2019 New York State Senate Standing Committee on

RACING, GAMING AND WAGERING









ANNUAL

COMMITTEE REPORT



Chair

Senator Joseph P. Addabbo, Jr.

Ranker

Senator Daphne Jordan

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August 30, 2019

NYS Senator Andrea Stewart Cousins Senate Majority Leader NY State Capitol Building, Room 330 Albany, NY 12247

Dear Majority Leader Stewart Cousins,

Re: 2019 Racing Gaming and Wagering Committee Annual Report

I hope this correspondence finds you well. First, I would like to take this opportunity to express my appreciation for having the privilege of being Chair of the Racing Gaming and Wagering Committee. I have always viewed the focus of the committee to work towards the credible operation of all aspects of gaming and horseracing in

our state, while maximizing the potential for the related revenue, educational funding and job creation. The committee has also attended to addressing the issues of problematic gaming and its addiction, both before and after the addiction begins.

Enclosed, please find the 2019 committee report, summarizing the accomplishments and activities of said committee.

I would like to thank my Committee Director, Shanna Cassidy, and legal counsel, Chris Higgins and Don Boyajian, for their dedicated efforts, as well as the Ranking Minority Member, Senator Daphne Jordan, for her professionalism and input. Additionally, I would also like to thank the members of the committee for their attendance and legislative involvement.

Jose h V. Addabbo, Jr. New York State Senator

15th District



SENATOR JOSEPH P. ADDABBO, IR.

15TH SENATORIAL DISTRICT STATE OF NEW YORK

MAJORITY DEPUTY WHIP

CHAIRMAN

RACING, GAMING AND WAGERING

COMMITTEES

AGING

CHILDREN AND FAMILIES
CIVIL SERVICE AND PENSIONS
DOMESTIC ANIMAL WELFARE

EDUCATION VETERANS, HOMELAND SECURITY AND MILITARY AFFAIRS

0

Committee Members

Senator Joseph P. Addabbo Jr., Chairman Senator Daphne Jordan, Ranking Minority Member

> Senator Leroy Comrie Senator James F. Gaughran Senator Pamela A. Helming Senator Shelley B. Mayer Senator Toby Ann Stavisky

Committee Staff

Shanna Cassidy, Committee Director Christopher Higgins, Deputy Counsel Donald Boyajian, Associate Counsel Andrew Bock, Senate Finance

Racing, Gaming & Wagering Bills that Passed Both Houses (9)

Disposition of Off-Track Pools S.1975 (Addabbo)/A.7187 (Pretlow)

This bill allows Yonkers Raceway to maintain its status as a regional track.

Senate Vote on 5/22/19: 61-0 Assembly Vote on 6/18/19: 144-4

*8/31/19 This bill was signed Chapter 241 by the Governor

Task Force on Responsible Gaming S.1978-A (Addabbo)/A.3477-A (Cymbrowitz)

This bill establishes an 11-member legislative task force on responsible gaming. The task force will advance responsible gaming policies at wagering facilities in the State to combat problem gambling.

Senate Vote on 3/20/19: 62-0 Assembly Vote on 5/30/19: 139-4

Thoroughbred Breeding and Development Fund S.2314 (Addabbo)/A.6184 (Pretlow)

This bill provides continued revenue and operational flexibility to the New York State Thoroughbred Breeding and Development Fund.

Senate Vote on 3/11/19: 62-0 Assembly Vote on 5/07/19: 132-1

^{*}Awaiting the Signature by the Governor

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Payments to the Horsemen's Organization S.2315 (Addabbo)/A.4734 (Pretlow)

This bill extends the authority of the New York Thoroughbred Horsemen's Association to receive an additional 1.0 percent of purse funds to support additional medical and mental health services for backstretch employees.

Senate Vote on 3/11/19: 62-0 Assembly Vote on 5/07/19: 134-0

*On 7/27/19, this bill was signed Chapter 122 by the Governor

Operation of Certain Bingo Games

S.3917-A (Stavisky)/A.6212-A Rosenthal D

This bill increases the number of days when senior citizen groups are permitted to conduct bingo games.

Senate Vote on 6/03/19: 53-9 Assembly Vote on 6/04/19: 145-2

*Awaiting the Signature by the Governor

New York State Legend on Bell Jar S.4587 (Sanders)/A. 4623 (Pretlow)

This bill requires that bell jar tickets sold in New York State contain an imprint of a legend approved by the New York State Racing and Wagering Board.

