

PROGRAM BILL #33

Legislative Bill Drafting Commission
12052-02-3

IN SENATE

Senate introducer's signature

The senators whose names are circled below wish to join me in the sponsorship of this proposal

S. -----
Senate

s20 Adams	s17 Felder	s63 Kennedy	s25 Montgomery	s23 Savino
s15 Addabbo	s02 Flanagan	s34 Klein	s54 Nozzolio	s29 Serrano
s11 Avella	s08 Fuschillo	s28 Krueger	s55 O'Brien	s51 Seward
s40 Ball	s59 Gallivan	s24 Lanza	s58 O'Hara	s09 Skelos
s42 Bonacic	s12 Gianaris	s39 Larkin	s21 Parker	s14 Smith
s04 Boyle	s41 Gipson	s37 Latimer	s13 Feralta	s26 Squadron
s44 Breslin	s22 Golden	s01 LaValle	s30 Perkins	s16 Stavisky
s38 Carlucci	s47 Griffo	s52 Libous	s61 Ranzenhofer	s35 Stewart-Cousins
s50 DeFrancisco	s60 Grisanti	s45 Little	s48 Ritchie	
s32 Diaz	s06 Hannon	s05 Marcellino	s33 Rivera	s46 Tkaczyk
s18 Dilan	s36 Hassell-	s43 Marchione	s56 Robach	s53 Valesky
s31 Espalliat	Thompson	s07 Martins	s19 Sampson	s57 Young
s49 Farley	s27 Hoylman	s62 Maxiarz	s10 Sanders	s03 Zeldin

IN SENATE--Introduced by Sen

--read twice and ordered printed,
and when printed to be committed
to the Committee on

----- A.
Assembly

IN ASSEMBLY

Assembly introducer's signature

The Members of the Assembly whose names are circled below wish to join me in the multi-sponsorship of this proposal:

IN ASSEMBLY--Introduced by M. of A.

a049 Abbate	a081 Binowitz	a135 Johns	a133 Nojey	a140 Schiminger
a092 Abinanti	a147 DiPietro	a113 Jordan	a037 Nolan	a087 Sepulveda
a084 Arroyo	a115 Duprey	a094 Katz	a130 Oaks	a065 Silver
a035 Aubry	a004 Englebright	a074 Kavanagh	a059 O'Donnell	a027 Simanowitz
a120 Barclay	a054 Espinal	a142 Kearns	a051 Ortiz	a036 Simotas
a106 Barrett	a109 Fahy	a076 Kellner	a091 Otis	a104 Skartados
a060 Barron	a071 Farrell	a040 Kim	a132 Palmesano	a099 Skoufis
a082 Benedetto	a126 Pinch	a131 Kolb	a088 Paulin	a022 Solages
a117 Blankenbush	a008 Fitzpatrick	a105 Lalor	a141 Peoples-	a114 Stec
a062 Borelli	a124 Friend	a013 Lavine	Stokes	a110 Steck
a055 Boyland	a143 Gabryszak	a050 Lentol	a058 Perry	a079 Stevenson
a026 Braunstein	a095 Galef	a125 Lifton	a089 Pretlow	a127 Stirpe
a044 Brennan	a137 Gantt	a102 Lopez, P.	a073 Quart	a011 Sweeney
a119 Brindisi	a007 Garbarino	a123 Lupardo	a019 Ra	a112 Tedisco
a138 Bronson	a077 Gibson	a010 Lupinacci	a098 Rabbitt	a101 Tenney
a046 Brook-Krasny	a148 Giglio	a121 Magee	a012 Raia	a001 Thiele
a093 Buchwald	a080 GjonaJ	a129 Magnarelli	a006 Ramos	a061 Titone
a118 Butler	a066 Glick	a059 Maisel	a134 Reillich	a031 Titus
a103 Cahill	a023 Goldfeder	a064 Malliotakis	a078 Rivera	a146 Walter
a043 Camara	a150 Goodell	a030 Markey	a128 Roberts	a041 Weinstein
a145 Caretto	a075 Gottfried	a090 Mayer	a056 Robinson	a020 Weisenberg
a033 Clark	a005 Graf	a108 McDonald	a068 Rodriguez	a024 Weprin
a047 Colton	a100 Gunther	a014 McDonough	a072 Rosa	a070 Wright
a032 Cook	a139 Hawley	a017 McKeivitt	a067 Rosenthal	a096 Zebrowski
a144 Corwin	a083 Heastie	a107 McLaughlin	a025 Rozic	a002
a085 Crespo	a003 Hennessey	a038 Miller	a116 Russell	a053
a122 Crouch	a028 Hevesi	a052 Millman	a149 Ryan	a086
a021 Curran	a048 Hinkind	a015 Montesano	a009 Saladino	
a063 Cusick	a018 Hooper	a136 Morelle	a111 Santabarbara	
a045 Cymbrowitz	a042 Jacobs	a057 Mosley	a029 Scarborough	
a034 DanDekker	a097 Jaffee	a039 Moya	a016 Schimel	

with M. of A. as co-sponsors

--read once and referred to the
Committee on

RACPMWLA

(Enacts the upstate New York gaming
economic development act of 2013)

RWB. upstate NY gaming econ

AN ACT

to amend the racing, pari-mutuel
wagering and breeding law, the penal
law and the state finance law, in
relation to commercial gaming; to
amend the executive law, the state
finance law and the Indian law, in
relation to authorizing the settle-
ment of disputes between the Oneida
Nation of New York, the state, Onei-
da county and Madison county; to
amend the Indian law and the tax
law, in relation to identifying
nations and tribes; to amend the tax
law and the state finance law, in

1) Single House Bill (introduced and printed separately in either or both
houses). Uni-Bill (introduced simultaneously in both houses and printed as one
bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2 signed
copies of bill and 4 copies of memorandum in support (single house); or 4 signed
copies of bill and 8 copies of memorandum in support (uni-bill).

relation to video lottery gaming; to amend part HH of chapter 57 of the laws of 2013 relating to providing for the administration of certain funds and accounts related to the 2013-14 budget, in relation to the commercial gaming revenue fund; to amend chapter 50 of the laws of 2013 enacting the state operations budget, in relation to commercial gaming revenues; to amend the racing, pari-mutual wagering and breeding law, in relation to directing the state gaming commission to annually evaluate video lottery gaming; to amend the racing, pari-mutuel wagering and breeding law and the state finance law, in relation to account wagering on simulcast horse races; to repeal section 11 of the executive law relating to fuel and energy shortage state of emergency; and to repeal clause (G) of subparagraph (ii) of paragraph 1 of subdivision b of section 1612 of the tax law relating to vendor's fees

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "upstate
2 New York gaming economic development act of 2013."

3 § 2. The racing, pari-mutuel wagering and breeding law is amended by
4 adding a new article 13 to read as follows:

5 ARTICLE 13

6 DESTINATION RESORT GAMING

7 Title 1. General provisions

8 2. Facility determination and licensing

9 3. Occupational licensing

10 4. Enterprise and vendor licensing and registration

11 5. Requirements for conduct and operation of gaming

12 6. Taxation and fees

13 7. Problem gambling

14 8. Miscellaneous provisions

15 9. Gaming inspector general

16 TITLE 1

17 GENERAL PROVISIONS

18 Section 1300. Legislative findings and purpose.

19 1301. Definitions.

20 1302. Auditing duties of the commission.

21 1303. Equipment testing.

22 1304. Commission reporting.

23 1305. Supplemental power of the commission.

24 1306. Powers of the board.

25 1307. Required regulations.

26 1308. Reports and recommendations.

27 1309. Severability and preemption.

1 § 1300. Legislative findings and purpose. The legislature hereby
2 finds and declares that:

3 1. New York state is already in the business of gambling with nine
4 video lottery facilities, five tribal class III casinos, and three
5 tribal class II facilities;

6 2. New York state has more electronic gaming machines than any state
7 in the Northeast or Mideast;

8 3. While gambling already exists throughout the state, the state does
9 not fully capitalize on the economic development potential of legalized
10 gambling;

11 4. The state should authorize four destination resort casinos in
12 upstate New York;

13 5. Four upstate casinos can boost economic development, create thou-
14 sands of well-paying jobs and provide added revenue to the state;

15 6. The upstate tourism industry constitutes a critical component of
16 our state's economic infrastructure and that four upstate casinos will
17 attract non-New York residents and bring downstate New Yorkers to
18 upstate;

19 7. The casino sites and the licensed owners shall be selected on
20 merit;

21 8. Local impact of the casino sites will be considered in the casino
22 evaluation process;

23 9. Tribes whose gaming compacts are in good standing with the state
24 will have their geographic exclusivity protected by this article;

25 10. Revenue realized from casinos shall be utilized to increase
26 support for education beyond that of the state's education formulae and
27 to provide real property tax relief to localities;

1 11. Casinos will be tightly and strictly regulated by the commission
2 to guarantee public confidence and trust in the credibility and integri-
3 ty of all casino gambling in the state and to prevent organized crime
4 from any involvement in the casino industry;

5 12. The need for strict state controls extends to regulation of all
6 persons, locations, practices and associations related to the operation
7 of licensed enterprises and all related service industries as provided
8 in this article;

9 13. The state and the casinos will develop programs and resources to
10 combat compulsive and problem gambling;

11 14. The state will ensure that host municipalities of casinos are
12 provided with funding to limit any potential adverse impacts of casinos;

13 15. Political contributions from the casino industry will be minimized
14 to reduce the potential of political corruption from casinos; and

15 16. As thoroughly and pervasively regulated by the state, four upstate
16 casinos will work to the betterment of all New York.

