

**Section 4009.3 of Part 4009 of Subchapter A of Chapter I of Subtitle T of Title 9, Executive, of the NYCRR is amended to classify the existing text as subdivision (a) and add a new subdivision (b) as follows:**

**PART 4009**

**Pari-Mutuel Operation**

**§ 4009.3. Sale, exchange of tickets.**

(a) No pari-mutuel tickets shall be sold except at regular ticket windows, properly designated by signs, except that tickets may be issued by automated ticket machines or bets may be sold by designated couriers according to procedures approved by the commission. No such tickets shall be exchanged.

(b) Any track conducting pari-mutuel wagering that cashes or accepts any public assistance check or electronic benefit transfer device issued by a public welfare official or department, or agent thereof, as and for public assistance, as proscribed by section 151 of the Social Services Law, shall be disciplined by the commission. Such discipline may include one or more of the following actions:

(1) revocation of a license;

(2) suspension of a license;

(3) a fine; or

(4) issuance of a public or private letter of reprimand to be placed in the file of the licensee.

**Section 4122.3 of Part 4122 of Subchapter B of Chapter I of Subtitle T of Title 9, Executive, of the NYCRR is amended to add a new subdivision (d) as follows:**

**PART 4122**

**Pari-Mutuel Wagering**

**§ 4122.3. Sale of pari-mutuel tickets.**

(a) Only one method of selling pari-mutuel tickets shall be used for the sale of tickets on individual heats or races during any racing day.

(b) No pari-mutuel tickets shall be sold except through regular ticket windows properly designated by signs showing type of tickets sold at that particular window, except that tickets may be issued by automated ticket machines, or bets may be sold by designated couriers, according to procedures approved by the commission.

(c) No pari-mutuel selling windows shall be closed nor shall the sale of pari-mutuel tickets be limited or restricted in any way for the purpose of impeding public participation in any wagering pool.

(d) Any track conducting pari-mutuel wagering that cashes or accepts any public assistance check or electronic benefit transfer device issued by a public welfare official or department, or agent thereof, as and for public assistance, as proscribed by section 151 of the Social Services Law, shall be disciplined by the commission. Such discipline may include one or more of the following actions:

(1) revocation of a license;

(2) suspension of a license;

(3) a fine; or

(4) issuance of a public or private letter of reprimand to be placed in the file of the licensee.

**Part 4404 of Subchapter F of Chapter I of Subtitle T of Title 9, Executive, of the NYCRR is amended to add a new section 4404.18 as follows:**

#### **PART 4404**

##### **Operation of a Corporation**

##### **§ 4404.18. Restrictions on acceptance of public assistance.**

Any facility conducting off-track pari-mutuel wagering that cashes or accepts any public assistance check or electronic benefit transfer device issued by a public welfare official or department, or agent thereof, as and for public assistance, as proscribed by section 151 of the Social Services Law, shall be disciplined by the commission. Such discipline may include one or more of the following actions:

(a) revocation of a license;

(b) suspension of a license;

(c) a fine; or

(d) issuance of a public or private letter of reprimand to be placed in the file of the licensee.

**Subdivision (c) of section 4500.9 of Part 4500 of Subchapter G of Chapter I of Subtitle T of Title 9, Executive, of the NYCRR is amended to add a new paragraph (6) as follows:**

**PART 4500**

**Internet and Telephone Account Wagering**

**§ 4500.9. Conduct of wagering.**

- (a) Account wagers shall be transacted through only an account wagering center.
- (b) The authorized pari-mutuel wagering entity may accept account wagers via any wired or wireless communications device, including but not limited to wireline telephones, wireless telephones, and the internet subject to applicable laws, rules and the approved plan of operation.
- (c) The authorized pari-mutuel wagering entity shall:
  - (1) require the account holder to provide the account wagering identification number and PIN before an account wager is accepted.
  - (2) confirm all account wagering transactions before acceptance of an account wager.
  - (3) verify that the account has sufficient funds to pay for the wager. No wager or portion of wager shall be accepted if the account fails to have sufficient funds to cover the wager.
  - (4) debit the total amount of the wager from the account immediately after verifying wager.
  - (5) not accept any account wager if the recording devices are inoperable; and
  - (6) not cash or accept any public assistance check or electronic benefit transfer device issued by a public welfare official or department, or agent thereof, as and for public assistance, as proscribed by section 151 of the Social Services Law. Any entity that violates this paragraph shall be disciplined by the commission. Such discipline may include one or more of the following actions:
    - (i) revocation of a license;
    - (ii) suspension of a license;
    - (iii) a fine; or
    - (iv) issuance of a public or private letter of reprimand to be placed in the file of the licensee.

**Part 4822 of Subchapter E of Chapter II of Subtitle T of Title 9, Executive, of the NYCRR is amended to add a new section 4822.25 as follows:**

**PART 4822**

**General Conduct of Bingo in Leased Premises**

**§ 4822.25. Restrictions on acceptance of public assistance.**

Any organization conducting bingo in a leased premises, or any lessor of premises for the conduct of bingo, that cashes or accepts any public assistance check or electronic benefit transfer device issued by a public welfare official or department, or agent thereof, as and for public assistance, as proscribed by section 151 of the Social Services Law, shall be disciplined by the commission. Such discipline may include one or more of the following actions:

(a) revocation of a license;

(b) suspension of a license;

(c) a fine; or

(d) issuance of a public or private letter of reprimand to be placed in the file of the licensee.