Senate Vote on 6/11/19: 58-3 Assembly Vote 3/14/19: 129-5

Belmont Local Advisory Board

S.5481-B (Kaplan)/A.2317-B (Solages)

This bill creates a 15-member Belmont track advisory board comprised of representatives of South Floral Park, Elmont, and the New York Racing Association. Belmont is a major thoroughbred horseracing facility currently undergoing a \$1 billion redevelopment through Empire State Development.

Senate Vote on 6/18/19: 46-16 Assembly Vote 6/17/19: 111-34

^{*}Awaiting the Signature by the Governor

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Operational Expenses for Certain Gaming Facilities S.6270 (Addabbo)/A.7773 (Buttenschon)

This bill continues to provide additional revenues to Vernon Downs Casino and Hotel for operating purposes.

Senate Vote: 62-0

Assembly Vote: 129-18

Regulation and Sale of Alcoholic Beverages at Certain Tribal Casinos S.6271 (Addabbo)/A.8167 (Pretlow)

This bill provides the New York State Gaming Commission with oversight authority to regulate alcohol service in the State's Indian casinos.

Senate Vote on 6/17/19: 60-2 Assembly on 6/21/19: 132-3

^{*} On 7/3/19 this bill was signed Chapter 68 by the Governor

^{*} On 7/3/19 this bill was signed Chapter 68 by the Governor

Racing, Gaming and Wagering Committee Bills that Passed the Senate (8)

Mobile Sports Wagering

S.17-D (Addabbo)

This bill creates a statutory framework for sports betting and includes provisions related to licensing, fees, taxation, and revenue allocation. Additionally, this proposal authorizes mobile sports wagering. Only licensed commercial casinos can host mobile sports wagering platforms. Tribal casinos may also choose to participate in mobile sports wagering. OTBs, thoroughbred racetracks, harness tracks/VLT facilities, and professional sports stadiums may host casino-owned mobile sports betting kiosks.

Senate Vote on 6/17/19: 57-5

Participation in Games of Bingo by Minors

S.509 (Kennedy)

This bill seeks to allow individuals under the age of 18 to play bingo as long as they are accompanied by an adult

Senate Vote on 3/11/19: 61-1

Commission on Retired Racehorses

S.1974-A (Addabbo)

This bill establishes a seven-member commission on retired racehorses that will create a mandatory registry for all retired racehorses in the State.

Senate Vote on 6/11/19: 56-5

Games of Chance Fundraisers

S.3301 (Brooks)

This bill will authorize organizations to conduct poker tournaments as licensed games of chance fundraisers.

Senate Vote on 4/29/19: 58-3

Organizations Operating Games of Chance

S.4034 (Skoufis)

This bill will allow employees of authorized organizations, such as the American Legion, to participate in the management of games of chance.

Senate Vote on 5/06/19: 61-0

Racing Fan Advisory Council S.5476 (Addabbo)

This bill codifies and makes permanent the existence of the Racing Fan Advisory Council which was previously created through continuing resolution adopted by the New York State Gaming Commission.

Senate Vote on 5/29/19: 60-0

Operational Licenses

S6139 (Addabbo)

This bill relates to licensing of employees and vendors of commercial casinos.

Senate Vote on 6/19/19: 53-9

Mid-Atlantic Compact on Equine Drug Standards S.6142 (Addabbo)

This bill authorizes the State to enter into an Interstate Compact on Anti-Doping and Drug Testing Standards for thoroughbred racing. This legislation promotes uniformity in drug testing standards for thoroughbred racing and is similar to a FY20 Executive Budget proposal.

Senate Vote on 6/11/19: 61-0

Public Hearing on Sports Betting in New York State

Wednesday, May 8, 2019 – 11:00 AM Legislative Office Building, Hearing Room A

NEW YORK STATE SENATE COMMITTEE ON RACING, GAMING AND WAGERING



Witness List in Speaking Order

PANEL Sport Leagues

Daniel Spillane Senior Vice-President NBA Andy Levinson Senior Vice-President PGA

Players Associations

Joseph Briggs
Public Policy Counsel
NFL

PANEL Commercial Casinos

Chris Grove
Managing Director,
Sports & Emerging Vertical

Thomas Wilmot, Jr.

