulate the devices permitted for use at a table game.

Racing Law section 1335(4) requires the Commission to regulate the physical characteristics of chips used within a gaming facility.

Racing Law section 1335(11) authorizes the Commission to regulate the use of automated dealing devices.

2. LEGISLATIVE OBJECTIVES: The above referenced statutory provisions carry out the legislature's stated goal "to tightly and strictly" regulate casinos "to guarantee public confidence and trust in the credibility and integrity of all casino gambling in the state and to prevent organized crime from any involvement in the casino industry" as set forth in Racing Law section 1300(10).

3. NEEDS AND BENEFITS: The proposed rules implement the above listed statutory directives regarding the utilization of table game equipment. The rules represent best practices in defining the physical characteristics, inspection, use, storage and destruction of table game equipment. Best practices addressed in the proposed rules include detailing the physical characteristics of gaming chips, pai gow tiles, plaques, big wheels, roulette wheels, dice and playing cards. The proposed rules also establish procedures for the inspection, storage and destruction of dice, pai gow tiles and playing cards. In addition, the proposed rules establish procedures for the use of automated dealing and card shuffling devices.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules: One of the three gaming facility licensees has indicated that the anticipated costs of implementing and complying with the proposed regulations will be approximately \$50,000 to \$65,000 per year.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: The costs to the Commission for the implementation of and continued administration of the rule will be negligible given that all such costs are the responsibility of the gaming facility. These rules will not impose any additional costs on local governments.

(c) The information, including the source or sources of such information, and methodology upon which the cost analysis is based: The cost estimates are based on the Commission's experience regulating racing and gaming activities within the State.

5. LOCAL GOVERNMENT MANDATES: There are no local government mandates associated with these rules.

6. PAPERWORK: These rules impose paperwork burdens on gaming facility licensees. Examples of paperwork burdens on the gaming facility licensees include the submission of the following to the Commission: a chip inventory ledger; the gaming facility's chip redemption procedures applicable to employees; gaming equipment destruction logs; samples of table game promotional coupons; playing card designs; employee training procedures regarding inspection of playing cards; and procedures for the use automated card shuffling devices.

7. DUPLICATION: These rules do not duplicate, overlap or conflict with any existing State or federal requirements.

8. ALTERNATIVES: The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulation. These included the appropriate chip and plaque denominations; the permissible anti-counterfeiting measures for value chips; the use of value chips for food and beverage purchase; the appropriate inventory controls for value chips; the use of reconstructed tile sets; the appropriate standard for the destruction of tile sets; the appropriate procedure for replacing damaged cards; the appropriate procedure for using pre-inspected and pre-shuffled cards and the appropriate use of hand deals. The Commission is also required to promulgate these rules pursuant to Racing Law sections, 1307(2)(g), 1335(4) and 1335(11).

9. FEDERAL STANDARDS: There are no federal standards applicable to the licensing of gaming facilities in New York; it is purely a matter of New York State law.

10. COMPLIANCE SCHEDULE: The Commission anticipates that the affected parties will be able to achieve compliance with these rules upon adoption.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

These rules will not have any adverse impact on small businesses, local governments, jobs or rural areas. These rules are intended to promote public confidence and trust in the credibility and integrity of casino gambling in New York State. The rules will ensure that licensed gaming facilities possess and maintain table game equipment that is authorized and trustworthy. The rules establish the physical characteristics and procedures for the inspection, use, storage and destruction of table game equipment.

These rules do not impact local governments or small businesses as it is not expected that any local government or small business will hold a gaming facility license.

These rules impose no adverse impact on rural areas. These rules apply uniformly throughout the state and solely apply to licensed gaming facilities.

These rules will have no adverse impact on job opportunities.

These rules will not adversely impact small businesses, local governments, jobs, or rural areas. Accordingly, a full Regulatory Flexibility Analysis, Rural Area Flexibility Analysis, and Job Impact Statement are not required and have not been prepared.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Licensing and Registration of Junkets and Junket Enterprises

I.D. No. SGC-28-16-00009-P

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

Proposed Action: Addition of Part 5308 to Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19), 1307(1), 1328(2), (3) and (11)

Subject: Licensing and registration of junkets and junket enterprises.

Purpose: To govern the licensing and registration of junkets and junket enterprises.

Text of proposed rule: PART 5308

Junket Operator Licensing

§ 5308.1. Permissible junket activity.

A junket, junket enterprise or junket representative, as such terms are defined in Racing, Pari-Mutuel Wagering and Breeding Law sections 1301(29), (30) and (31), shall be organized or participate with a gaming facility licensee only in accordance with Racing, Pari-Mutuel Wagering and Breeding Law section 1328.

§ 5308.2. License or registration of junket operator.

(a) A junket representative who is employed by a gaming facility licensee, an applicant for a gaming facility license or an affiliate of a gaming facility licensee, is required to be licensed as, and meet the qualifications of, a casino key employee in accordance with Part 5304 of this Subchapter, except that a junket representative does not need to fulfill the residency requirement of a casino key employee.

(b) A junket enterprise and any junket representative not employed by a gaming facility licensee, applicant for a gaming facility license or junket enterprise, is required to be licensed as, and meet the qualifications of, an ancillary casino vendor as set forth in Part 5307 of this Subchapter.

(c) A non-supervisory employee of a junket enterprise or junket representative is required to be registered as, and meet the qualifications of, a non-gaming employee as set forth in Part 5306 of this Subchapter.

(d) In addition to the requirements set forth in subdivisions (a) and (b) of this section, such applicants must submit a statement in writing affirming the applicant's agreement to submit to the jurisdiction of, and service of process in, the State of New York.

§ 5308.3. Waiver.

Upon petition by a gaming facility licensee in accordance with Racing, Pari-Mutuel Wagering and Breeding Law section 1328(13), the commission may exempt arrangements otherwise included within the definition of "junket" from compliance with this Part.

§ 5308.4. Agreement.

(a) A gaming facility licensee shall participate in a junket pursuant to a junket operator agreement with a junket representative or junket enterprise licensed in accordance with section 5308.2 of this Part. The junket operator agreement shall be filed with the commission prior to the commencement of the junket.

(b) The term of a junket operator agreement shall not exceed the expiration date of the junket representative or junket enterprise license or registration related thereto.

(c) A gaming facility licensee must notify the commission of any change to a junket operator agreement no later than three days before the commencement of the first junket arrangement subject to the revised terms.

(d) A gaming facility licensee must notify the commission of the termination of any junket operator agreement no later than five days after such termination.

§ 5308.5. Reporting.

(a) Junket operator report. A gaming facility licensee shall submit a quarterly report to the commission describing the operation of any junket representative or junket enterprise engaged on its premises, which report shall include:

(1) name of each licensed junket representative or junket enterprise;

(2) status of current relationship with each junket representative or junket enterprise;

(3) compensation paid in that quarter to each junket representative or junket enterprise;

(4) number of preferred guests attributed to each junket representative or junket enterprise;

(5) arrival and departure time and date of each junket representative or junket enterprise;

(6) list of gaming facility licensee employees acting as junket representatives; and

(7) such other information the commission may require.

(b) Patron list. A gaming facility licensee, junket representative and junket enterprise shall submit a quarterly report to the commission identifying any list of junket patrons or potential junket patrons purchased directly or indirectly by the gaming facility licensee, junket representative or junket enterprise, which report shall include:

(1) name and address of the person or enterprise selling the list;

(2) purchase price paid for the list or any other terms of compensation related to the transaction;

(3) date of purchase of the list; and

(4) zip codes of all junket patrons or potential junket patrons.

(c) Junket patron report. The junket patron report shall be made available to the on-site commission staff. The report shall include:

(1) information relating to each junket patron, including without limitation:

(i) name;

(ii) date of birth;

(iii) citizenship;

(iv) address of usual place of residence; and

(v) identity card, passport, taxpayer identification or any other government-issued identity document as evidence of such patron's nationality or residence and bearing a photograph of the individual;

(2) date and time of arrival of each patron when on a junket at the gaming facility;

(3) name and license number of each junket representative accompanying a patron; and

(4) amount and type of commission, rebate or complimentary given to each patron.

§ 5308.6. Junket operator prohibitions.

No junket enterprise or junket representative or person acting as a junket representative may engage in the activities set forth in Racing, Pari-Mutuel Wagering and Breeding Law 1328(14).

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center, 6th Floor, Schenectady, NY 12305, (518) 388-3407, email: kristen.buckley@gaming.ny.gov

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

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Regulatory Impact Statement

1. STATUTORY AUTHORITY: Racing, Pari-Mutuel Wagering and Breeding Law ("Racing Law") section 104(19) grants authority to the Gaming Commission ("Commission") to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law section 1307(1) authorizes the Commission to adopt regulations that it deems necessary to protect the public interest in carrying out the provisions of Racing Law Article 13.