17 § 1301. Definitions. As used in this article the following terms
18 shall, unless the context clearly requires otherwise, have the following
19 meanings:

20 1. "Affiliate". A person that directly or indirectly, through one or
21 more intermediaries, controls or is controlled by, or is under common
22 control with, a specified person.

23 2. "Applicant". Any person who on his or her own behalf or on behalf
24 of another has applied for permission to engage in any act or activity
25 which is regulated under the provisions of this article.

26 3. "Application". A written request for permission to engage in any
27 act or activity which is regulated under the provisions of this article.

1 4. "Authorized game". Any game determined by the commission to be
2 compatible with the public interest and to be suitable for casino use
3 after such appropriate test or experimental period as the commission may
4 deem appropriate. An authorized game may include gaming tournaments in
5 which players compete against one another in one or more of the games
6 authorized herein or by the commission or in approved variations or
7 composites thereof if the tournaments are authorized.

8 5. "Board". The New York state gaming facility location board estab-
9 lished by the commission pursuant to section one hundred nine-a of this
10 chapter.

11 6. "Business". A corporation, sole proprietorship, partnership, limit-
12 ed liability company or any other organization formed for the purpose of
13 carrying on a commercial enterprise.

14 7. "Casino". One or more locations or rooms in a gaming facility that
15 have been approved by the commission for the conduct of gaming in
16 accordance with the provisions of this article.

17 8. "Casino key employee". Any natural person employed by a gaming
18 facility licensee, or holding or intermediary company of a gaming facil-
19 ity licensee, and involved in the operation of a licensed gaming facili-
20 ty in a supervisory capacity and empowered to make discretionary deci-
21 sions which regulate gaming facility operations; or any other employee
22 so designated by the commission for reasons consistent with the policies
23 of this article.

24 9. "Casino vendor enterprise". Any vendor offering goods or services
25 which directly relate to casino or gaming activity, or any vendor
26 providing to gaming facility licensees or applicants goods and services
27 ancillary to gaming activity. Notwithstanding the foregoing, any form of
28 enterprise engaged in the manufacture, sale, distribution, testing or

1 repair of slot machines within the state, other than antique slot
2 machines, shall be considered a casino vendor enterprise for the
3 purposes of this article regardless of the nature of its business
4 relationship, if any, with gaming facility applicants and licensees in
5 this state.

6 10. "Close associate". A person who holds a relevant financial inter-
7 est in, or is entitled to exercise power in, the business of an appli-
8 cant or licensee and, by virtue of that interest or power, is able to
9 exercise a significant influence over the management or operation of a
10 gaming facility or business licensed under this article.

11 11. "Commission". The New York state gaming commission.

12 12. "Complimentary service or item". A service or item provided at no
13 cost or at a reduced cost to a patron of a gaming facility.

14 13. "Conservator". A person appointed by the commission to temporarily
15 manage the operation of a gaming facility.

16 14. "Credit card". A card, code or other device with which a person
17 may defer payment of debt, incur debt and defer its payment, or purchase
18 property or services and defer payment therefor, but not a card, code or
19 other device used to activate a preexisting agreement between a person
20 and a financial institution to extend credit when the person's account
21 at the financial institution is overdrawn or to maintain a specified
22 minimum balance in the person's account at the financial institution.

23 15. "Debt". Any legal liability, whether matured or unmatured, liqui-
24 dated or unliquidated, absolute, fixed or contingent, including debt
25 convertible into an equity security which has not yet been so converted,
26 and any other debt carrying any warrant or right to subscribe to or
27 purchase an equity security which warrant or right has not yet been
28 exercised.

1 16. "Encumbrance". A mortgage, security interest, lien or charge of
2 any nature in or upon property.

3 17. "Executive director". The executive director of the New York state
4 gaming commission.

5 18. "Family". Spouse, domestic partner, partner in a civil union,
6 parents, grandparents, children, grandchildren, siblings, uncles, aunts,
7 nephews, nieces, fathers-in-law, mothers-in-law, daughters-in-law, sons-
8 in-law, brothers-in-law and sisters-in-law, whether by the whole or half
9 blood, by marriage, adoption or natural relationship.

10 19. "Game". Any banking or percentage game located within the gaming
11 facility played with cards, dice, tiles, dominoes, or any electronic,
12 electrical, or mechanical device or machine for money, property, or any
13 representative of value which has been approved by the commission.

14 20. "Gaming" or "gambling". The dealing, operating, carrying on,
15 conducting, maintaining or exposing for pay of any game.

16 21. "Gaming device" or "gaming equipment". Any electronic, electrical,
17 or mechanical contrivance or machine used in connection with gaming or
18 any game.

19 22. "Gaming employee". Any natural person, not otherwise included in
20 the definition of casino key employee, who is employed by a gaming
21 facility licensee, or a holding or intermediary company of a gaming
22 facility licensee, and is involved in the operation of a licensed gaming
23 facility or performs services or duties in a gaming facility or a
24 restricted casino area; or any other natural person whose employment
25 duties predominantly involve the maintenance or operation of gaming
26 activity or equipment and assets associated therewith or who, in the
27 judgment of the commission, is so regularly required to work in a

1 restricted casino area that registration as a gaming employee is appro-
2 priate.

3 23. "Gaming facility". The premises approved under a gaming license
4 which includes a gaming area and any other nongaming structure related
5 to the gaming area and may include, but shall not be limited to, hotels,
6 restaurants or other amenities.

7 24. "Gaming facility license". Any license issued pursuant to this
8 article which authorizes the holder thereof to own or operate a gaming
9 facility.

10 25. "Gross gaming revenue". The total of all sums actually received by
11 a gaming facility licensee from gaming operations less the total of all
12 sums paid out as winnings to patrons; provided, however, that the total
13 of all sums paid out as winnings to patrons shall not include the cash
14 equivalent value of any merchandise or thing of value included in a
15 jackpot or payout; provided further, that the issuance to or wagering by
16 patrons of a gaming facility of any promotional gaming credit shall not
17 be taxable for the purposes of determining gross revenue.

18 26. "Holding company". A corporation, association, firm, partnership,
19 trust or other form of business organization, other than a natural
20 person, which, directly or indirectly, owns, has the power or right to
21 control, or has the power to vote any significant part of the outstand-
22 ing voting securities of a corporation or any other form of business
23 organization which holds or applies for a gaming license; provided,
24 however, that a "holding company", in addition to any other reasonable
25 use of the term, shall indirectly have, hold or own any such power,
26 right or security if it does so through an interest in a subsidiary or
27 any successive subsidiaries, notwithstanding how many such subsidiaries

1 may intervene between the holding company and the gaming facility licen-
2 see or applicant.

3 27. "Host municipality". A city, town or village in which a gaming
4 facility is located or in which an applicant has proposed locating a
5 gaming facility.

6 28. "Intermediary company". A corporation, association, firm, partner-
7 ship, trust or other form of business organization, other than a natural
8 person, which is a holding company with respect to a corporation or
9 other form of business organization which holds or applies for a gaming
10 license, and is a subsidiary with respect to a holding company.

11 29. "Junket". An arrangement intended to induce a person to come to a
12 gaming facility to gamble, where the person is selected or approved for
13 participation on the basis of the person's ability to satisfy a finan-
14 cial qualification obligation related to the person's ability or will-
15 ingness to gamble or on any other basis related to the person's propen-
16 sity to gamble and pursuant to which and as consideration for which, any
17 of the cost of transportation, food, lodging, and entertainment for the
18 person is directly or indirectly paid by a gaming facility licensee or
19 an affiliate of the gaming facility licensee.

20 30. "Junket enterprise". A person, other than a gaming facility licen-
21 see or an applicant for a gaming facility license, who employs or other-
22 wise engages the services of a junket representative in connection with
23 a junket to a licensed gaming facility, regardless of whether or not
24 those activities occur within the state.

25 31. "Junket representative". A person who negotiates the terms of, or
26 engages in the referral, procurement or selection of persons who may
27 participate in, a junket to a gaming facility, regardless of whether or
28 not those activities occur within the state.

1 32. "Operation certificate". A certificate issued by the commission
2 which certifies that operation of a gaming facility conforms to the
3 requirements of this article and applicable regulations and that its
4 personnel and procedures are sufficient and prepared to entertain the
5 public.

6 33. "Person". Any corporation, association, operation, firm, partner-
7 ship, trust or other form of business association, as well as a natural
8 person.

9 34. "Registration". Any requirement other than one which requires a
10 license as a prerequisite to conduct a particular business as specified
11 by this article.

12 35. "Registrant". Any person who is registered pursuant to the
13 provisions of this article.

14 36. "Restricted casino areas". The cashier's cage, the soft count
15 room, the hard count room, the slot cage booths and runway areas, the
16 interior of table game pits, the surveillance room and catwalk areas,
17 the slot machine repair room and any other area specifically designated
18 by the commission as restricted in a licensee's operation certificate.

19 37. "Qualification" or "qualified". The process of licensure set forth
20 by the commission to determine that all persons who have a professional
21 interest in a gaming facility license, or casino vendor enterprise
22 license, or the business of a gaming facility licensee or gaming vendor,
23 meet the same standards of suitability to operate or conduct business
24 with a gaming facility.

25 38. "Slot machine". A mechanical, electrical or other device, contri-
26 vance or machine which, upon insertion of a coin, token or similar
27 object therein, or upon payment of any consideration whatsoever, is
28 available to play or operate, the play or operation of which, whether by

1 reason of the skill of the operator or application of the element of
2 chance, or both, may deliver or entitle the individual playing or oper-
3 ating the machine to receive cash, or tokens to be exchanged for cash,
4 or to receive merchandise or any other thing of value, whether the
5 payoff is made automatically from the machine or in any other manner,
6 except that the cash equivalent value of any merchandise or other thing
7 of value shall not be included in determining the payout percentage of a
8 slot machine.

