



## New York Gaming Association

Testimony Before the Senate Committee on Racing, Gaming & Wagering,  
Regarding the Potential for Sports Betting in New York State

Wednesday, January 24, 2018

Albany, New York

Chairman Bonacic and members of the Committee:

The New York Gaming Association (NYGA) very much appreciates the opportunity to speak before you regarding the potential for sports betting in New York State on behalf of our members as well as newly authorized casinos. The Supreme Court of the United States will soon render a decision regarding sports betting outside of the state of Nevada. Should that decision favor the State of New Jersey, existing statute will allow, under the regulatory guidance of the New York State Gaming Commission, commercial casino licensees to accept wagers on professional sports.

Thusly, a new and exciting entertainment opportunity will be presented to New Yorkers. But due to the statutory requirement that all individuals place his/or her wager in person at a commercial casino, the availability of this opportunity, and with it the ability to generate revenue for New York State, will be severely limited. Therefore, the challenge is two-fold – where and how to make this activity accessible all New Yorkers.

The existing video gaming licensees and new casino licensees have been advocates for responsible gaming as well as willing partners and revenue generators for New York State and local municipalities since their inception. The secure and regulated facilities required to conduct professional sports betting exists across the state at the locations operated by the video gaming licensees and commercial casinos.

Video gaming licensees presently provide over \$7.5 billion for education to the state and regional municipalities. These revenue streams would be supplemented by increased traffic at the brick and mortar locations from those wagering on professional sporting events, while also engaging in cross-play on existing product.

Responsibility, availability, performance, and enhanced revenue streams, make the video gaming licensees, in addition to commercial casinos, the obvious best choice to provide the necessary expanded availability for professional sports wagering to all New Yorkers and curb the rampant illegal gaming marketplace. However in order to fully capitalize on a positive federal ruling and to protect against regional competition, we cannot stop there.

Additionally, in order to expand availability to all New Yorkers, increase pool sizes to generate necessary volume required to run an effective sports betting business, as well as increase state revenue, the members of the NYGA suggest that the adoption of legislation allowing the use of mobile wagering application to be added as permissible ways to place a wager. Requiring the player to enroll at a licensed brick and mortar location and having the application's server located in that brick and mortar facility retains the spirit of existing statute while providing and enhanced the level of likely participation. This is a necessary step to not only future-proof our market, but also ensure the economics of sport betting remain steady for the benefit of both the operator and the state

Now how can this be undertaken by the Legislature and the Governor?

It has been expressed that any move to expand the availability of sports wagering to all New Yorkers will likely require consecutive legislative approvals followed by a constitutional referendum. The members of NYGA do not necessarily agree with this determination.

At present, it has been determined that Daily Fantasy Sports (DFS) play is a game of skill. We submit that the criteria for determining what actions to take in DFS play and to place a wager on professional sporting events are the same and require the same review and study before taking action. The only difference is in DFS one selects players to form a make-believe team, and in sports wagering one selects a group of players that make up an existing, real team. The variables and parameters used to select a play are the same in both activities. One considers match-ups, both individual and group, injuries, past history, scheduling and player fatigue, recent records and performance (hot or cold) and outside influences among all the considerations used before playing.

If in fact this determination of the similarity of Daily Fantasy Sports play and professional sports wagering is shown to be valid, one can assume that legislative action to expand the availability of professional sports wagering to New Yorkers, and shut down the illegal gaming market would be all that is required.

To summarize, the members of the New York Gaming Association strongly suggest, should New Jersey be successful in court, that the expanded availability of professional sports wagering is desirable, that the best option to do so is at the video gaming licensee's facilities and commercial casinos, as well as through mobile, and that simple legislative action may be all that is required to accomplish this.

Again the members of the New York Gaming Association thank you for the opportunity to provide this testimony today.