Racing Law section 1328(2) authorizes the Commission to regulate and license junket representatives as casino key employees.

Racing Law section 1328(3) authorizes the Commission to regulate and license junket enterprises as ancillary vendors.

Racing Law section 1328(11) mandates the Commission prescribe methods, procedures and forms for the delivery and retention of information concerning the conduct of junkets by gaming facility licensees.

2. LEGISLATIVE OBJECTIVES: The above referenced statutory provisions carry out the legislature's stated goal "to tightly and strictly" regulate casinos "to guarantee public confidence and trust in the credibility and integrity of all casino gambling in the state and to prevent organized crime from any involvement in the casino industry" as set forth in Racing Law section 1300(10).

3. NEEDS AND BENEFITS: The proposed rules implement the above listed statutory directives regarding the licensing requirements and procedures for registration of junkets. The rules provide specificity with respect to the above listed statutory directives to assure registration, notification and reporting requirements of all junkets. In addition, this rule making is necessary to promote public confidence and trust in the credibility and integrity of casino gambling in New York State.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules: gaming facility licensees are responsible for the fees associated with employee applications, which will include the applications of a junket representative as a casino key employee. Vendors are responsible for the fees associated with the vendor application which will include ancillary vendor applications for junket enterprises.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: These rules will impose costs on the division of state police and the Commission for reviewing and investigating junket representative and enterprise applications. These rules will not impose any additional costs on local governments.

(c) The information, including the source or sources of such information, and methodology upon which the cost analysis is based: The costs associated with licensing junket representatives as casino key employees and junket enterprises as ancillary vendors will be based on hourly rates for the division of state police to conduct background investigations and on the Commission's administrative cost to process and issue such licenses and registrations. These costs will vary depending on the individual employee or vendor applicant and thus no estimate of cost is available.

5. LOCAL GOVERNMENT: There are no local government mandates associated with these rules.

6. PAPERWORK: These rules impose paperwork burdens on junkets to apply for licensure and/or registration. Junkets are required to report quarterly to the Commission.

7. DUPLICATION: These rules do not duplicate, overlap or conflict with any existing State or federal requirements.

8. ALTERNATIVES: The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulation. Alternatives were discussed and considered with stakeholders and compared to other jurisdictions regulations. These included providing clarification on the following: permissible junket activity, affiliate of a gaming facility licensee and submission and terms used in a junket patron report. The Commission is also required to promulgate these rules pursuant to Racing Law sections 1328(2), 1328(3) and 1328(11).

9. FEDERAL STANDARDS: There are no federal standards applicable to the licensing of gaming facilities in New York; it is purely a matter of New York State law.

10. COMPLIANCE SCHEDULE: The Commission anticipates that the affected parties will be able to achieve compliance with these rules upon adoption.

Regulatory Flexibility Analysis

1. EFFECT OF RULE: These rules provide for the licensure of junket representatives and junket enterprises. Small business junket enterprises seeking to be licensed will be impacted by these rules. Local government will not be affected by these rules.

2. COMPLIANCE REQUIREMENTS: These rules require all junket representatives and junket enterprises to apply for licensure with the Commission.

3. PROFESSIONAL SERVICES: No new or additional professional services are required in order to comply with these rules.

4. COMPLIANCE COSTS: Junket representatives and junket enterprises need to apply for licensure with the Commission and will incur costs associated with the application and licensure. The costs for a junket representative to be licensed as a key employee will be born by the gaming facility. The junket enterprise required to be licensed as an ancillary vendor will bear the costs for licensure. The costs for the application will be based on the hourly rates for the division of state police to conduct background investigations and a license fee may be incurred based upon the Commission's administrative costs to process and issue such licenses.

5. ECONOMIC AND TECHNOLOGICAL FEASIBILITY: These rules will not impose any technological costs on small businesses or local government.

6. MINIMIZING ADVERSE IMPACT: These rules do not impose adverse impacts on small businesses or local government.

7. SMALL BUSINESS AND LOCAL GOVERNMENT PARTICIPATION: Small businesses and host local governments will have the opportunity to participate in the rule making process during the public comment period which will commence when these rules are formally proposed.

Several of the development zone regions authorized to host a licensed gaming facility, as contemplated by Racing, pari-Mutuel Wagering and Breeding Law section 1310, are located within "rural areas" as that term is defined in Executive Law section 481(7). The decision to locate a licensed gaming facility in a rural area will not have an adverse economic impact. These rules have the potential to boost economic development within rural areas. Accordingly, a rural flexibility analysis is not required and one has not been prepared.

Rural Area Flexibility Analysis

Several of the development zone regions authorized to host a licensed gaming facility, as contemplated by Racing, pari-Mutuel Wagering and

Breeding Law section 1310, are located within "rural areas" as that term is defined in Executive Law section 481(7). The decision to locate a licensed gaming facility in a rural area will not have an adverse economic impact. These rules have the potential to boost economic development within rural areas. Accordingly, a rural flexibility analysis is not required and one has not been prepared.

Job Impact Statement

1. NATURE OF IMPACT: The Commission has determined that these rules will not have a substantial adverse impact on jobs and employment opportunities. To the contrary, these rules are intended to create jobs.

2. CATEGORIES AND NUMBERS AFFECTED: It is anticipated that up to four gaming facilities, as contemplated by Racing, Pari-Mutuel Wagering and Breeding Law Article 13, would generate numerous employment opportunities for junket representatives and employees of junket enterprises.

3. REGIONS OF ADVERSE IMPACT: The Commission does not anticipate regions of the state to suffer a disproportionate adverse impact in regards to jobs or employment opportunities.

4. MINIMIZING ADVERSE IMPACT: These rules do not create any unnecessary adverse impact on existing jobs. A positive impact on jobs and employment is anticipated.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Registration of Labor Organizations

I.D. No. SGC-28-16-00010-P

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

Proposed Action: Addition of Part 5310 to Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19), 1307(1), 1330(1) and (2)

Subject: Registration of labor organizations.

Purpose: To govern the registration of labor organizations.

Text of proposed rule: PART 5310

Labor Organization Registration

§ 5310.1. *Labor organization registration.*

(a) *A labor organization, union or affiliate seeking to represent employees who are employed in a gaming facility by a gaming facility licensee, shall file biennially with the commission a labor organization registration statement the commission supplies and may amend when necessary.*

(b) *A labor organization registration statement shall include, without limitation, the following:*

(1) *names and addresses of labor organizations, unions or affiliates associated with the registrant;*

(2) *information as to whether the registrant is involved or seeking to be involved actively, directly or substantially in the control or direction of the representation of any employee licensed by the commission and employed by a gaming facility licensee;*

(3) *information as to whether the registrant holds, directly or indirectly, any financial interest whatsoever in the gaming facility licensee;*

(4) *names of any pension and welfare systems maintained by the registrant and all officers and agents of such organizations and systems;*

(5) *names of all officers, agents and principal employees of the registrant; and*

(6) *such other information the commission may require.*

(c) *A labor organization, union or affiliate may satisfy the requirements of paragraphs (1) through (6) of subdivision (b) of this section by providing the commission a copy of a report, or relevant portion thereof, filed with the United States Secretary of Labor pursuant to 29 USC 431 et seq. (Labor-Management Reporting and Disclosure Act).*

(d) *A labor organization, union or affiliate that meets the exemptions set forth in Racing, Pari-Mutuel Wagering and Breeding Law section 1330(1) may, upon petition to the commission, be exempted from the registration requirements set forth in subdivisions (a) and (b) of this section.*

§ 5310.2. *Labor organization officers, agents and principal employees.*

(a) *Each officer, agent and principal employee of a labor organization, union or affiliate registered or required to be registered pursuant to this Part shall:*

(1) *file with the commission a labor organization individual disclosure form the commission supplies and may amend from when necessary; and*

(2) be qualified in accordance with criteria set forth in Racing, Pari-Mutuel Wagering and Breeding Law section 1318, unless the commission waives such qualification in accordance with Racing, Pari-Mutuel Wagering and Breeding Law section 1330(2).

(b) Notwithstanding subdivision (a) of this section, a labor organization individual disclosure form shall not be filed by an officer, agent or principal employee of a labor organization, union or affiliate who exercises no authority, discretion or influence over the operation of such labor organization with regard to any employment matters relating to licensed gaming facility employees.

§ 5310.3. Authorized representative access.

A gaming facility licensee shall grant authorized representatives of a labor organization, union or affiliate registered pursuant to this Part access to non-sensitive, back-of-house areas within the gaming facility to permit meetings with their members.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center, 6th Floor, Schenectady, NY 12305, (518) 388-3407, email: kristen.buckley@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.