President of

Casino Development & Management

PANEL Industry Operators

Danielle Boyd Head of Government Relations William Hill US James Sottile
Executive Vice-President
Scientific Games

Kip Levin
President & COO
FanDuel

Jeremy Kleiman iDEA Growth

<u>PANEL</u> Integrity Monitoring/Location Verification/Data

Jake Williams
Vice President
SportRadar

Chris Dougan
Chief Communications Officer
Genius Sports

Lindsay Slader
Vice-President Regulatory Affairs
GeoComply

James Kilsby
Vice-President-Americas
Gambling Compliance

PANEL Native American Tribes/Constitutionally

Daniel Wallach
Founder
Wallach Legal

Jeff Ifrah Founder Ifrah Law

Sarah Walters
Counsel
Brownstein Hyatt
Farber Schreck

PANEL New York Legacy Interests

David O'Rourke CEO & President New York Racing Association

Joseph Applebaum
President
NY Thoroughbred Horsemen Assoc.

Jeffrey Cannizzo

Executive Director

NY Thoroughbred Breeders

Joseph Faraldo President Standardbred Owners Assoc.

Anthony Pancella Vice-President/COO Suffolk OTB

PANELGambling Addiction

James Maney
Executive Director
NY Council on Problem Gambling

Stephen Shafer
Coalition Against Gambling in NY

Public Hearing on the Welfare of Racehorses in New York State

Wednesday, June 5, 2019 - 10:00 AM

Legislative Office Building, Hearing Room A

SENATE STANDING COMMITTEE ON RACING, GAMING AND WAGERING AND THE SENATE STANDING COMMITTEE ON DOMESTIC ANIMAL WELFARE



Witness List in Speaking Order

PANEL

Robert Williams

Deputy Secretary

NYS Gaming Commission

Scott Palmer

Equine Medical Director

NYS Gaming Commission

PANEL

Dr. Sheila Lyons

Founder and Director, The American College of Veterinary Sports Medicine and Rehabilitation Homecoming Farm, Inc.

Dr. Kraig Kulikowski

Equine Veterinarian

PANEL

Sue McDonough

Legislative Committee - NYS Humane Association

John Scheib

Director, Responsible Animal Care, Inc.

Patrick Battuello

Founder, President of Horse Racing Wrongs.com

PANEL

John Holland

President of Equine Welfare Alliance

Susan Wagner

President & Founder, Equine Advocates

Dr. Lester Freidlander

Equine Veterinarian

PANEL

Susan Kayne

Founder & CEO, Unbridled Thoroughbred Foundation

Anna Ford

New Vocations Racehorse Adoption Program

Betty Holt

Purple Haze Standardbred Adoption Program

Diana Pikulski

Editor, Thoroughbred Adoption Network

Colleen Segarra

President, Equine Rescue Resource, Inc.

PANEL

Tom DeJesu

Director of Public Outreach NYRA

PANEL

Jeffrey Cannizzo

New York Thoroughbred Breeders

Andy Belfiore

New York Thoroughbred Horseman's Association

Lisa Molloy

Saratoga War Horse Program

Richard Schosberg

New York Thoroughbred Horseman's Association

Robert Williams

Executive Director, NYS Gaming Commission

Presentation to Committee and Nomination

On May 13, 2019, Robert Williams, the current Executive Director of the New York State Gaming Commission, addressed the members of the NYS Senate Committee on Racing, Gaming and Wagering.

In his remarks to the Committee, Mr. Williams noted that he began his career in this public policy area as an employee of the NYS Senate Finance Committee, specializing in racing, gaming and wagering issues.

Mr. Williams has been working in the field of gambling policy and regulation for the past 26 years. Throughout this time, he has assisted with the development of many significant gambling policies, including Video Lottery Gaming, and various tribal compacts and amendments to these agreements. He was also integrally involved in the process of examining and approving final applications for casino gaming facilities authorized in Upstate New York under the 2013 Upstate New York Gaming Economic Development Act.

As Executive Director, Mr. Williams oversees how all components of the gambling industry operate, and how they intersect and interact with one another. The Executive Director continuously examines the core responsibilities and functions of each unit within the Gaming Commission, ensuring that they are all appropriately meeting their statutory charges, are well positioned to assist varying constituencies, and are providing responsive and effective state gaming regulation and oversight.

At the meeting, Mr. Williams discussed the direction of the Commission and its concerns regarding the changing demographics of the lottery system, the health and safety of all participants in horseracing, the implementation of legalized sports betting, and the many issues surrounding commercial casino gaming, including ongoing controversies surrounding mobile sports betting.

On May 29, 2019, the Committee voted to formally approve the nomination of Mr. Williams as Executive Director of the Commission, a position he had previously held in an acting capacity.



2019 New York State Senate Standing Committee on **RACING, GAMING AND WAGERING**

ANNUAL COMMITTEE REPORT

Chair **Senator Joseph P. Addabbo, Jr.**

Ranker Senator Daphne Jordan