9 39. "Sports wagering". The activity authorized by section one thousand
10 three hundred sixty-seven of this article, provided that there has been
11 a change in federal law authorizing such activity or upon ruling of a
12 court of competent jurisdiction that such activity is lawful.

13 40. "Subsidiary". A corporation, a significant part of whose outstand-
14 ing equity securities are owned, subject to a power or right of control,
15 or held with power to vote, by a holding company or an intermediary
16 company, or a significant interest in a firm, association, partnership,
17 trust or other form of business organization, other than a natural
18 person, which is owned, subject to a power or right of control, or held
19 with power to vote, by a holding company or an intermediary company.

20 41. "Table game". A game, other than a slot machine, which is author-
21 ized by the commission to be played in a gaming facility.

22 42. "Transfer". The sale or other method, either directly or indirect-
23 ly, of disposing of or parting with property or an interest therein, or
24 the possession thereof, or of fixing a lien upon property or upon an
25 interest therein, absolutely or conditionally, voluntarily or involun-
26 tarily, by or without judicial proceedings, as a conveyance, sale,
27 payment, pledge, mortgage, lien, encumbrance, gift, security or other-
28 wise; provided, however, that the retention of a security interest in

1 property delivered to a corporation shall be deemed a transfer suffered
2 by such corporation.

3 § 1302. Auditing duties of the commission. The commission shall audit
4 as often as the commission determines necessary, but not less than annu-
5 ally, the accounts, programs, activities, and functions of all gaming
6 facility licensees, including the audit of payments made pursuant to
7 section one thousand three hundred fifty-one of this chapter. To
8 conduct the audit, authorized officers and employees of the commission
9 shall have access to such accounts at reasonable times and the commis-
10 sion may require the production of books, documents, vouchers and other
11 records relating to any matter within the scope of the audit. All audits
12 shall be conducted in accordance with generally accepted auditing stand-
13 ards established by the American Institute of Certified Public Account-
14 ants. In any audit report of the accounts, funds, programs, activities
15 and functions of a gaming facility licensee issued by the commission
16 containing adverse or critical audit results, the commission may require
17 a response, in writing, to the audit results. The response shall be
18 forwarded to the commission within fifteen days of notification by the
19 commission.

20 § 1303. Equipment testing. Unless the commission otherwise determines
21 it to be in the best interests of the state, the commission shall
22 utilize the services of an independent testing laboratory that has been
23 qualified and approved by the commission pursuant to this article to
24 perform the testing of slot machines and other gaming equipment and may
25 also utilize applicable data from the independent testing laboratory, or
26 from a governmental agency of a state other than New York, authorized to
27 regulate slot machines and other gaming equipment.

1 § 1304. Commission reporting. The commission shall report monthly to
2 the governor, the senate and the assembly, the senate finance committee
3 and the assembly ways and means committee, and the chairs of the senate
4 racing, gaming and wagering committee and the assembly racing and wager-
5 ing committee on economic development and emerging technologies on the
6 total gaming revenues, prize disbursements and other expenses for the
7 preceding month and shall make an annual report to the same recipients
8 which shall include a full and complete statement of gaming revenues,
9 prize disbursements and other expenses, including such recommendations
10 as the commission considers necessary or advisable. The commission shall
11 also report immediately to the aforementioned on any matter which
12 requires immediate changes in the laws in order to prevent abuses or
13 evasions of the laws, rules or regulations related to gaming or to
14 rectify undesirable conditions in connection with the administration or
15 operation of gaming in the state.

16 § 1305. Supplemental power of the commission. The commission shall
17 have all powers necessary or convenient to carry out and effectuate its
18 purposes including, but not limited to, the power to:

19 1. execute all instruments necessary or convenient for accomplishing
20 the purposes of this article;

21 2. enter into agreements or other transactions with a person, includ-
22 ing, but not limited to, a public entity or other governmental instru-
23 mentality or authority in connection with its powers and duties under
24 this article;

25 3. require an applicant for a position which requires a license under
26 this article to apply for such license and approve or disapprove any
27 such application or other transactions, events and processes as provided
28 in this article;

- 1 4. require a person who has a business association of any kind with a
2 gaming licensee or applicant to be qualified for licensure under this
3 article;
- 4 5. determine a suitable debt-to-equity ratio for applicants for a
5 gaming license;
- 6 6. deny an application or limit, condition, restrict, revoke or
7 suspend a license, registration, finding of suitability or approval, or
8 fine a person licensed, registered, found suitable or approved for any
9 cause that the commission deems reasonable;
- 10 7. monitor the conduct of licensees and other persons having a materi-
11 al involvement, directly or indirectly, with a licensee for the purpose
12 of ensuring that licenses are not issued to or held by and that there is
13 no direct or indirect material involvement with a licensee, by an
14 unqualified or unsuitable person or by a person whose operations are
15 conducted in an unsuitable manner or in unsuitable or prohibited places
16 as provided in this article;
- 17 8. gather facts and information applicable to the commission's obli-
18 gation to issue, suspend or revoke licenses, work permits or registra-
19 tions for:
- 20 (a) a violation of this article or any regulation adopted by the
21 commission;
- 22 (b) willfully violating an order of the commission directed to a
23 licensee;
- 24 (c) the conviction of certain criminal offenses; or
25 (d) the violation of any other offense which would disqualify such a
26 licensee from holding a license, work permit or registration;
- 27 9. conduct investigations into the qualifications of any regulated
28 entity and all applicants for licensure;

1 10. request and receive from the division of criminal justice services
2 and the federal bureau of investigation, criminal history information as
3 defined in paragraph (c) of subdivision one of section eight hundred
4 forty-five-b of the executive law for the purpose of evaluating appli-
5 cants for employment by any regulated entity, and evaluating licensees
6 and applicants for licensure under this article;

7 11. be present, through its agents, at all times, in a gaming facility
8 for the purposes of:

9 (a) certifying revenue;

10 (b) receiving complaints from the public relating to the conduct of
11 gaming and wagering operations;

12 (c) examining records of revenues and procedures and inspecting and
13 auditing all books, documents and records of licensees;

14 (d) conducting periodic reviews of operations and facilities for the
15 purpose of regulations adopted hereunder; and

16 (e) exercising its oversight responsibilities with respect to gaming;

17 12. inspect and have access to all equipment and supplies in a gaming
18 facility or on premises where gaming equipment is manufactured, sold or
19 distributed;

20 13. seize and remove from the premises of a gaming licensee and
21 impound any equipment, supplies, documents and records for the purpose
22 of examination and inspection;

23 14. demand access to and inspect, examine, photocopy and audit all
24 papers, books and records of any affiliate of a gaming licensee or
25 gaming vendor whom the commission suspects is involved in the financing,
26 operation or management of the gaming licensee or gaming vendor;
27 provided, however, that the inspection, examination, photocopying and

1 audit may take place on the affiliate's premises or elsewhere as practi-
2 cable and in the presence of the affiliate or its agent;

3 15. require that the books and financial or other records or state-
4 ments of a gaming licensee or gaming vendor be kept in a manner that the
5 commission considers proper;

6 16. levy and collect assessments, fees, fines and interest and impose
7 penalties and sanctions as authorized by law for a violation of this
8 article or any regulations promulgated by the commission;

9 17. collect taxes, fees and interest under this article;

10 18. restrict, suspend or revoke licenses issued under this article;

11 19. refer cases for criminal prosecution to the appropriate federal,
12 state or local authorities;

13 20. adopt, amend or repeal regulations for the implementation, admin-
14 istration and enforcement of this article; and

15 21. determine a suitable duration for each license, registration or
16 finding of suitability or approval.

17 § 1306. Powers of the board. The New York state resort gaming facility
18 location board shall select, following a competitive process and subject
19 to the restrictions of this article, no more than four entities to apply
20 to the commission for gaming facility licenses. In exercising its
21 authority, the board shall have all powers necessary or convenient to
22 fully carry out and effectuate its purposes including, but not limited
23 to, the following powers. The board shall:

24 1. issue a request for applications for zone two gaming facility
25 licenses pursuant to section one thousand three hundred twelve of this
26 article;

27 2. assist the commission in prescribing the form of the application
28 for zone two gaming facility licenses including information to be

1 furnished by an applicant concerning an applicant's antecedents, habits,
2 character, associates, criminal record, business activities and finan-
3 cial affairs, past or present pursuant to section one thousand three
4 hundred thirteen of this article;

5 3. develop criteria, in addition to those outlined in this article, to
6 assess which applications provide the highest and best value to the
7 state, the zone and the region in which a gaming facility is to be
8 located;

9 4. determine a gaming facility license fee to be paid by an applicant;

10 5. determine, from time to time, whether tribal-state gaming compacts
11 are in or remain in good standing for the purposes of determining wheth-
12 er a gaming facility may be located in areas designated by subdivision
13 two of section one thousand three hundred eleven of this article;

14 6. determine, with the assistance of the commission, the sources and
15 total amount of an applicant's proposed capitalization to develop,
16 construct, maintain and operate a proposed gaming facility license under
17 this article;

18 7. have the authority to conduct investigative hearings concerning the
19 conduct of gaming and gaming operations in accordance with any proce-
20 dures set forth in this article and any applicable implementing regu-
21 lations;

22 8. issue detailed findings of facts and conclusions demonstrating the
23 reasons supporting its decisions to select applicants for commission
24 licensure;

25 9. report annually to the governor, the speaker of the assembly and
26 the temporary president of the senate, its proceedings for the preceding
27 calendar year and any suggestions and recommendations as it shall deem
28 desirable;

1 10. promulgate any rules and regulations that it deems necessary to
2 carry out its responsibilities;

3 11. have the power to administer oaths and examine witnesses; and
4 request and receive criminal history information as defined in paragraph
5 (c) of subdivision one of section eight hundred forty-five-b of the
6 executive law of the division of criminal justice services, pursuant to
7 subdivision eight-a of section eight hundred thirty-seven of the execu-
8 tive law, in connection with executing the responsibilities of the board
9 relating to licensing including fingerprinting, criminal history infor-
10 mation and background investigations, of entities applying for a gaming
11 facility license. At the request of the board, the division of criminal
12 justice services shall submit a fingerprint card, along with the
13 subject's processing fee, to the federal bureau of investigation for the
14 purpose of conducting a criminal history search and returning a report
15 thereon. The board shall also be entitled to request and receive, pursu-
16 ant to a written memorandum of understanding filed with the department
17 of state, any information in the possession of the state attorney gener-
18 al relating to the investigation of organized crime, gaming offenses,
19 other revenue crimes or tax evasion. Provided however, the attorney
20 general may withhold any information that (a) would identify a confiden-
21 tial source or disclose confidential information relating to a criminal
22 investigation, (b) would interfere with law enforcement investigations
23 or judicial proceedings, (c) reveal criminal investigative techniques or
24 procedures, that, if disclosed, could endanger the life or safety of any
25 person, or (d) constitutes records received from other state, local or
26 federal agencies that the attorney general is prohibited by law, regu-
27 lation or agreement from disclosing.