Regulatory Impact Statement

1. STATUTORY AUTHORITY: Racing, Pari-Mutuel Wagering and Breeding Law ("Racing Law") section 104(19) grants authority to the Gaming Commission ("Commission") to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law section 1307(1) authorizes the Commission to adopt regulations that it deems necessary to protect the public interest in carrying out the provisions of Racing Law Article 13.

Racing Law section 1330(1) mandates the registration of labor organizations, unions, or affiliates seeking to represent employees who are employed by a gaming facility on a biennial basis.

Racing Law section 1330(2) requires the Commission investigate officers, agents, and principal employees of labor organizations for disqualifying criteria.

2. LEGISLATIVE OBJECTIVES: The above referenced statutory provisions carry out the legislature's stated goal "to tightly and strictly" regulate casinos "to guarantee public confidence and trust in the credibility and integrity of all casino gambling in the state and to prevent organized crime from any involvement in the casino industry" as set forth in Racing Law section 1300(10).

3. NEEDS AND BENEFITS: The proposed rules implement the above listed statutory directives regarding the licensing requirements and procedures for registration of labor organizations. The rules provide specificity with respect to the above listed statutory directives to assure registration, notification and reporting requirements of all labor organizations. In addition, this rule making is necessary to promote public confidence and trust in the credibility and integrity of casino gambling in New York State.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules. Labor Organizations will be responsible for fees associated with the background investigations necessary for each officer, agent and principal employee.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: These rules will impose costs on the division of state police and the Commission for reviewing and investigating labor organizations. These rules will not impose any additional costs on local governments.

(c) The information, including the source or sources of such information, and methodology upon which the cost analysis is based: The costs associated with registering labor organizations will be based on hourly rates for the division of state police to conduct the necessary background investigations and on the Commission's administrative cost to process and issue such licenses and registrations. These costs will vary depending on the individuals involved in the organization and thus no estimate of cost is available.

5. LOCAL GOVERNMENT MANDATES: There are no local government mandates associated with these rules.

6. PAPERWORK: These rules impose paperwork burdens on labor organizations to apply for registration with the Commission. Labor organizations will file biennially and amend when necessary.

7. DUPLICATION: These rules do not duplicate, overlap or conflict with any existing State or federal requirements.

8. ALTERNATIVES: The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulation. Alternatives were discussed and considered with stakeholders and compared to other jurisdictions regulations. The Commission received no comments from stakeholders.

9. FEDERAL STANDARDS: There are no federal standards applicable to the licensing of gaming facilities in New York; it is purely a matter of New York State law.

10. COMPLIANCE SCHEDULE: The Commission anticipates that the affected parties will be able to achieve compliance with these rules upon adoption.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

These rules establish the standards for the registration requirements for labor organizations and will not have any adverse impact on small businesses, local governments, jobs or rural areas.

These rules do not impact local governments or small businesses as it is not expected that any local government or small business will be required to register as a labor organization.

These rules impose no adverse impact on rural areas. These rules apply uniformly throughout the state.

These rules will have no adverse impact on job opportunities.

These rules will not adversely impact small businesses, local governments, jobs, or rural areas. Accordingly, a full Regulatory Flexibility Analysis, Rural Area Flexibility Analysis, and Job Impact Statement are not required and have not been prepared.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

To Set Forth the Practices and Procedures for the Conduct and Operation of Table Games

I.D. No. SGC-28-16-00011-P

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

Proposed Action: Addition of Part 5323 to Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19), 1307(1), (2)(g), 1335(4) and (6)

Subject: To set forth the practices and procedures for the conduct and operation of table games.

Purpose: To regulate the conduct and operation of gaming tables.

Substance of proposed rule (Full text is posted at the following State website: www.gaming.ny.gov): The addition of Part 5323 of Subtitle T of Title 9 NYCRR will allow the New York State Gaming Commission ("Commission") to prescribe requirements for the conduct and operation of table games.

Section 5323.1 sets forth the definitions applicable to the Part. Section 5323.2 sets forth the requirement for table game staffing plans, table game equipment schematics and table game layouts to be submitted to the Commission for approval. Section 5323.3 requires a gaming facility licensee to establish a dealer training program as part of its system of internal controls. Sections 5323.4 through 5323.7 set forth the table inventory, opening, shift change and closing requirements for table games. Sections 5323.8 and 5323.9 establish requirements for the distribution and removal of chips and coins. Section 5323.10 sets forth the requirements for the acceptance and exchange of cash and coupons for gaming chips or plaques. Section 5323.11 requires a gaming facility licensee to receive commission approval for minimum and maximum table game wagers. Sections 5323.12 and 5323.13 require a gaming facility licensee to post payout odds and table game rules at a table game. Section 5323.14 requires gaming facility licensees to maintain and make available the complete text of authorized table game rules. Sections 5323.15 and 5323.16 set for the requirements for a progressive table game system and payment of progressive wagers. Section 5323.17 sets forth the requirements for the conduct of table game tournaments. Section 5323.18 requires a gaming facility licensee to submit new table games or new features to the Commission for approval. Section 5323.19 authorizes the temporary operation of a new table game or table game feature.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center, 6th Floor, Schenectady, NY 12305, (518) 388-3407, email: kristen.buckley@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.

Regulatory Impact Statement

1. STATUTORY AUTHORITY: Racing, Pari-Mutuel Wagering and Breeding Law ("Racing Law") section 104(19) grants authority to the Gaming Commission ("Commission") to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law sec-

tion 1307(1) authorizes the Commission to adopt regulations that it deems necessary to protect the public interest in carrying out the provisions of Racing Law Article 13.

Racing Law section 1307(2)(g) authorizes the Commission to regulate the operation and rules of authorized table games.

Racing Law section 1335(4) requires the Commission to regulate the minimum and maximum wagers at a table game.

Racing Law section 1335(6) requires the Commission to regulate the location of and access to table game rules and payout odds.

2. LEGISLATIVE OBJECTIVES: The above referenced statutory provisions carry out the legislature's stated goal "to tightly and strictly" regulate casinos "to guarantee public confidence and trust in the credibility and integrity of all casino gambling in the state and to prevent organized crime from any involvement in the casino industry" as set forth in Racing Law section 1300(10).

3. NEEDS AND BENEFITS: The proposed rules implement the above listed statutory directives regarding table game standards. The rules represent best practices in defining procedures for the conduct and operation of table games. Best practices addressed in the proposed rules include establishing a table game staffing plan and a dealer training program. In addition, the proposed rules set forth procedures for the opening and closing of table games; the acceptance, distribution and removal of chips and coins from table games; the posting of payout odds and table game rules; the setting of minimum and maximum wagers and the request to offer a new table game or feature.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules: One of the three gaming facility licensees has indicated that the anticipated costs of implementing and complying with the proposed regulations will be initially \$400,000 to \$600,000 with an annual recurring expense of less than \$200,000.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: The costs to the Commission for the implementation of and continued administration of the rule will be negligible given that all such costs are the responsibility of the gaming facility. These rules will not impose any additional costs on local governments.

(c) The information, including the source or sources of such information, and methodology upon which the cost analysis is based: The cost estimates are based on the Commission's experience regulating racing and gaming activities within the State.

5. LOCAL GOVERNMENT MANDATES: There are no local government mandates associated with these rules.

6. PAPERWORK: These rules impose paperwork burdens on gaming facility licensees. Examples of paperwork burdens on the gaming facility licensees include the submission of the following to the Commission: a table game staffing plan; table game equipment schematics; a dealer training program; a table game layout, table game minimum and maximum wagers; table game rule signs; a table game tournament schedule and a request to offer a new table game or feature.

7. DUPLICATION: These rules do not duplicate, overlap or conflict with any existing State or federal requirements.

8. ALTERNATIVES: The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulation. These included the appropriate time to review table game operation plans; the appropriate time to count chips and coins; the appropriate information in fill request; the appropriate use of a match-play coupon as a wager; the appropriate patron access to table game rules and the appropriate notice and certifications required for table game tournaments. The Commission is also required to promulgate these rules pursuant to Racing Law sections 1307(2)(g), 1335(4) and 1335(6).

9. FEDERAL STANDARDS: There are no federal standards applicable to the licensing of gaming facilities in New York; it is purely a matter of New York State law.

10. COMPLIANCE SCHEDULE: The Commission anticipates that the affected parties will be able to achieve compliance with these rules upon adoption.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

These rules will not have any adverse impact on small businesses, local governments, jobs or rural areas. These rules are intended to promote public confidence and trust in the credibility and integrity of casino gambling in New York State. The rules will ensure that licensed gaming facilities conduct table games in a uniform manner. The rules establish the procedures for the opening and closing of table games; the acceptance, distribution and removal of chips and coins from table games; the posting of payout odds and table game rules; the setting of minimum and maximum wagers and the request to offer a new table game or feature.

These rules do not impact local governments or small businesses as it is not expected that any local government or small business will hold a gaming facility license.