**Sections 5113.1, 5113.5, 5113.7 and 5113.8 of Part 5113 and the title of Part 5113 of Subchapter A of Chapter IV of Subtitle T of Title 9, Executive, of the NYCRR are amended as follows:**

**PART 5113**

**Suspensions,~~[ and]~~ Revocations and Other Discipline**

**§ 5113.1. Suspension and revocation of a license [issued pursuant to the video lottery gaming law] or discipline of a licensee.**

(a) Acceptance of a video lottery gaming license or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by these regulations and the policies and procedures of the commission. It is the affirmative responsibility of all licensees to keep informed of the content of all such regulations, policies and procedures and amendments thereto. Any licensee, other than a natural person, may be held accountable for the violations of such licensee's principals or key employees. The commission may suspend or revoke any license issued by the commission for any violation of these regulations.

(b) At the discretion of the commission, a license issued under these regulations may be subjected to suspension or revocation, [or] the renewal of such license may be rejected[,] or a licensee may be fined for any of the following reasons, or any combination thereof:

(1) Any violation of any provision of such license, the act, other applicable law or these regulations;

(2) Failure to comply with instructions of the commission concerning a licensed activity;

(3) Conviction of any:

(i) Felony offense, as such term as defined in [State] Penal Law Section 10.00(5), or an equivalent offense committed in another jurisdiction;

(ii) A misdemeanor related to gambling, gaming, bribery, fraud, or any other offense prejudicial to public confidence in the State lottery;

(4) Failure to file any returns or reports or to keep records or to pay any fee or submit revenue as may be required;

(5) Fraud, deceit, misrepresentation or conduct prejudicial to public confidence in the commission;

(6) Failure to furnish a surety or other bond in such amount as may be required by the commission;

(7) A material change since issuance of the license with respect to any matter required to be considered by the commission;

(8) [Violation of the provisions of the Act and/or these regulations;]

[(9)] Whenever the commission finds that the licensee's experience, character, and general fitness are such that participation in video lottery gaming is inconsistent with the public interest or convenience or for any other reason within the discretion of the commission;

[(10)](9) The failure to notify the commission, in writing, within a reasonable time of any arrest for a misdemeanor or a felony, indictment, or service of a summons, or conviction for any felony whether within or without the State, or within or without the United States, occurring during the term of the license or the renewal thereof.

(c) Prior to commencing a disciplinary proceeding, each licensee shall have the opportunity to correct and/or explain the issue raised by the commission.

(d) Upon suspension or revocation of any license issued pursuant to these regulations, other than a video lottery gaming agent license, the licensee shall surrender such license and any badges for the video lottery gaming facility to the commission. Such licensee shall be banned from entering the video lottery gaming facility for a period of one year or until the license is reinstated, whichever first occurs.

[(d)](e) Upon termination of a video lottery gaming agent's license for any reason, the video lottery gaming agent shall:

(1) Go to such agent's bank on a date designated by the commission for the purpose of rendering a final video lottery gaming accounting of any accounts established by these regulations;

(2) Surrender of the video lottery gaming agent's license and other material provided by the commission.

(3) Upon failure of any video lottery gaming agent to settle accounts on or before the designated date, the commission may exercise such enforcement powers as may be provided for by law. The video lottery gaming agent will provide unrestricted entry onto such agent's premises for the purpose of the removal of all video lottery gaming equipment and incidentals.

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#### **§ 5113.5. Penalties imposed by commission prior to reissuance of license.**

The commission may require a person or business entity who is subjected to disciplinary proceedings, or who formerly held a license pursuant to these regulations, to meet certain conditions before reissuing a license to that person or business entity, including but not limited to the following:

(a) restitution of money;

(b) restitution of property;

(c) suspension or revocation of the payment to the video lottery gaming agent of any portion of the video lottery gaming marketing allowance;

(d) making periodic reports to the commission as required; and

(e) payment of outstanding fines imposed by the commission.

Any or all of the conditions imposed by the commission pursuant to this Part may be imposed jointly and/or severally.

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#### **§ 5113.7. Disciplinary hearings.**

Any disciplinary hearing commenced pursuant to these regulations shall be conducted substantially in accordance with the provisions of section 5000.[7]6 of this subtitle. In the event of a conflict between that section and these regulations, these regulations shall control.

#### **§ 5113.8. Final action by commission.**

After notice and hearing, in the event the commission finds insufficient evidence to support the violations claimed, the commission may find the licensee not guilty of any of the grounds alleged for disciplinary action; in which event the disciplinary proceedings shall be terminated. The

commission may, however, find the licensee guilty by a preponderance of the evidence of some or all of the grounds alleged for disciplinary action[;], in which event the commission may take one or more of the following actions:

(a) revoke the license; [and/or]

(b) suspend the license for a period of time not to exceed six months; [and/or]

(c) fine the licensee; or

(d) issue a public or private letter of reprimand to be placed in the file of the licensee.

This section does not prevent the commission from compromising or settling at any time a formal hearing. Written findings of fact, conclusions of law, and an order must be entered before any decision of the commission shall be considered final.

## **PART 5117**

### **[Underage Gaming; Alcoholic Beverages; Firearms; Responsible Gaming; Undesirable Persons] Restrictions at Facilities**

#### **§ 5117.7. Restrictions on acceptance of public assistance.**

Any video lottery gaming agent that cashes or accepts any public assistance check or electronic benefit transfer device issued by a public welfare official or department, or agent thereof, as and for public assistance, as proscribed by section 151 of the Social Services Law, shall be disciplined by the commission pursuant to Part 5113 of this Subchapter.