28 § 1307. Required regulations. 1. The commission is authorized:

1 (a) to adopt, amend or repeal such regulations, consistent with the
2 policy and objectives of this article, as amended and supplemented, as
3 it may deem necessary to protect the public interest in carrying out the
4 provisions of this article; and

5 (b) to adopt, amend or repeal such regulations as may be necessary for
6 the conduct of hearings before the commission and for the matters within
7 all other responsibilities and duties of the commission imposed by this
8 article.

9 2. The commission shall, without limitation, include the following
10 specific provisions in its regulations in accordance with the provisions
11 of this article:

12 (a) prescribing the methods and forms of application and registration
13 which any applicant or registrant shall follow and complete;

14 (b) prescribing the methods, procedures and form for delivery of
15 information concerning any person's family, habits, character, associ-
16 ates, criminal record, business activities and financial affairs;

17 (c) prescribing such procedures for the fingerprinting of an appli-
18 cant, employee of a licensee, or registrant, and methods of identifica-
19 tion which may be necessary to accomplish effective enforcement of
20 restrictions on access to the casino and other restricted casino areas
21 of the gaming facility;

22 (d) prescribing the method of notice to an applicant, registrant or
23 licensee concerning the release of any information or data provided to
24 the commission by such applicant, registrant or licensee;

25 (e) prescribing the manner and procedure of all hearings conducted by
26 the commission or any presiding officer;

27 (f) prescribing the manner and method of collection of payments of
28 taxes, fees, interest and penalties;

1 (g) defining and limiting the areas of operation, the rules of author-
2 ized games, odds, and devices permitted, and the method of operation of
3 such games and devices;

4 (h) regulating the practice and procedures for negotiable transactions
5 involving patrons, including limitations on the circumstances and
6 amounts of such transactions, and the establishment of forms and proce-
7 dures for negotiable instrument transactions, redemptions, and consol-
8 idations;

9 (i) prescribing grounds and procedures for the revocation or suspen-
10 sion of operating certificates, licenses and registrations;

11 (j) governing the manufacture, distribution, sale, deployment, and
12 servicing of gaming devices and equipment;

13 (k) prescribing for gaming operations the procedures, forms and meth-
14 ods of management controls, including employee and supervisory tables of
15 organization and responsibility, and minimum security and surveillance
16 standards, including security personnel structure, alarm and other elec-
17 trical or visual security measures; provided, however, that the commis-
18 sion shall grant an applicant broad discretion concerning the organiza-
19 tion and responsibilities of management personnel who are not directly
20 involved in the supervision of gaming operations;

21 (l) prescribing the qualifications of, and the conditions pursuant to
22 which, engineers, accountants, and others shall be permitted to practice
23 before the commission or to submit materials on behalf of any applicant
24 or licensee;

25 (m) prescribing minimum procedures for the exercise of effective
26 control over the internal fiscal affairs of a licensee, including
27 provisions for the safeguarding of assets and revenues, the recording of
28 cash and evidence of indebtedness, and the maintenance of reliable

1 records, accounts, and reports of transactions, operations and events,
2 including reports to the commission;

3 (n) providing for a minimum uniform standard of accountancy methods,
4 procedures and forms; a uniform code of accounts and accounting classi-
5 fications; and such other standard operating procedures, as may be
6 necessary to assure consistency, comparability, and effective disclosure
7 of all financial information, including calculations of percentages of
8 profit by games, tables, gaming devices and slot machines;

9 (o) requiring quarterly financial reports and the form thereof, and an
10 annual audit prepared by a certified public accountant licensed to do
11 business in this state, attesting to the financial condition of a licen-
12 see and disclosing whether the accounts, records and control procedures
13 examined are maintained by the licensee as required by this article and
14 the regulations promulgated hereunder;

15 (p) governing the gaming-related advertising of licensees, their
16 employees and agents, with the view toward assuring that such advertise-
17 ments are not deceptive; and

18 (q) governing the distribution and consumption of alcoholic beverages
19 on the premises of the licensee.

20 3. The commission shall, in its regulations, prescribe the manner and
21 procedure of all hearings conducted by the commission.

22 § 1308. Reports and recommendations. The commission shall carry on a
23 continuous study of the operation and administration of casino control
24 laws which may be in effect in other jurisdictions, literature on this
25 subject which may from time to time become available, and federal laws
26 which may affect the operation of casino gaming in this state. It shall
27 be responsible for ascertaining any defects in this article or in the
28 rules and regulations issued thereunder, formulating recommendations for

1 changes in this article. The commission shall make available to the
2 governor and the legislature within its annual report an accounting of
3 all revenues, expenses and disbursements, a review of its licensing and
4 enforcement activities conducted pursuant to section one thousand three
5 hundred forty of this article and shall include therein such recommenda-
6 tions for changes in this article as the commission deems necessary or
7 desirable.

8 § 1309. Severability and preemption. 1. If any clause, sentence,
9 subparagraph, paragraph, subdivision, section, article or other portion
10 of this article or the application thereof to any person or circum-
11 stances shall be held to be invalid, such holding shall not affect,
12 impair or invalidate the remainder of this article or the application of
13 such portion held invalid to any other person or circumstances, but
14 shall be confined in its operation to the clause, sentence, paragraph,
15 subparagraph, subdivision, section, article or other portion thereof
16 directly involved in such holding or to the person or circumstance ther-
17 ein involved.

18 2. If any provision of this article is inconsistent with, in conflict
19 with, or contrary to any other provision of law, such provision of this
20 article shall prevail over such other provision and such other provision
21 shall be deemed to be superseded to the extent of such inconsistency or
22 conflict. Notwithstanding the provisions of any other law to the contra-
23 ry, no local government unit of this state may enact or enforce any
24 ordinance or resolution conflicting with any provision of this article
25 or with any policy of this state expressed or implied herein, whether by
26 exclusion or inclusion. The commission shall have exclusive jurisdiction
27 over all matters delegated to it or within the scope of its powers under
28 the provisions of this article.

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TITLE 2

FACILITY DETERMINATION AND LICENSING

Section 1310. Development zones and regions.

1311. License authorization; restrictions.

1312. Requests for applications.

1313. Form of application.

1314. License applicant eligibility.

1315. Required capital investment.

1316. Minimum license thresholds.

1317. Investigation of license applicants.

1318. Disqualifying criteria.

1319. Investigative hearings.

1320. Siting evaluation.

1321. Intentionally omitted.

§ 1310. Development zones and regions. 1. There are hereby created two development zones to be known as the zone one and zone two. Zone one shall include the city of New York and the counties of Nassau, Putnam, Rockland, Suffolk and Westchester. Zone two shall include all the other counties of the state.

2. Each zone shall be divided into development regions. (a) The three development regions in zone one shall be comprised of the following counties:

(1) Region one shall consist of Putnam, Rockland and Westchester counties;

(2) Region two shall consist of Bronx, Kings, New York, Queens and Richmond counties. No gaming facility shall be authorized in region two; and

(3) Region three shall consist of Nassau and Suffolk counties.

1 (b) The six development regions in zone two shall be comprised of the
2 following counties:

3 (1) Region one shall consist of Columbia, Delaware, Dutchess, Greene,
4 Orange, Sullivan and Ulster counties;

5 (2) Region two shall consist of Albany, Fulton, Montgomery, Rensse-
6 laer, Saratoga, Schenectady, Schoharie and Washington counties.

7 (3) Region three shall consist of Clinton, Essex, Franklin, Hamilton,
8 Jefferson, Saint Lawrence and Warren counties;

9 (4) Region four shall consist of Cayuga, Chenango, Cortland, Herkimer,
10 Lewis, Madison, Oneida, Onondaga, Oswego and Otsego counties;

11 (5) Region five shall consist of Broome, Chemung (east of State Route
12 14), Schuyler (east of State Route 14), Seneca, Tioga, Tompkins, and
13 Wayne (east of State Route 14) counties; and

14 (6) Region six shall consist of Allegany, Cattaraugus, Chautauqua,
15 Chemung (west of State Route 14), Erie, Genesee, Livingston, Monroe,
16 Niagara, Ontario, Orleans, Schuyler (west of State Route 14), Steuben,
17 Wayne (west of State Route 14), Wyoming, and Yates counties.