These rules impose no adverse impact on rural areas. These rules apply uniformly throughout the state and solely apply to licensed gaming facilities.

These rules will have no adverse impact on job opportunities.

These rules will not adversely impact small businesses, local governments, jobs, or rural areas. Accordingly, a full Regulatory Flexibility Analysis, Rural Area Flexibility Analysis, and Job Impact Statement are not required and have not been prepared.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Registration of Lobbyists

I.D. No. SGC-28-16-00012-P

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

Proposed Action: Addition of Part 5309 to Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19), 1307(1) and 1329

Subject: Registration of lobbyists.

Purpose: To govern the registration of lobbyists.

Text of proposed rule: PART 5309

Lobbyist Registration

§ 5309.1. Registration of lobbyists.

A lobbyist seeking to engage in lobbying activity on behalf of a client or a client's interest before the commission shall, in advance of such activity and in accordance with Racing, Pari-Mutuel Wagering and Breeding Law section 1329, file a lobbying registration form the commission supplies and may amend from time to time.

§ 5309.2. Termination.

Upon the termination of a lobbyist's retainer, employment or designation, such lobbyist and the client on whose behalf such service has been rendered shall give written notice to the commission within 30 days after the lobbyist ceases the activity that required such lobbyist to file a lobbying registration form. Such lobbyist shall nevertheless comply with reporting requirements up to the date such activity has ceased, as required by Article 1-A of the Legislative Law.

Text of proposed rule and any required statements and analyses may be obtained from: Kristen Buckley, New York State Gaming Commission, One Broadway Center, 6th Floor, Schenectady, NY 12305, (518) 388-3407, email: kristen.buckley@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.

Regulatory Impact Statement

1. STATUTORY AUTHORITY: Racing, Pari-Mutuel Wagering and Breeding Law ("Racing Law") section 104(19) grants authority to the Gaming Commission ("Commission") to promulgate rules and regulations that it deems necessary to carry out its responsibilities. Racing Law section 1307(1) authorizes the Commission to adopt regulations that it deems necessary to protect the public interest in carrying out the provisions of Racing Law Article 13.

Racing Law section 1329 mandates registration of lobbyists with the Secretary of the Commission.

2. LEGISLATIVE OBJECTIVES: The above referenced statutory provisions carry out the legislature's stated goal "to tightly and strictly" regulate casinos "to guarantee public confidence and trust in the credibility and integrity of all casino gambling in the state and to prevent organized crime from any involvement in the casino industry" as set forth in Racing Law section 1300(10).

3. NEEDS AND BENEFITS: The proposed rules implement the above listed statutory directives regarding the licensing requirements and procedures for registration of lobbyists. The rules provide specificity with respect to the above listed statutory directives to assure registration, notification and reporting requirements of all lobbyists. In addition, this rule making is necessary to promote public confidence and trust in the credibility and integrity of casino gambling in New York State.

4. COSTS:

(a) Costs to the regulated parties for the implementation of and continuing compliance with these rules: Lobbyist groups will have to file a form provided by the Commission for registration. There is no filing fee associated with the registration form and therefore no anticipated cost to the regulated party.

(b) Costs to the regulating agency, the State, and local governments for the implementation of and continued administration of the rule: These rules will not impose a cost to the Commission, State or local governments.

(c) The information, including the source or sources of such information, and methodology upon which the cost analysis is based: The cost estimates are based on the Commission's experience regulating racing and gaming activities within the State.

5. **LOCAL GOVERNMENT MANDATES:** There are no local government mandates associated with these rules.

6. **PAPERWORK:** These rules impose a paperwork burden on lobbyists to file a registration with the Commission on a form provided by the Commission. Lobbyists will report prior to engaging in any activity and upon termination.

7. **DUPLICATION:** These rules do not duplicate, overlap or conflict with any existing State or federal requirements.

8. **ALTERNATIVES:** The Commission consulted stakeholders and reviewed other gambling jurisdiction best practices and regulation. Alternatives were discussed and considered with stakeholders and compared to other jurisdictions regulations. The Commission received no comments from stakeholders.

9. **FEDERAL STANDARDS:** There are no federal standards applicable to the licensing of gaming facilities in New York; it is purely a matter of New York State law.

10. **COMPLIANCE SCHEDULE:** The Commission anticipates that the affected parties will be able to achieve compliance with these rules upon adoption.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

These rules establish set forth the standards for lobbyist registration and will not have any adverse impact on small businesses, local governments, jobs or rural areas.

These rules do not impact local governments or small businesses as it is not expected that any local government or small business will be registered as a lobbyist with the Commission.

These rules impose no adverse impact on rural areas. These rules apply uniformly throughout the state.

These rules will have no adverse impact on job opportunities.

These rules will not adversely impact small businesses, local governments, jobs, or rural areas. Accordingly, a full Regulatory Flexibility Analysis, Rural Area Flexibility Analysis, and Job Impact Statement are not required and have not been prepared.

Department of Motor Vehicles

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Fees Charged for the Impaired Driving Program Course

I.D. No. MTV-28-16-00003-P

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

Proposed Action: Amendment of section 134.14 of Title 15 NYCRR.

Statutory authority: Vehicle and Traffic Law, sections 215(a), 1196(1) and (6)

Subject: Fees charged for the Impaired Driving Program course.

Purpose: To increase the fee for the Impaired Driving Program course, so that \$20 may be directed to curriculum development.

Text of proposed rule: Subdivision (b) of Section 134.14 is amended to read as follows:

(b) Except as provided in subdivisions (c) and (d) of this section, the total fee for a rehabilitation program shall not exceed [§300] *\$315*. Seventy-five dollars of any such total fee shall represent the reimbursement of costs for administrative expenses incurred by the Department of Motor Vehicles and sentencing courts. A participant in the program shall not be required to pay the \$75 dollar fee to the department if such participant held a conditional license pending prosecution under section 134.18 of this Part, if such conditional license was not revoked, and such conditional license was issued as the result of the same violation on which participation in such program is based. The Commissioner may require that up to [§5] *\$20* of the total fee for a rehabilitation program shall be used for reimbursement of costs for curriculum enhancements to be developed by the Department of Motor Vehicles and/or a third party authorized by the department. If the commissioner so requires, written notification of such requirement shall be sent to all rehabilitation programs, and such portion of the fee shall be paid by the program directly to such authorized third party.

Text of proposed rule and any required statements and analyses may be obtained from: Heidi Bazicki, Department of Motor Vehicles, 6 Empire State Plaza, Rm. 522A, Albany, NY 12228, (518) 474-0871, email: heidi.bazicki@dmv.ny.gov

Data, views or arguments may be submitted to: David Cadalso, Department of Motor Vehicles, 6 Empire State Plaza, Rm. 522A, Albany, NY 12228, (518) 474-0871, email: heidi.bazicki@dmv.ny.gov

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

Regulatory Impact Statement

1. **Statutory authority:** Vehicle and Traffic Law (VTL) section 215(a) provides that the Commissioner of Motor Vehicles may enact rules and regulations that regulate and control the exercise of the powers of the Department. Vehicle and Traffic Law § 1196(1) establishes the Alcohol and Drug Rehabilitation Program (also referred to as the Impaired Driver Program or "IDP") within the Department of Motor Vehicles. Vehicle and Traffic Law § 1196(6) provides that the Commissioner shall establish a schedule of fees to be paid by or on behalf of each participant in the program, and may from time to time, modify the fees.

2. **Legislative objectives:** Vehicle and Traffic Law § 1196(6) provides that the fees to be established by the Commissioner shall defray the ongoing expenses of the IDP. The proposed rule is in accord with the public policy objectives that the Legislature sought to advance by allowing the Commissioner to modify such fees in order to defray the expenses of the IDP, and, specifically, the cost of sustaining a successful evidence based curriculum to rehabilitate and educate persons convicted of alcohol and drugged driving related offenses.

3. **Needs and benefits:** This regulation is necessary to defray the costs of the IDP, specifically curriculum enhancements that are central to the IDP.

Upon conviction for a violation of alcohol-related offenses and driving while ability impaired by drugs, some defendants are, as part of their sentence, ordered to participate in the IDP; many others take the course voluntarily, in part, because participation is necessary to obtain a conditional license. Approximately 20,000 persons attend the IDP annually. A strong, evidence based curriculum is critical to the successful rehabilitation of these individuals.

Part 134.14 of the Commissioner's Regulations provides a schedule of fees to be paid by or on behalf of each participant in the IDP, which fees defray the ongoing expenses of the IDP. Part 134.14(b) provides that the total fee for the IDP shall not exceed \$300.00 and that up to \$5.00 of the total fee "shall be used for reimbursement of costs for curriculum enhancements to be developed by the Department of Motor Vehicles and/or a third party authorized by the Department." The diversion of \$5.00 to curriculum enhancements was implemented about 12 years ago and is insufficient to sustain a high quality curriculum.

The current contract with the Department's third party IDP curriculum provider expires in February 2017. DMV is in the process of developing an Invitation for Bid (IFB) for a curriculum provider, to be issued in the fall of 2016. Based upon the experience in other states, it is unlikely the Department will be able to secure high quality bidders while offering a \$5 fee for curriculum enhancement, which includes the cost of the student workbook. For example, of the 17 states in which the current IDP vendor is the sole program provider, New York has the lowest rate charged for the curriculum enhancements, with Alaska's rate being the highest at \$30.00 and the next lowest rate being Hawaii at \$15.00. By raising the IDP fee from \$300 to \$315, the Department will be able to direct \$20 of such fee to the IDP curriculum provider, both insuring uninterrupted service to course participants and that qualified vendors will bid on the contract.

The curriculum provider not only develops the curriculum and publishes a workbook for course participants, but it provides training for the IDP instructors, a certification program and refresher courses. The current \$5 fee is simply insufficient to attract a curriculum provider that will offer all of these services.

Although New York State has made significant strides in addressing the problem of driving while impaired by alcohol and/or drugs, drunk and drugged driving remain critical highway safety problems. Offering a strong, evidenced based curriculum in the IDP is a necessary part of the continuing battle to confront these problems.

4. **Costs:** a. The approximate cost to regulated parties: The proposed rule will not impose additional costs on those entities that provide the IDP, since it will allow them to charge an additional \$15 to be paid by each participant in the program by increasing the total fee for the program from \$300 to \$315. The rule provides that a maximum of \$20 of the total fee shall be paid by IDP providers to curriculum providers for curriculum enhancements. The program currently services approximately 20,000 motorists annually. If each enrollee were to be charged the additional \$15, this would result in an overall increase estimated to be approximately \$300,000 annually. The enrollees would pay these costs.

b. Costs to the agency, the State and local governments: None. State and local agencies are not affected by this rule, and therefore, the rule will not impose any costs on those agencies.

5. Local government mandates: This rule does not affect local governments, and therefore, imposes no mandates on local governments.

6. Paperwork: There are no additional reporting requirements associated with this rule.

7. Duplication: This rule does not duplicate, overlap, or conflict with any other State or federal statute or regulation.

8. Alternatives: Multiple alternatives were considered ranging from lowering the curriculum vendor requirements in order to increase the likelihood of viable bidders to DMV developing a proprietary IDP curriculum and instructor preparation program. A variety of fiscal alternatives were also considered, such as not raising the fee or reallocating existing funds in the DMV budget in order to subsidize a fee increase and reduce the burden on motorists.

The cost and time required for DMV to develop its own in-house curriculum or to contract with a third party to develop a DMV in-house curriculum would exceed what can be accomplished by increasing the amount allotted to a third party provider. Additionally, developing an in-house curriculum would not result in a ready-to-implement, evidence-based program.

None of the alternatives are achievable in the short term, nor do they ensure the quality and value that can be attained by contracting with a specialized curriculum provider at a fair market rate. Increasing the rate seems to be the only viable solution for securing a viable curriculum.

A no action alternative was not considered.

9. Federal standards: The proposed rule does not exceed any federal minimum standards.

10. Compliance schedule: The Department of Motor Vehicles anticipates that affected IDP and curriculum providers will be able to comply with the proposed rule immediately.

Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

A Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and a Job Impact Statement are not required for this rulemaking proposal because it will not adversely affect small businesses, local governments, rural areas or job creation.

This proposal concerns the amount of reimbursement of costs for curriculum enhancements related to alcohol and drug rehabilitation programs for drivers. Due to its narrow focus, this rule will not impose an adverse economic impact on small businesses, local governments, rural areas or employment opportunities.

Office of Parks, Recreation and Historic Preservation

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Criteria Enabling Municipal Law Enforcement Agencies to Receive State Aid for Snowmobile Enforcement Duties

I.D. No. PKR-28-16-00004-P

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

Proposed Action: This is a consensus rule making to amend section 457.33(b) of Title 9 NYCRR.

Statutory authority: Parks, Recreation and Historic Preservation Law, sections 3.09(8) and 25.01

Subject: Criteria enabling municipal law enforcement agencies to receive State aid for snowmobile enforcement duties.

Purpose: To promote local snowmobile enforcement by easing restrictions on State aid eligibility.

Text of proposed rule: Subsection (b) of section 457.33 of Title 9 is amended as follows:

(b) Personnel [service, temporarily] assigned to snowmobile law enforcement. (1) The wages of personnel so assigned, authorized and paid by the county or municipality, during the period in which the person actually performs the duty of enforcing article 25 of the Parks, Recreation and Historic Preservation Law, shall be an authorized expenditure. If an officer is assigned to such duty, all wages earned during such period become

part of a claim. If an officer is assigned snowmobile duties intermittently, an itemized account of such time [and the reasons therefor] must be submitted, and that portion of wages earned while actually engaged in snowmobile law enforcement shall be deemed an authorized expenditure. [However, in cases of intermittent duties in snowmobile law enforcement, no claim may be submitted unless each person involved has been engaged in the duty of snowmobile law enforcement for a total period of not less than 40 hours during the calendar year.]

[(2) Temporary personnel employed seasonally for the specific purpose of snowmobile enforcement. The total wages of persons in this category are an authorized expenditure. However, these persons shall be engaged exclusively in the duty of snowmobile law enforcement, and their period of employment shall not exceed the duration of the snowmobile season which is common to the county, city, town or village submitting the claim. A minimum total of 40 hours of snowmobile enforcement duty and completion of a State-sponsored law enforcement training school is required before a claim for reimbursement of wages may be submitted.]

Text of proposed rule and any required statements and analyses may be obtained from: Shari Calnero, Office of Parks, Recreation and Historic Preservation, 625 Broadway, Albany, NY 12207, (518) 486-5685, email: Shari.Calnero@parks.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.

Consensus Rule Making Determination

The Office of Parks, Recreation and Historic Preservation (OPRHP) is proposing to amend, by a consensus rule making, the criteria allowing municipal law enforcement agencies to be eligible for state aid for personnel assigned to snowmobile enforcement as set forth in 9 NYCRR § 457.33(b).

The amendment will promote local snowmobile enforcement of OPRHP's snowmobile regulations by easing restrictions on state aid eligibility. Specifically, the rule, as amended, allows municipal law enforcement agencies to receive state aid for assigning personnel to snowmobile enforcement duties regardless of whether the personnel are permanent or seasonal employees and without the requirements that personnel log 40 hours of snowmobile enforcement duty per year or complete a State-sponsored law enforcement training.

No party is likely to object to the positive impacts that will result from this rule change. Moreover, this amendment will not have a negative impact because there is no change in the amount of state aid available for snowmobile enforcement, which amount is capped at \$150,000. The amendment would likely have a positive impact because it will allow understaffed law enforcement agencies to utilize their snowmobile law enforcement personnel and resources more efficiently by making more snowmobile enforcement hours eligible for state aid. Additionally, these officers will be able to address the concerns of the snowmobiling public, such as the large presence of unregistered snowmobiles on the trails, and agencies will be able to allocate more officers to these concerns with the elimination of the training and 40 hour duty minimum. The proposed amendments would incentivize increased snowmobile law enforcement duty by making more personnel eligible for state aid. For the above reasons, the proposed rulemaking would not cause controversy, but rather have a positive impact on the law enforcement agencies and the safety of the snowmobiling public.

Job Impact Statement

A job impact statement is not submitted because this proposed rule will have no adverse impact on jobs or employment opportunities. In fact, the proposed amendments to 9 NYCRR 457.33(b) will likely create more jobs because they will promote local snowmobile enforcement by easing restrictions on state aid eligibility. Because law enforcement agencies would be able to allocate more officers for snowmobile law enforcement duty, there is no adverse impact on jobs or employment opportunities.

Public Service Commission

NOTICE OF ADOPTION

Increase in Annual Revenues and Tariff Revisions

I.D. No. PSC-04-16-00015-A

Filing Date: 2016-06-23

Effective Date: 2016-06-23

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

Action taken: On 6/22/16, the PSC adopted an order authorizing the Village of Fairport Electric Department (Fairport) to increase its annual revenues by \$302,598, effective July 1, 2016 and is directed to file additional tariff revisions to implement the changes.

Statutory authority: Public Service Law, sections 5, 65 and 66

Subject: Increase in annual revenues and tariff revisions.

Purpose: To authorize Fairport to increase its annual revenues and direct the filing of additional tariff revisions.

Substance of final rule: The Commission, on June 22, 2016, adopted an order authorizing the Village of Fairport Electric Department (Fairport) to increase its annual revenues by \$302,598, effective July 1, 2016, which amounts to an increase of approximately 1.42% in total revenues, or 1.62% in base revenues and directed Fairport to file additional tariff revisions to implement the changes, subject to the terms and conditions set forth in the order.