18 § 1311. License authorization; restrictions. 1. The commission is
19 authorized to award up to four gaming facility licenses, in regions one,
20 two and five of zone two. The duration of such initial license shall be
21 ten years. The term of renewal shall be determined by the commission.
22 The commission may award a second license to a qualified applicant in no
23 more than a single region. The commission is not empowered to award any
24 license in zone one. No gaming facilities are authorized under this
25 article for the city of New York or any other portion of zone one.

26 As a condition of licensure, licensees are required to commence gaming
27 operations no less than twenty-four months following license award. No
28 additional licenses may be awarded during the twenty-four month period,

1 nor for an additional sixty months following the end of the twenty-four
2 month period. Should the state legislatively authorize additional
3 gaming facility licenses within these periods, licensees shall have the
4 right to recover the license fee paid pursuant to section one thousand
5 three hundred six of this article.

6 This right shall be incorporated into the license itself, vest upon
7 the opening of a gaming facility in zone one or in the same region as
8 the licensee and entitle the holder of such license to bring an action
9 in the court of claims to recover the license fee paid pursuant to
10 section one thousand three hundred fifteen of this article in the event
11 that any gaming facility license in excess of the number authorized by
12 this section as of the effective date of this section is awarded within
13 seven years from the date that the initial gaming facility license is
14 awarded. This right to recover any such fee shall be proportionate to
15 the length of the respective period that is still remaining upon the
16 vesting of such right.

17 Additionally, the right to bring an action in the court of claims to
18 recover the fee paid to the state on the twenty-fourth day of September,
19 two thousand ten, by the operator of a video lottery gaming facility in
20 a city of more than one million shall vest with such operator upon the
21 opening of any gaming facility licensed by the commission in zone one
22 within seven years from the date that the initial gaming facility
23 license is awarded; provided however that the amount recoverable shall
24 be limited to the pro rata amount of the time remaining until the end of
25 the seven year exclusivity period, proportionate to the period of time
26 between the date of opening of the video lottery facility until the
27 conclusion of the seven year period.

1 2. Notwithstanding the foregoing, no casino gaming facility shall be
2 authorized:

3 (a) in the counties of Clinton, Essex, Franklin, Hamilton, Jefferson,
4 Lewis, Saint Lawrence and Warren;

5 (b) within the following area: (1) to the east, State Route 14 from
6 Sodus Point to the Pennsylvania border with New York; (2) to the north,
7 the border between New York and Canada; (3) to the south, the Pennsylva-
8 nia border with New York; and (4) to the west, the border between New
9 York and Canada and the border between Pennsylvania and New York; and

10 (c) in the counties of Cayuga, Chenango, Cortland, Herkimer, Lewis,
11 Madison, Oneida, Onondaga, Oswego and Otsego.

12 § 1312. Requests for applications. 1. The board shall issue within
13 ninety days of a majority of members being appointed a request for
14 applications for a gaming facility license in regions one, two and five
15 in zone two; provided, however, that the board shall not issue any
16 requests for applications for any region in zone one; and further
17 provided that the board shall not issue any requests for applications
18 with respect to any gaming facility subsequently legislatively author-
19 ized until seven years following the commencement of gaming activities
20 in zone two. All requests for applications shall include:

21 (a) the time and date for receipt of responses to the request for
22 applications, the manner they are to be received and the address of the
23 office to which the applications shall be delivered;

24 (b) the form of the application and the method for submission;

25 (c) a general description of the anticipated schedule for processing
26 the application;

27 (d) the contact information of board employees responsible for handl-
28 ing applicant questions; and

1 (e) any other information that the board determines.

2 2. Board activities shall be subject to section one hundred thirty-
3 nine-j and section one hundred thirty-nine-k of the state finance law.

4 3. Requests for applications pursuant to subdivision one of this
5 section shall be advertised in a newspaper of general circulation and on
6 the official internet website of the commission and the board.

7 4. The board shall establish deadlines for the receipt of all applica-
8 tions. Applications received after the deadline shall not be reviewed by
9 the board.

10 § 1313. Form of application. 1. The commission and the board shall
11 prescribe the initial form of the application for gaming licenses which
12 shall require, but not be limited to:

13 (a) the name of the applicant;

14 (b) the mailing address and, if a corporation, the name of the state
15 under the laws of which it is incorporated, the location of its princi-
16 pal place of business and the names and addresses of its directors and
17 such stockholders as to be determined by the commission;

18 (c) the identity of each person having a direct or indirect interest
19 in the business and the nature of such interest; provided, however, that
20 if the disclosed entity is a trust, the application shall disclose the
21 names and addresses of all beneficiaries; provided further, that if the
22 disclosed entity is a partnership, the application shall disclose the
23 names and addresses of all partners, both general and limited; and
24 provided further, that if the disclosed entity is a limited liability
25 company, the application shall disclose the names and addresses of all
26 members;

27 (d) an independent audit report of all financial activities and inter-
28 ests including, but not limited to, the disclosure of all contributions,

1 donations, loans or any other financial transactions to or from a gaming
2 entity or operator in the past five years;

3 (e) clear and convincing evidence of financial stability including,
4 but not limited to, bank references, business and personal income and
5 disbursement schedules, tax returns and other reports filed by govern-
6 ment agencies and business and personal accounting check records and
7 ledgers;

8 (f) information and documentation to demonstrate that the applicant
9 has sufficient business ability and experience to create the likelihood
10 of establishing and maintaining a successful gaming facility;

11 (g) a full description of the proposed internal controls and security
12 systems for the proposed gaming facility and any related facilities;

13 (h) the designs for the proposed gaming facility, including the names
14 and addresses of the architects, engineers and designers, and a timeline
15 of construction that includes detailed stages of construction for the
16 gaming facility and non-gaming structures, where applicable, and a
17 proposed date to open for gaming;

18 (i) the number of construction hours estimated to complete the work;

19 (j) a description of the ancillary entertainment services and amen-
20 ities to be provided at the proposed gaming facility;

21 (k) the number of employees to be employed at the proposed gaming
22 facility, including detailed information on the pay rate and benefits
23 for employees;

24 (l) completed studies and reports as required by the commission, which
25 shall include, but not be limited to, an examination of the proposed
26 gaming facility's:

27 (1) economic benefits to the region and the state;

1 (2) local and regional social, environmental, traffic and infrastruc-
2 ture impacts;

3 (3) impact on the local and regional economy, including the impact on
4 cultural institutions and on small businesses in the host municipality
5 and nearby municipalities;

6 (4) cost to the host municipality, nearby municipalities and the state
7 for the proposed gaming facility to be located at the proposed location;
8 and

9 (5) the estimated state tax revenue to be generated by the gaming
10 facility;

11 (m) the names of proposed vendors of gaming equipment;

12 (n) the location of the proposed gaming facility, which shall include
13 the address, maps, book and page numbers from the appropriate registry
14 of deeds, assessed value of the land at the time of application and
15 ownership interests over the past twenty years, including all interests,
16 options, agreements in property and demographic, geographic and environ-
17 mental information and any other information requested by the commis-
18 sion;

19 (o) the type and number of games to be conducted at the proposed
20 gaming facility and the specific location of the games in the proposed
21 gaming facility;

22 (p) the number of hotels and rooms, restaurants and other amenities
23 located at the proposed gaming facility and how they measure in quality
24 to other area hotels and amenities;

25 (q) whether the applicant's proposed gaming facility is part of a
26 regional or local economic plan; and

27 (r) whether the applicant purchased or intends to purchase publicly-
28 owned land for the proposed gaming facility.

1 2. Applications for licenses shall be public records; provided howev-
2 er, that trade secrets, competitively-sensitive or other proprietary
3 information provided in the course of an application for a gaming
4 license under this article, the disclosure of which would place the
5 applicant at a competitive disadvantage, may be withheld from disclosure
6 pursuant to paragraph (d) of subdivision two of section eighty-seven of
7 the public officers law.

8 § 1314. License applicant eligibility. 1. Gaming facility licenses
9 shall only be issued to applicants who are qualified under the criteria
10 set forth in this article, as determined by the commission.

11 2. As a condition of filing, each potential license applicant must
12 demonstrate to the board's satisfaction that local support has been
13 demonstrated.

14 3. Within any development region, if the commission is not convinced
15 that there is an applicant that has met the eligibility criteria or the
16 board finds that no applicant has provided substantial evidence that its
17 proposal will provide value to the region in which the gaming facility
18 is proposed to be located, no gaming facility license shall be awarded
19 in that region.

20 § 1315. Required capital investment. 1. The board shall establish the
21 minimum capital investment for a gaming facility by zone and region.
22 Such investment shall include, but not be limited to, a casino area, at
23 least one hotel and other amenities; and provided further, that the
24 board shall determine whether it will include the purchase or lease
25 price of the land where the gaming facility will be located or any
26 infrastructure designed to support the site including, but not limited
27 to, drainage, utility support, roadways, interchanges, fill and soil or
28 groundwater or surface water contamination issues. The board may

1 consider private capital investment made previous to the effective date
2 of this section, but may, in its discretion, discount a percentage of
3 the investment made. Upon award of a gaming license by the commission,
4 the applicant shall be required to deposit ten percent of the total
5 investment proposed in the application into an interest-bearing account.
6 Monies received from the applicant shall be held in escrow until the
7 final stage of construction, as detailed in the timeline of construction
8 submitted with the licensee's application and approved by the commis-
9 sion, at which time the deposit plus interest earned shall be returned
10 to the applicant to be applied for the final stage. Should the appli-
11 cant be unable to complete the gaming facility, the deposit shall be
12 forfeited to the state. In place of a cash deposit, the commission may
13 allow for an applicant to secure a deposit bond insuring that ten
14 percent of the proposed capital investment shall be forfeited to the
15 state if the applicant is unable to complete the gaming facility.