Final rule as compared with last published rule: No changes.

Text of rule may be obtained from: John Pitucci, Public Service Commission, Three Empire State Plaza, Albany, New York, 12223, (518) 486-2655, email: john.pitucci@dps.ny.gov An IRS employer ID no. or social security no. is required from firms or persons to be billed 25 cents per page. Please use tracking number found on last line of notice in requests.

Assessment of Public Comment

An assessment of public comment is not submitted with this notice because the rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(16-E-0005SA1)

**PROPOSED RULE MAKING
HEARING(S) SCHEDULED**

Major Water Rate Filing

I.D. No. PSC-28-16-00015-P

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

Proposed Action: The Commission is considering a proposal filed by New York American Water Company, Inc. to increase its revenues and make changes to rates, charges, rules and regulations as contained in its Schedule PSC No. 5 — Water, superseding PSC Nos. 1-4 — Water.

Statutory authority: Public Service Law, section 89-c(1) and (10)

Subject: Major water rate filing.

Purpose: To consider a proposal to increase revenues by approximately \$8.49 million or 8.3% and consolidate tariffs and rates.

Public hearing(s) will be held at: 10:30 a.m., October 13, 2016 and continuing daily as needed at Department of Public Service, Three Empire State Plaza, 3rd Fl. Hearing Rm., Albany, NY (Evidentiary Hearing)*.

*On occasion, there are requests to reschedule or postpone evidentiary hearing dates. If such a request is granted, notification of any subsequent scheduling changes will be available at the DPS website (www.dps.ny.gov) under Case 16-W-0259.

Interpreter Service: Interpreter services will be made available to hearing impaired persons, at no charge, upon written request submitted within reasonable time prior to the scheduled public hearing. The written request must be addressed to the agency representative designated in the paragraph below.

Accessibility: All public hearings have been scheduled at places reasonably accessible to persons with a mobility impairment.

Substance of proposed rule: The Commission is considering a proposal filed by New York American Water Company, Inc. (NYAW) to increase its annual revenues by approximately \$8.49 million or 8.49% beginning April 1, 2017 and to consolidate its tariff schedules and rates, charges, rules and regulations. NYAW currently has four tariffs applicable to 12 districts. It proposes to utilize one set of general terms and conditions for all water districts in its service territory and to consolidate its rate tariffs into two service areas. Water districts within NYAW's service territory will not be uniformly impacted by the proposed changes. Some ratepayers would see bill increases while others would see bill reductions. The Commission may adopt, reject or modify, in whole or in part, the relief proposed and may resolve related matters.

Text of proposed rule and any required statements and analyses may be obtained by filing a Document Request Form (F-96) located on our website <http://www.dps.ny.gov/f96dir.htm>. For questions, contact: John Pitucci, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 486-2655, email: john.pitucci@dps.ny.gov

Data, views or arguments may be submitted to: Kathleen H. Burgess, Secretary, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 474-6530, email: secretary@dps.ny.gov

Public comment will be received until: Five days after the last scheduled public hearing.

Regulatory Impact Statement, Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

Statements and analyses are not submitted with this notice because the proposed rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(16-W-0259SP1)

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

Initial Tariff Schedule Which Includes Rates, Charges, Rules and Regulations for Water Service

I.D. No. PSC-28-16-00013-P

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

Proposed Action: The Public Service Commission is considering a tariff filing by Deans Corners Water Works, Inc. for its Initial Tariff Schedule, P.S.C. No. 1 — Water, to become effective October 1, 2016.

Statutory authority: Public Service Law, section 89-e(2)

Subject: Initial Tariff Schedule which includes rates, charges, rules and regulations for water service.

Purpose: To consider the proposed Initial Tariff Schedule and initial rate for water service.

Text of proposed rule: The Commission is considering a proposal filed by Deans Corners Water Works, Inc., (Deans Corners or the Company), for its Initial Tariff Schedule, P.S.C. No. 1 – Water, to become effective October 1, 2016, which sets forth the rates, charges, rules and regulations under which the Company will operate. Deans Corners currently has no customers but at full development will have 100 customers in portions of the Town of Southeast, Putnam County, New York. Deans Corners proposes a metered rate of \$2.51 per thousand gallons with quarterly billing in arrears. The tariff defines when a bill will be considered delinquent and establishes a late payment charge of 1 1/2 percent per month, compounded monthly, and a returned check charge equal to the bank charge plus a handling fee of \$5. The Company is proposing restoration of service charges of \$25 during normal business hours Monday through Friday; \$37.50 outside of normal business hours Monday through Friday; and \$50 on weekends and public holidays. Details of the filing are available via the internet on the Commission's website at www.dps.ny.gov located under Water, Tariffs, Pending. The Commission may adopt, reject or modify, in whole or in part, the relief proposed and may resolve related matters.

Text of proposed rule and any required statements and analyses may be obtained by filing a Document Request Form (F-96) located on our website <http://www.dps.ny.gov/f96dir.htm>. For questions, contact: John Pitucci, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 486-2655, email: john.pitucci@dps.ny.gov

Data, views or arguments may be submitted to: Kathleen H. Burgess, Secretary, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 474-6530, email: secretary@dps.ny.gov

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

Regulatory Impact Statement, Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

Statements and analyses are not submitted with this notice because the proposed rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(16-W-0374SP1)

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

Consideration of CECONY and O&R's Implementation Plan for 36 Audit Recommendations

I.D. No. PSC-28-16-00014-P

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

Proposed Action: The Commission is considering the Implementation Plan submitted by Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. and whether to order the implementation of audit recommendations.

Statutory authority: Public Service Law, section 66(19)(b)

Subject: Consideration of CECONY and O&R's Implementation Plan for 36 audit recommendations.

Purpose: To consider CECONY and O&R's Implementation Plan.

Substance of proposed rule: The Public Service Commission is considering an Implementation Plan filed by Consolidated Edison Company of New York, Inc. (CECONY) and Orange and Rockland Utilities, Inc. (O&R) on June 20, 2016, in Case 14-M-0001. CECONY and O&R's Implementation Plan addresses the 36 recommendations contained in the Final Report prepared by NorthStar Consulting Group as a result of its Comprehensive Management and Operations Audits of CECONY and O&R's electric, gas and steam businesses in New York State. The Commission is considering whether to adopt, reject or modify, in whole or in part, the Implementation Plan submitted by CECONY and O&R and may resolve related matters.

Text of proposed rule and any required statements and analyses may be obtained by filing a Document Request Form (F-96) located on our website <http://www.dps.ny.gov/f96dir.htm>. For questions, contact: John Pitucci, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 486-2655, email: john.pitucci@dps.ny.gov

Data, views or arguments may be submitted to: Kathleen H. Burgess, Secretary, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 474-6530, email: secretary@dps.ny.gov

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

Regulatory Impact Statement, Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

Statements and analyses are not submitted with this notice because the proposed rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(14-M-0001SP1)

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Petition for Reconsideration of the Order Adopting a Ratemaking and Utility Revenue Model Policy Framework

I.D. No. PSC-28-16-00016-P

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

Proposed Action: The Commission is considering a petition requesting reconsideration of the June 20, 2016 Order Adopting a Ratemaking and Utility Revenue Model Policy Framework in Case 14-M-0101 filed by the Joint Utilities on June 20, 2016.

Statutory authority: Public Service Law, sections 5(1)(b), (2), 22, 65(1), (2), (3), 66(2) and (5)

Subject: Petition for reconsideration of the Order Adopting a Ratemaking and Utility Revenue Model Policy Framework.

Purpose: To determine appropriate rules for and calculation of the distributed generation reliability credit.

Substance of proposed rule: The Public Service Commission is considering a petition requesting reconsideration of the June 20, 2016 Order Adopting a Ratemaking and Utility Revenue Model Policy Framework in Case 14-M-0101 filed by Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc. and Rochester Gas and Electric Corporation (collectively, the Joint Utilities) on June 20, 2016. The petition seeks reconsideration regarding the calculation of a reliability credit for distributed generation (DG Reliability Credit) based on reductions in contract demand in two consecutive summers. Upon conducting its evaluation of the petition, the Commission may reaffirm its initial decision or adhere to it with additional rationale in denying the petition, modify or reverse the decision in granting the petition in whole or in part, or take such other or further action as it deems necessary with respect to the petition. However, the Commission will limit its review to the issues raised by the above-referenced petition.