16 2. Each applicant shall submit its proposed capital investment with
17 its application to the board which shall include stages of construction
18 of the gaming facility and the deadline by which the stages and overall
19 construction and any infrastructure improvements will be completed. In
20 awarding a license, the commission shall determine at what stage of
21 construction a licensee shall be approved to open for gaming; provided,
22 however, that a licensee shall not be approved to open for gaming until
23 the commission has determined that at least the gaming area and other
24 ancillary entertainment services and non-gaming amenities, as required
25 by the board, have been built and are of a superior quality as set forth
26 in the conditions of licensure. The commission shall not approve a
27 gaming facility to open before the completion of the permanent casino
28 area.

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1 3. A licensee who fails to begin gaming operations within twenty-four
2 months following license award shall be subject to suspension or revoca-
3 tion of the gaming license by the commission and may, after being found
4 by the commission after notice and opportunity for a hearing to have
5 acted in bad faith in its application, be assessed a fine of up to fifty
6 million dollars.

7 4. The board shall determine a licensing fee to be paid by a licensee
8 within thirty days after the award of the license which shall be depos-
9 ited into the commercial gaming revenue fund. The license shall set
10 forth the conditions to be satisfied by the licensee before the gaming
11 facility shall be opened to the public. The commission shall set any
12 renewal fee for such license based on the cost of fees associated with
13 the evaluation of a licensee under this article which shall be deposited
14 into the commercial gaming fund. Such renewal fee shall be exclusive of
15 any subsequent licensing fees under this section.

16 5. The commission shall determine the sources and total amount of an
17 applicant's proposed capitalization to develop, construct, maintain and
18 operate a proposed gaming facility under this article. Upon award of a
19 gaming license, the commission shall continue to assess the capitaliza-
20 tion of a licensee for the duration of construction of the proposed
21 gaming facility and the term of the license.

22 § 1316. Minimum license thresholds. No applicant shall be eligible to
23 receive a gaming license unless the applicant meets the following crite-
24 ria and clearly states as part of an application that the applicant
25 shall:

26 1. in accordance with the design plans submitted with the licensee's
27 application to the board, invest not less than the required capital
28 under this article into the gaming facility;

- 1 2. own or acquire, within sixty days after a license has been awarded,
2 the land where the gaming facility is proposed to be constructed;
3 provided, however, that ownership of the land shall include a tenancy
4 for a term of years under a lease that extends not less than sixty years
5 beyond the term of the gaming license issued under this article;
- 6 3. meet the licensee deposit requirement;
- 7 4. demonstrate that it is able to pay and shall commit to paying the
8 gaming licensing fee;
- 9 5. demonstrate to the commission how the applicant proposes to address
10 problem gambling concerns, workforce development and community develop-
11 ment and host and nearby municipality impact and mitigation issues;
- 12 6. identify the infrastructure costs of the host municipality incurred
13 in direct relation to the construction and operation of a gaming facili-
14 ty and commit to a community mitigation plan for the host municipality;
- 15 7. identify the service costs of the host municipality incurred for
16 emergency services in direct relation to the operation of a gaming
17 facility and commit to a community mitigation plan for the host munici-
18 pality;
- 19 8. pay to the commission an application fee of one million dollars to
20 defray the costs associated with the processing of the application and
21 investigation of the applicant; provided, however, that if the costs of
22 the investigation exceed the initial application fee, the applicant
23 shall pay the additional amount to the commission within thirty days
24 after notification of insufficient fees or the application shall be
25 rejected and further provided that should the costs of such investi-
26 gation not exceed the fee remitted, any unexpended portion shall be
27 returned to the applicant;
- 28 9. comply with state building and fire prevention codes;

1 10. formulate for board approval and abide by an affirmative action
2 program of equal opportunity whereby the applicant establishes specific
3 goals for the utilization of minorities, women and veterans on
4 construction jobs.

5 § 1317. Investigation of license applicants. 1. Upon receipt of an
6 application for a gaming facility license, the commission shall cause to
7 be commenced an investigation into the suitability of the applicant. In
8 evaluating the suitability of the applicant, the commission shall
9 consider the overall reputation of the applicant including, without
10 limitation:

11 (a) the integrity, honesty, good character and reputation of the
12 applicant;

13 (b) the financial stability, integrity and background of the appli-
14 cant;

15 (c) the business practices and the business ability of the applicant
16 to establish and maintain a successful gaming facility;

17 (d) whether the applicant has a history of compliance with gaming
18 licensing requirements in other jurisdictions;

19 (e) whether the applicant, at the time of application, is a defendant
20 in litigation involving its business practices;

21 (f) the suitability of all parties in interest to the gaming facility
22 license, including affiliates and close associates and the financial
23 resources of the applicant; and

24 (g) whether the applicant is disqualified from receiving a license
25 under this article; provided, however, that in considering the rehabili-
26 tation of an applicant for a gaming facility license, the commission
27 shall not automatically disqualify an applicant if the applicant affir-
28 matively demonstrates, by clear and convincing evidence, that the appli-

1 cant has financial responsibility, character, reputation, integrity and
2 general fitness as such to warrant belief by the commission that the
3 applicant will act honestly, fairly, soundly and efficiently as a gaming
4 licensee.

5 2. If the investigation reveals that an applicant has failed to:

6 (a) establish the applicant's integrity or the integrity of any affil-
7 iate, close associate, financial source or any person required to be
8 qualified by the commission;

9 (b) demonstrate responsible business practices in any jurisdiction; or

10 (c) overcome any other reason, as determined by the commission, as to
11 why it would be injurious to the interests of the state in awarding the
12 applicant a gaming facility license, the commission shall deny the
13 application, subject to notice and an opportunity for hearing.

14 3. If the investigation reveals that an applicant is suitable to
15 receive a gaming facility license, the entity shall recommend that the
16 commission commence a review of the applicant's entire application.

17 § 1318. Disqualifying criteria. 1. The commission shall deny a
18 license to any applicant who the commission determines is disqualified
19 on the basis of any of the following criteria, subject to notice and an
20 opportunity for hearing:

21 (a) failure of the applicant to prove by clear and convincing evidence
22 that the applicant is qualified in accordance with the provisions of
23 this article;

24 (b) failure of the applicant to provide information, documentation and
25 assurances required by this article or requested by the commission, or
26 failure of the applicant to reveal any fact material to qualification,
27 or the supplying of information which is untrue or misleading as to a
28 material fact pertaining to the qualification criteria;

1 (c) the conviction of the applicant, or of any person required to be
2 qualified under this article as a condition of a license, of any offense
3 in any jurisdiction which is or would be a felony or other crime involv-
4 ing public integrity, embezzlement, theft, fraud or perjury;

5 (d) committed prior acts which have not been prosecuted or in which
6 the applicant, or of any person required to be qualified under this
7 article as a condition of a license, was not convicted but form a
8 pattern of misconduct that makes the applicant unsuitable for a license
9 under this article; or

10 (e) if the applicant, or of any person required to be qualified under
11 this article as a condition of a license, has affiliates or close asso-
12 ciates that would not qualify for a license or whose relationship with
13 the applicant may pose an injurious threat to the interests of the state
14 in awarding a gaming facility license to the applicant;

15 (f) any other offense under present state or federal law which indi-
16 cates that licensure of the applicant would be inimical to the policy of
17 this article; provided, however, that the disqualification provisions of
18 this section shall not apply with regard to any misdemeanor conviction;

19 (g) current prosecution or pending charges in any jurisdiction of the
20 applicant or of any person who is required to be qualified under this
21 article as a condition of a license, for any of the offenses enumerated
22 in paragraph (c) of subdivision one of this section; provided, however,
23 that at the request of the applicant or the person charged, the commis-
24 sion may defer decision upon such application during the pendency of
25 such charge;

26 (h) the pursuit by the applicant or any person who is required to be
27 qualified under this article as a condition of a license of economic
28 gain in an occupational manner or context which is in violation of the

1 criminal or civil public policies of this state, if such pursuit creates
2 a reasonable belief that the participation of such person in gaming
3 facility operations would be inimical to the policies of this article.
4 For purposes of this section, occupational manner or context shall be
5 defined as the systematic planning, administration, management, or
6 execution of an activity for financial gain;

7 (i) the identification of the applicant or any person who is required
8 to be qualified under this article as a condition of a license as a
9 career offender or a member of a career offender cartel or an associate
10 of a career offender or career offender cartel in such a manner which
11 creates a reasonable belief that the association is of such a nature as
12 to be inimical to the policy of this article. For purposes of this
13 section, career offender shall be defined as any person whose behavior
14 is pursued in an occupational manner or context for the purpose of
15 economic gain, utilizing such methods as are deemed criminal violations
16 of the public policy of this state. A career offender cartel shall be
17 defined as any group of persons who operate together as career offen-
18 ders;

19 (j) the commission by the applicant or any person who is required to
20 be qualified under this article as a condition of a license of any act
21 or acts which would constitute any offense under paragraph (c) of subdivi-
22 vision one of this section, even if such conduct has not been or may not
23 be prosecuted under the criminal laws of this state or any other juris-
24 dition;

25 (k) flagrant defiance by the applicant or any person who is required
26 to be qualified under this article of any legislative investigatory body
27 or other official investigatory body of any state or of the United

1 States when such body is engaged in the investigation of crimes relating
2 to gaming, official corruption, or organized crime activity; and

3 (1) failure by the applicant or any person required to be qualified
4 under this article as a condition of a license to make required payments
5 in accordance with a child support order, repay an overpayment for
6 public assistance benefits, or repay any other debt owed to the state
7 unless such applicant provides proof to the executive director's satis-
8 faction of payment of or arrangement to pay any such debts prior to
9 licensure.

10 § 1319. Hearings. The commission and the board shall have the inde-
11 pendent authority to conduct hearings concerning the conduct of gaming
12 and applicants for gaming facility licenses in accordance with any
13 procedures set forth in this article and any applicable implementing
14 regulations.

15 § 1320. Siting evaluation. In determining whether an applicant shall
16 be eligible for a gaming facility license, the board shall evaluate and
17 issue a finding of how each applicant proposes to advance the following
18 objectives.

19 1. The decision by the board to select a gaming facility license
20 applicant shall be weighted by seventy percent based on economic activ-
21 ity and business development factors including:

22 (a) realizing maximum capital investment exclusive of land acquisition
23 and infrastructure improvements;

24 (b) maximizing revenues received by the state and localities;

25 (c) providing the highest number of quality jobs in the gaming facili-
26 ty;

27 (d) building a gaming facility of the highest caliber with a variety
28 of quality amenities to be included as part of the gaming facility;

1 (e) offering the highest and best value to patrons to create a secure
2 and robust gaming market in the region and the state;

3 (f) providing a market analysis detailing the benefits of the site
4 location of the gaming facility and the estimated recapture rate of
5 gaming-related spending by residents travelling to an out-of-state
6 gaming facility;

7 (g) offering the fastest time to completion of the full gaming facili-
8 ty;

9 (h) demonstrating the ability to fully finance the gaming facility;
10 and

11 (i) demonstrating experience in the development and operation of a
12 quality gaming facility.

13 2. The decision by the board to select a gaming facility license
14 applicant shall be weighted by twenty percent based on local impact and
15 siting factors including:

16 (a) mitigating potential impacts on host and nearby municipalities
17 which might result from the development or operation of the gaming
18 facility;

19 (b) gaining public support in the host and nearby municipalities which
20 may be demonstrated through the passage of local laws or public comment
21 received by the board or gaming applicant;

22 (c) operating in partnership with and promoting local hotels, restau-
23 rants and retail facilities so that patrons experience the full diversi-
24 fied regional tourism industry; and

25 (d) establishing a fair and reasonable partnership with live enter-
26 tainment venues that may be impacted by a gaming facility under which
27 the gaming facility actively supports the mission and the operation of
28 the impacted entertainment venues.

1 3. The decision by the board to select a gaming facility license
2 applicant shall be weighted by ten percent based on workforce enhance-
3 ment factors including:

4 (a) implementing a workforce development plan that utilizes the exist-
5 ing labor force, including the estimated number of construction jobs a
6 proposed gaming facility will generate, the development of workforce
7 training programs that serve the unemployed and methods for accessing
8 employment at the gaming facility;

9 (b) taking additional measures to address problem gambling including,
10 but not limited to, training of gaming employees to identify patrons
11 exhibiting problems with gambling;

12 (c) utilizing sustainable development principles including, but not
13 limited to:

14 (1) having new and renovation construction certified under the appro-
15 priate certification category in the Leadership in Energy and Environ-
16 mental Design Green Building Rating System created by the United States
17 Green Building Council;

18 (2) efforts to mitigate vehicle trips;

19 (3) efforts to conserve water and manage storm water;

20 (4) demonstrating that electrical and HVAC equipment and appliances
21 will be Energy Star labeled where available;

22 (5) procuring or generating on-site ten percent of its annual elec-
23 tricity consumption from renewable sources; and

24 (6) developing an ongoing plan to submeter and monitor all major
25 sources of energy consumption and undertake regular efforts to maintain
26 and improve energy efficiency of buildings in their systems;

27 (d) establishing, funding and maintaining human resource hiring and
28 training practices that promote the development of a skilled and diverse

1 workforce and access to promotion opportunities through a workforce
2 training program that:

3 (1) establishes transparent career paths with measurable criteria
4 within the gaming facility that lead to increased responsibility and
5 higher pay grades that are designed to allow employees to pursue career
6 advancement and promotion;

7 (2) provides employee access to additional resources, such as tuition
8 reimbursement or stipend policies, to enable employees to acquire the
9 education or job training needed to advance career paths based on
10 increased responsibility and pay grades; and

11 (3) establishes an on-site child day care program;

12 (e) purchasing, whenever possible, domestically manufactured slot
13 machines for installation in the gaming facility;

14 (f) implementing a workforce development plan that:

15 (1) incorporates an affirmative action program of equal opportunity by
16 which the applicant guarantees to provide equal employment opportunities
17 to all employees qualified for licensure in all employment categories,
18 including persons with disabilities;

19 (2) utilizes the existing labor force in the state;

20 (3) estimates the number of construction jobs a gaming facility will
21 generate and provides for equal employment opportunities and which
22 includes specific goals for the utilization of minorities, women and
23 veterans on those construction jobs;

24 (4) identifies workforce training programs offered by the gaming
25 facility; and

26 (5) identifies the methods for accessing employment at the gaming
27 facility; and

1 (g) demonstrating that the applicant has an agreement with organized
2 labor, including hospitality services, and has the support of organized
3 labor for its application, which specifies:

4 (1) the number of employees to be employed at the gaming facility,
5 including detailed information on the pay rate and benefits for employ-
6 ees and contractors in the gaming facility and all infrastructure
7 improvements related to the project; and

8 (2) detailed plans for assuring labor harmony during all phases of the
9 construction, reconstruction, renovation, development and operation of
10 the gaming facility.

11 § 1321. Intentionally omitted.

12 TITLE 3

13 OCCUPATIONAL LICENSING

14 Section 1322. General provisions.

15 1323. Key employee licenses.

16 1324. Gaming employee registration.

17 1325. Approval, denial and renewal of employee licenses and
18 registrations.

19 § 1322. General provisions. 1. It shall be the affirmative responsi-
20 bility of each applicant or licensee to establish by clear and convinc-
21 ing evidence its individual qualifications, and for a gaming facility
22 license the qualifications of each person who is required to be quali-
23 fied under this article.

24 2. Any applicant, licensee, registrant, or any other person who must
25 be qualified pursuant to this article shall provide all legally required
26 information and satisfy all lawful requests for information pertaining
27 to qualification and in the form specified by regulation. All appli-
28 cants, registrants, and licensees shall waive liability as to the state,

1 and its instrumentalities and agents, for any damages resulting from any
2 disclosure or publication in any manner, other than a willfully unlawful
3 disclosure or publication, of any material or information acquired
4 during inquiries, investigations or hearings.

5 3. All applicants, licensees, registrants, intermediary companies, and
6 holding companies shall consent to inspections, searches and seizures
7 while at a gaming facility and the supplying of handwriting exemplars as
8 authorized by this article and regulations promulgated hereunder.

9 4. All applicants, licensees, registrants, and any other person who
10 shall be qualified pursuant to this article shall have the continuing
11 duty to provide any assistance or information required by the commis-
12 sion, and to cooperate in any inquiry, investigation or hearing
13 conducted by the commission. If, upon issuance of a formal request to
14 answer or produce information, evidence or testimony, any applicant,
15 licensee, registrant, or any other person who shall be qualified pursu-
16 ant to this article refuses to comply, the application, license, regis-
17 tration or qualification of such person may be denied or revoked.

18 5. Each applicant or person who must be qualified under this article
19 shall be photographed and fingerprinted for identification and investi-
20 gation purposes in accordance with procedures set forth by regulation.

21 6. All licensees, all registrants, and all other persons required to
22 be qualified under this article shall have a duty to inform the commis-
23 sion of any action which they believe would constitute a violation of
24 this article. No person who so informs the commission shall be discrimi-
25 nated against by an applicant, licensee or registrant because of the
26 supplying of such information.

27 § 1323. Key employee licenses. 1. No licensee or a holding or inter-
28 mediary company of a licensee may employ any person as a casino key

1 employee unless the person is the holder of a valid casino key employee
2 license issued by the commission.

3 2. Each applicant for a casino key employee license must, prior to the
4 issuance of any casino key employee license, produce information,
5 documentation and assurances concerning the following qualification
6 criteria:

7 (a) Each applicant for a casino key employee license shall produce
8 such information, documentation and assurances as may be lawfully
9 required to establish by clear and convincing evidence the financial
10 stability, integrity and responsibility of the applicant, including but
11 not limited to bank references, business and personal income and
12 disbursements schedules, tax returns and other reports filed with
13 governmental agencies, and business and personal accounting and check
14 records and ledgers. In addition, each applicant shall, in writing,
15 authorize the examination of all bank accounts and records as may be
16 deemed necessary by the commission.

17 (b) Each applicant for a casino key employee license shall produce
18 such information, documentation and assurances as may be required to
19 establish by clear and convincing evidence the applicant's good charac-
20 ter, honesty and integrity. Such information shall include data pertain-
21 ing to family, habits, character, reputation, criminal history informa-
22 tion, business activities, financial affairs, and business, professional
23 and personal associates, covering at least the ten year period imme-
24 diately preceding the filing of the application. Each applicant shall
25 notify the commission of any civil judgments obtained against such
26 applicant pertaining to antitrust or security regulation laws of the
27 federal government, of this state or of any other state, jurisdiction,
28 province or country. In addition, each applicant shall, upon request of

1 the commission, produce letters of reference from law enforcement agen-
2 cies having jurisdiction in the applicant's place of residence and prin-
3 cipal place of business, which letters of reference shall indicate that
4 such law enforcement agencies do not have any pertinent non-sealed
5 information concerning the applicant, or if such law enforcement agency
6 does have such information pertaining to the applicant, shall specify
7 what that information is. If the applicant has been associated with
8 gaming operations in any capacity, position or employment in a jurisdic-
9 tion which permits such activity, the applicant shall, upon request of
10 the commission, produce letters of reference from the gaming enforcement
11 or control agency, which shall specify the experience of such agency
12 with the applicant, his or her associates and his or her participation
13 in the gaming operations of that jurisdiction; provided, however, that
14 if no such letters are received from the appropriate law enforcement
15 agencies within sixty days of the applicant's request therefor, the
16 applicant may submit a statement under oath that he or she is or was
17 during the period such activities were conducted in good standing with
18 such gaming enforcement or control agency.