Text of proposed rule and any required statements and analyses may be obtained by filing a Document Request Form (F-96) located on our website <http://www.dps.ny.gov/f96dir.htm>. For questions, contact: John Pitucci, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 486-2655, email: john.pitucci@dps.ny.gov

Data, views or arguments may be submitted to: Kathleen H. Burgess, Secretary, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 474-6530, email: secretary@dps.ny.gov

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

Regulatory Impact Statement, Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

Statements and analyses are not submitted with this notice because the proposed rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(14-M-0101SP15)

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Petition for Rehearing of the Order Adopting a Ratemaking and Utility Revenue Model Policy Framework

I.D. No. PSC-28-16-00017-P

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

Proposed Action: The Commission is considering a petition requesting rehearing of the June 20, 2016 Order Adopting a Ratemaking and Utility Revenue Model Policy Framework in Case 14-M-0101 filed by Cubit Power One, Inc. on June 20, 2016.

Statutory authority: Public Service Law, sections 5(1)(b), (2), 22, 65(1), (2), (3), 66(2) and (5)

Subject: Petition for rehearing of the Order Adopting a Ratemaking and Utility Revenue Model Policy Framework.

Purpose: To determine appropriate rules for and calculation of the distributed generation reliability credit.

Substance of proposed rule: The Public Service Commission is considering a petition requesting rehearing and clarification of the June 20, 2016 Order Adopting a Ratemaking and Utility Revenue Model Policy Framework in Case 14-M-0101 filed by Cubit Power One, Inc. (Cubit) on June 20, 2016. The petition seeks rehearing and clarification regarding the application of a reliability credit for distributed generation (DG Reliability Credit) to distributed generation (DG) projects that require little or no standby service. Upon conducting its evaluation of the petition, the Commission may reaffirm its initial decision or adhere to it with additional rationale in denying the petition, modify or reverse the decision in granting the petition in whole or in part, or take such other or further action as it deems necessary with respect to the petition. However, the Commission will limit its review to the issues raised by the above-referenced petition.

Text of proposed rule and any required statements and analyses may be obtained by filing a Document Request Form (F-96) located on our website <http://www.dps.ny.gov/f96dir.htm>. For questions, contact: John Pitucci, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 486-2655, email: john.pitucci@dps.ny.gov

Data, views or arguments may be submitted to: Kathleen H. Burgess, Secretary, Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350, (518) 474-6530, email: secretary@dps.ny.gov

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

Regulatory Impact Statement, Regulatory Flexibility Analysis, Rural Area Flexibility Analysis and Job Impact Statement

Statements and analyses are not submitted with this notice because the proposed rule is within the definition contained in section 102(2)(a)(ii) of the State Administrative Procedure Act.

(14-M-0101SP16)

State University of New York

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

State University of New York's Patents and Inventions Policy

I.D. No. SUN-28-16-00005-P

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

Proposed Action: This is a consensus rule making to repeal section 335.28 and add new section 335.28 to Title 8 NYCRR.

Statutory authority: Education Law, section 355(3)

Subject: State University of New York's Patents and Inventions Policy.

Purpose: Model best practices in the areas of innovation and technology transfer and comply with Federal law regarding intellectual property rights.

Text of proposed rule: § 335.28 Patents and Inventions Policy

(a) Purpose of the Patents and Inventions Policy ("this Policy")

(1) The State University of New York ("SUNY") recognizes that the three primary missions of an educational institution are teaching, research, and public service. SUNY further recognizes that, in the course of performing its mission, innovations of public value will be developed under its auspices. It is the policy of SUNY to encourage such innovation and to take appropriate steps to aid Creators and ensure that the public receives the benefit of such innovation in accordance with its public service mission. Appropriate steps include securing research support, identifying and encouraging disclosure of Intellectual Property, securing appropriate protections, marketing Intellectual Property through licensing and other arrangements, and managing royalties and other related income, such as litigation proceeds. These activities are undertaken in a spirit of cooperation with governmental agencies and private industry as part of SUNY's contribution to the economic well-being of the State of New York and of the Nation.

(2) In implementing its policies, SUNY will take appropriate steps to ensure that its academic community may freely publish the results of scholarly research pursuant to SUNY's policy on unrestricted dissemination of research activities. In conformance with this principle, all concerned shall cooperate so that essential rights to Intellectual Property shall not be lost.

(3) All net proceeds realized from the commercialization or other monetization of SUNY Intellectual Property, after payment of the Creator's share as defined in subpart (e) of this Policy and other appropriate costs associated with the evaluation, marketing, development, protection, maintenance, or enforcement of Intellectual Property, shall be used for the support of SUNY research programs in a manner consistent with the Bayh-Dole Act and its implementing regulations. Campus net proceeds shall be applied in a manner consistent with local campus policies and procedures. Upon the request of a Creator, SUNY shall provide an accounting of the distribution of royalties earned from Intellectual Property of the Creator.

(b) Definitions

(1) **Affiliate:** For purposes of this Policy, Affiliates include The Research Foundation for The State University of New York ("The Research Foundation"), State University Construction Fund, all campus auxiliary service corporations, and all campus foundations.

(2) **Created:** Having conceived, authored, reduced to practice, designed, developed, or otherwise having contributed to the making of Intellectual Property.

(3) **Creative and Course Content:** Academic course content and materials Created by Personnel including, but not limited to syllabi, course materials and textbooks; other scholarly or creative works of authorship; instructional, dramatic, musical and artistic works; and manuscripts, articles, poetry, prose, short stories, digital shorts, novels, plays, screenplays, and creative writings.

(4) **Creator:** One who has Created Intellectual Property, in whole or in part.

(5) **Incidental Use of SUNY Resources ("Incidental Use"):** Any use of publicly or routinely-available SUNY resources, such as residence halls, common areas, meeting rooms, cafeterias, gymnasiums, libraries, office spaces, furnishings, office supplies, photocopiers, telephones, fax machines and other standard office equipment, personal-type computers, and commercially available software in use on such computers, computer and communications networks, including internet access and data storage, that is nonessential to the creation of Intellectual Property, and any use of SUNY resources by a Student in accordance with assigned coursework pursuant to that Student's academic curriculum.

(6) **Intellectual Property:** Patentable Inventions, tangible research materials, computer software, and any unique or novel innovation in the technical arts or any new and useful improvements thereof, including methods or processes for creating an object or result (a way of doing or making things), machines, devices, products of manufacture, product designs, or composition, maskworks or layout designs for printed circuit boards or integrated circuits, compositions of matter, materials, any variety of plant, and any know-how essential to the practice or enablement of such innovations and improvements, whether or not patentable.

(7) **Inventor:** One who contributes to the conception of a Patentable Invention under the patent laws of the United States or other relevant jurisdiction.

(8) **Net Royalty:** Royalty less reasonable out-of-pocket expenses incurred by SUNY and not reimbursed by licensees for the evaluation,

marketing, development, protection, maintenance, and enforcement of the subject Intellectual Property.

(9) **Partner:** Any entity or individual who is neither Personnel nor Student, who engages with SUNY or a SUNY Affiliate through a contract or other business transaction that will facilitate the research, teaching, or public service missions of SUNY.

(10) **Patentable Invention:** Any art or process (way of doing or making things), machine, manufacture, design, or composition of matter, or any new and useful improvement thereof, or any variety of plant, which is or may be patentable under the patent laws of the United States or other relevant jurisdiction, and the patent applications or patents that embody them.

(11) **Personnel:** All full-time and part-time employees of SUNY and SUNY Affiliates, Student employees (including, but not limited to, research assistants, teaching assistants, fellows, post-doctoral scholars, and students providing services under sponsor agreements), and other persons holding any paid appointment or position with SUNY.

(12) **Royalty:** Cash, equity, or other value received by SUNY as consideration for use of rights to SUNY Intellectual Property.

(13) **Students:** Individuals enrolled in SUNY, including, but not limited to, continuing education, undergraduate, graduate and professional students, non-degree students, and not-for-credit students.

(14) **Substantial Use of SUNY Resources ("Substantial Use"):** Any use of SUNY resources that is more than Incidental Use, including, but not limited to, use of: financial support, funds and grants administered by SUNY or a SUNY Affiliate; inter-institutional collaborations facilitated by SUNY; equipment, facilities, services, laboratories, or space; computers and computer or communications networks not publicly or routinely-available; research, clinical, or other scientific instruments; time spent by Personnel, including secretarial, clerical, administrative staff, and research and teaching assistants; confidential information; Inventions and other proprietary or intellectual property owned by SUNY; and any privileged access as a result of a person's affiliation with SUNY.

(15) **The State University of New York ("SUNY"):** References to "SUNY" in this Policy may include Affiliates where appropriate under the contexts, whether or not specifically stated. In addition, at the request of SUNY, SUNY Ownership of Intellectual Property under subpart (d)(1) of this Policy may include ownership, management, promotion, licensing and other transfers, commercialization, and monetization of certain Intellectual Property by The Research Foundation.

(c) Scope

(1) This Policy applies to Intellectual Property Created, in whole or in part, by SUNY Personnel, Students, Affiliates, and Partners.

(2) This Policy sets forth the rights and responsibilities of SUNY and SUNY Personnel, Students, Partners, and Affiliates in the development, creation, ownership, protection, maintenance, dissemination, marketing, licensing, and monetization of Intellectual Property.

(3) Creative and Course Content is beyond the scope of this Policy.

(d) Ownership of Intellectual Property

(1) **SUNY Ownership:** Subject to the exceptions of (d)(2) below, SUNY shall own, and Creator shall promptly disclose and assign to The Research Foundation, Intellectual Property Created, in whole or in part:

(i) within the scope of the Creator's employment by SUNY; or

(ii) through the Substantial Use of SUNY Resources, unless otherwise agreed in writing.

(2) **Creator Ownership:** Ownership rights to Creative and Course Content shall be governed by SUNY's Copyright Policy A Creator who is Personnel may retain ownership rights to Intellectual Property that is not Creative and Course Content if:

(i) the Intellectual Property was Created exclusively outside the scope of the Creator's employment by SUNY; and

(ii) the Intellectual Property was Created through no more than Incidental Use of SUNY Resources; and

Creators of Intellectual Property satisfying (d)(2)(a) and (d)(2)(b) above shall submit an External Invention Disclosure Form as prescribed in SUNY's Procedures for Disclosure and Management of Patents and Inventions.

(3) **Student Ownership:** A Creator who is a Student and not also Personnel may retain ownership rights to Intellectual Property Created through no more than Incidental Use of SUNY Resources, subject to those restrictions that may be required by an external sponsor, if any. A Student shall own the copyright to his or her thesis unless an agreement supporting the underlying work specifies otherwise. Under all circumstances, SUNY shall have an unrestricted royalty-free license to reproduce and disseminate Student theses.

(4) **Partner Ownership:** Where SUNY intends that a Partner engage in Substantial Use of SUNY Resources, the ownership of Intellectual Property Created by or for the Partner in connection with the use or sponsorship of SUNY Resources shall be memorialized in a written agreement between the Partner and SUNY or an Affiliate.

(5) *Joint Ownership: Intellectual Property may be subject to exercise of ownership rights by two or more parties, including SUNY, Affiliates, Personnel, Students, and Partners, in which case joint ownership may be appropriate.*

(6) *Questions as to Ownership: Where any dispute is raised as to ownership of Intellectual Property, patents, or patent applications under these provisions, the matter shall be referred to the Innovation Policy Board in a manner consistent with SUNY's Procedures for Disclosure and Management of Patents and Inventions.*

(e) *Royalty Income*

(1) *Patentable Inventions: With respect to any Patentable Invention obtained by or through SUNY or assigned to or as directed by SUNY in accordance with the foregoing provisions, SUNY, in recognition of the meritorious services of the Inventor and in consideration of the Inventor's assignment of the Patentable Invention to SUNY, will make provision entitling the Inventor and the Inventor's heirs or legatees to share in the proceeds from the management and licensing of such Patentable Invention to the extent of forty-five percent (45%) of the first \$100,000 of Net Royalty received by SUNY and forty percent (40%) of Net Royalty thereafter, unless the Inventor and SUNY agree otherwise in a written and duly executed instrument, or if this exceeds the limits fixed by applicable regulations of the relevant sponsoring agency, which will control in such cases.*

(2) *Computer Software and Intellectual Property Other Than Patentable Inventions: With respect to any Intellectual Property that is not a Patentable Invention, including Computer Software that is not a Patentable Invention, Created in the performance of academic or research activities and obtained by or through SUNY or assigned to or as directed by SUNY in accordance with the foregoing provisions, SUNY, in recognition of the meritorious services of the Creator and in consideration of the Creator's assignment to SUNY, will make provision entitling the Creator and the Creator's heirs or legatees to share in the proceeds from SUNY's management and licensing to the extent of forty-five percent (45%) of the first \$100,000 of Net Royalty received by SUNY and forty percent (40%) of Net Royalty thereafter, unless:*

(i) *the campus has adopted a local policy requiring reinvestment in support of university research programs, in which case no less than forty-five percent (45%) of the first \$100,000 received by SUNY and forty percent (40%) of such income thereafter shall be directed to the program within which the Intellectual Property was Created; or*

(ii) *the Intellectual Property is a work for hire or subject to a conflicting obligation to a sponsor or a Partner; or*

(iii) *the Creator and SUNY agree otherwise in a written and duly executed instrument; or*

(iv) *if this exceeds the limits fixed by applicable regulations of the relevant sponsoring agency, which will control in such cases.*

(f) *Release and Waiver*

(1) *SUNY decisions regarding evaluation, marketing, development, protection, maintenance, or enforcement of Intellectual Property shall be made in consultation with the Creator(s). SUNY may, at the Creator's written request, release its ownership rights in Intellectual Property to the Creator(s), subject to those restrictions that may be required by an external sponsor, if any.*

(2) *SUNY shall make an initial determination regarding whether to retain title to Intellectual Property within one year of SUNY's acceptance of the Creator's fully disclosed, assigned and properly executed disclosure statement. SUNY shall proceed with patenting, development and marketing of the Intellectual Property as soon as practicable thereafter. If SUNY elects not to retain title or fails to make such an election within one year, all of SUNY's rights to the Intellectual Property shall be released upon written request to the Creator, subject to those restrictions that may be required by an external sponsor, if any.*

(3) *For any Intellectual Property so released to a Creator, SUNY shall receive ten (10) percent of the net proceeds to the Creator, in recognition of the contribution of the State and people of New York to the support of the research that resulted in the Intellectual Property. For purposes of this subpart, (f)(2), "net proceeds" means income realized by the Creator from commercialization or other monetization of the Intellectual Property less reasonable costs incurred directly by the Creator for the evaluation, marketing, development, protection, maintenance, or enforcement of the subject Intellectual Property.*

(g) *Innovation Policy Board*

(1) *The Chancellor shall establish and appoint an Innovation Policy Board of the State University of New York and designate the chair thereof in accordance with the procedures accompanying this Policy. The Innovation Policy Board shall have full powers of organization to undertake*

periodic review of this Policy and to create, revise and enhance guidelines and procedures to interpret and implement this policy.

(h) *Applicability*

(1) *Intellectual Property which is fully disclosed and assigned in a properly executed new technology disclosure statement before the effective date of these regulations shall be subject to SUNY's prior Patents and Inventions Policy.*

Text of proposed rule and any required statements and analyses may be obtained from: Lisa S. Campo, State University of New York, State University Plaza, S-325, Albany, NY 12246, (518) 320-1400, email: Lisa.Campo@SUNY.edu

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

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

Consensus Rule Making Determination

The State University of New York has determined that no person is likely to object to this rule as written because it is necessary for SUNY to model best practices in the areas of innovation and technology transfer and to comply with federal law relating to intellectual property rights.

Job Impact Statement

No job impact statement is submitted with this notice because the proposed rule does not impose any adverse economic impact on existing jobs, employment opportunities, or self-employment. This regulation governs the Patents and Inventions Policy of State University of New York and will not have any adverse impact on the number of jobs or employment.

Office of Temporary and Disability Assistance

EMERGENCY RULE MAKING

Emergency Shelters for the Homeless

I.D. No. TDA-06-16-00016-E

Filing No. 617

Filing Date: 2016-06-23

Effective Date: 2016-06-23

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

Action taken: Addition of section 352.37 to Title 18 NYCRR.

Statutory authority: Social Services Law, sections 17(a)-(b), (i), 20(2)-(3), 34, 460-c and 460-d; Executive Law, section 43(1); General Municipal Law, section 34; State Finance Law, section 109(4); New York City Charter, section 93; Buffalo City Charter, ch. C, art. 7, section 7-4

Finding of necessity for emergency rule: Preservation of public health, public safety and general welfare.

Specific reasons underlying the finding of necessity: The Office of Temporary and Disability Assistance (OTDA) finds that immediate adoption of the rule is necessary for the preservation of the public health, public safety, and general welfare and, specifically, to assure that residents of emergency shelters are not subject to unhealthy or imminently dangerous conditions. The emergency regulation continues protections for residents of emergency shelters by clarifying OTDA's authority, pursuant to the Social Services Law and State regulations, to take immediate emergency measures to address emergency shelters determined to be dangerous, hazardous, or imminently detrimental to the health, safety, and general welfare of residents. Recent inspections and visits conducted at a significant number of emergency shelters by officials from OTDA have confirmed that dangerous, hazardous, or unhealthy conditions have existed at some of these placements for sustained periods of time. Failing to continue OTDA's oversight in this area would endanger the health, safety and welfare of such residents. The emergency regulation helps ensure that emergency shelters are maintained in safer, healthy conditions, and that the welfare of residents is better protected than under current requirements. In the absence of this emergency regulation, inspections have revealed that some operators have permitted their emergency shelters to deteriorate to a point where dangerous, hazardous, or unhealthy conditions exist. Under these circumstances, OTDA asserts that proposing this rule only as