19 (c) Each applicant employed by a gaming facility licensee shall be a
20 resident of the state prior to the issuance of a casino key employee
21 license; provided, however, that upon petition by the holder of a
22 license, the commission may waive this residency requirement for any
23 applicant whose particular position will require him to be employed
24 outside the state; and provided further that no applicant employed by a
25 holding or intermediary company of a licensee shall be required to
26 establish residency in this state.

27 (d) For the purposes of this section, each applicant shall submit to
28 the commission the applicant's name, address, fingerprints and written

1 consent for a criminal history information as defined in paragraph (c)
2 of subdivision one of section eight hundred forty-five-b of the execu-
3 tive law, to be performed. The commission is hereby authorized to
4 exchange fingerprint data with and receive criminal history record
5 information from the state division of criminal justice services and the
6 federal bureau of investigation consistent with applicable state and
7 federal laws, rules and regulations. The applicant shall pay the fee for
8 such criminal history information as established pursuant to article
9 thirty-five of the executive law. The state division of criminal
10 justice services shall promptly notify the commission in the event a
11 current or prospective licensee, who was the subject of such criminal
12 history information pursuant to this section, is arrested for a crime or
13 offense in this state after the date the check was performed.

14 3. The commission shall deny a casino key employee license to any
15 applicant who is disqualified on the basis of the criteria contained in
16 section one thousand three hundred eighteen of this title, subject to
17 notice and hearing.

18 4. Upon receipt of such criminal history information, the commission
19 shall provide such applicant with a copy of such criminal history infor-
20 mation, together with a copy of article twenty-three-A of the correction
21 law, and inform such applicant of his or her right to seek correction of
22 any incorrect information contained in such criminal history information
23 pursuant to regulations and procedures established by the division of
24 criminal justice services. Except as otherwise provided by law, such
25 criminal history information shall be confidential and any person who
26 willfully permits the release of such confidential criminal history
27 information to persons not permitted to receive such information shall
28 be guilty of a misdemeanor.

1 5. Upon petition by the holder of a license, the commission may issue
2 a temporary license to an applicant for a casino key employee license,
3 provided that:

4 (a) The applicant for the casino key employee license has filed a
5 completed application as required by the commission;

6 (b) The petition for a temporary casino key employee license certi-
7 fies, and the commission finds, that an existing casino key employee
8 position of the petitioner is vacant or will become vacant within sixty
9 days of the date of the petition and that the issuance of a temporary
10 key employee license is necessary to fill the said vacancy on an emer-
11 gency basis to continue the efficient operation of the casino, and that
12 such circumstances are extraordinary and not designed to circumvent the
13 normal licensing procedures of this article;

14 6. Unless otherwise terminated pursuant to this article, any temporary
15 casino key employee license issued pursuant to this section shall expire
16 nine months from the date of its issuance.

17 § 1324. Gaming employee registration. 1. No person may commence
18 employment as a gaming employee unless such person has a valid registra-
19 tion on file with the commission, which registration shall be prepared
20 and filed in accordance with the regulations promulgated hereunder.

21 2. A gaming employee registrant shall produce such information as the
22 commission by regulation may require. Subsequent to the registration of
23 a gaming employee, the executive director may revoke, suspend, limit, or
24 otherwise restrict the registration upon a finding that the registrant
25 is disqualified on the basis of the criteria contained in section one
26 thousand three hundred eighteen of this title. If a gaming employee
27 registrant has not been employed in any position within a gaming facili-

1 ty for a period of three years, the registration of that gaming employee
2 shall lapse.

3 3. No gaming employee registration shall be denied or revoked on the
4 basis of a misdemeanor conviction of any of the offenses enumerated in
5 this article as disqualification criteria or the commission of any act
6 or acts which would constitute any offense under section one thousand
7 three hundred eighteen of this title, provided that the registrant has
8 affirmatively demonstrated the registrant's rehabilitation, pursuant to
9 article twenty-three-A of the correction law.

10 4. For the purposes of this section, each registrant shall submit to
11 the commission the registrant's name, address, fingerprints and written
12 consent for a criminal history information to be performed. The commis-
13 sion is hereby authorized to exchange fingerprint data with and receive
14 criminal history information as defined in paragraph (c) of subdivision
15 one of section eight hundred forty-five-b of the executive law from the
16 state division of criminal justice services and the federal bureau of
17 investigation consistent with applicable state and federal laws, rules
18 and regulations. The registrant shall pay the fee for such criminal
19 history information as established pursuant to article thirty-five of
20 the executive law. The state division of criminal justice services
21 shall promptly notify the commission in the event a current or prospec-
22 tive licensee, who was the subject of a criminal history information
23 pursuant to this section, is arrested for a crime or offense in this
24 state after the date the check was performed.

25 5. Upon receipt of such criminal history information, the Commission
26 shall provide such applicant with a copy of such criminal history infor-
27 mation, together with a copy of article twenty-three-A of the correction
28 law, and inform such applicant of his or her right to seek correction of

1 any incorrect information contained in such criminal history information
2 pursuant to regulations and procedures established by the division of
3 criminal justice services. Except as otherwise provided by law, such
4 criminal history information shall be confidential and any person who
5 willfully permits the release of such confidential criminal history
6 information to persons not permitted to receive such information shall
7 be guilty of a misdemeanor.

8 § 1325. Approval, denial and renewal of employee licenses and regis-
9 trations. 1. Upon the filing of an application for a casino key employ-
10 ee license or gaming employee registration required by this article and
11 after submission of such supplemental information as the commission may
12 require, the commission shall conduct or cause to be conducted such
13 investigation into the qualification of the applicant, and the commis-
14 sion shall conduct such hearings concerning the qualification of the
15 applicant, in accordance with its regulations, as may be necessary to
16 determine qualification for such license.

17 2. After such investigation, the commission may either deny the appli-
18 cation or grant a license to an applicant whom it determines to be qual-
19 ified to hold such license.

20 3. The commission shall have the authority to deny any application
21 pursuant to the provisions of this article following notice and opportu-
22 nity for hearing.

23 4. When the commission grants an application, the commission may limit
24 or place such restrictions thereupon as it may deem necessary in the
25 public interest.

26 5. After an application for a casino key employee license is submit-
27 ted, final action of the commission shall be taken within ninety days

1 after completion of all hearings and investigations and the receipt of
2 all information required by the commission.

3 6. Licenses and registrations of casino key employees and gaming
4 employees issued pursuant to this article shall remain valid for five
5 years unless suspended, revoked or voided pursuant to law. Such licenses
6 and registrations may be renewed by the holder thereof upon application,
7 on a form prescribed by the commission, and payment of the applicable
8 fee. Notwithstanding the forgoing, if a gaming employee registrant has
9 not been employed in any position within a gaming facility for a period
10 of three years, the registration of that gaming employee shall lapse.

11 8. The commission shall establish by regulation appropriate fees to be
12 paid upon the filing of the required applications. Such fees shall be
13 deposited into the commercial gaming revenue fund.

14 TITLE 4

15 ENTERPRISE AND VENDOR LICENSING AND REGISTRATION

16 Section 1326. Licensing of vendor enterprises.

17 1327. Duration and renewal of vendor registration.

18 1328. Junket operator licensing.

19 1329. Lobbyist registration.

20 1330. Registration of labor organizations.

21 1330-a. Casino gaming expenditures.

22 § 1326. Licensing of vendor enterprises. 1. Any business to be
23 conducted with a gaming facility applicant or licensee by a vendor
24 offering goods or services which directly relate to gaming activity,
25 including gaming equipment manufacturers, suppliers, repairers, and
26 independent testing laboratories, shall be licensed as a casino vendor
27 enterprise in accordance with the provisions of this article prior to
28 conducting any business whatsoever with a gaming facility applicant or

1 licensee, its employees or agents; provided, however, that upon a show-
2 ing of good cause by a gaming facility applicant or licensee, the execu-
3 tive director may permit an applicant for a casino vendor enterprise
4 license to conduct business transactions with such gaming facility
5 applicant or licensee prior to the licensure of that casino vendor
6 enterprise applicant under this subdivision for such periods as the
7 commission may establish by regulation.

8 2. In addition to the requirements of subdivision one of this section,
9 any casino vendor enterprise intending to manufacture, sell, distribute,
10 test or repair slot machines within the state shall be licensed in
11 accordance with the provisions of this article prior to engaging in any
12 such activities; provided, however, that upon a showing of good cause by
13 a gaming facility applicant or licensee, the executive director may
14 permit an applicant for a casino vendor enterprise license to conduct
15 business transactions with the gaming facility applicant or licensee
16 prior to the licensure of that casino vendor enterprise applicant under
17 this subdivision for such periods as the commission may establish by
18 regulation; and provided further, however, that upon a showing of good
19 cause by an applicant required to be licensed as a casino vendor enter-
20 prise pursuant to this subdivision, the executive director may permit
21 the casino vendor enterprise applicant to initiate the manufacture of
22 slot machines or engage in the sale, distribution, testing or repair of
23 slot machines with any person other than a gaming facility applicant or
24 licensee, its employees or agents, prior to the licensure of that casino
25 vendor enterprise applicant under this subdivision.

26 3. Vendors providing goods and services to gaming facility licensees
27 or applicants ancillary to gaming shall be required to be licensed as an

1 ancillary casino vendor enterprise and shall comply with the standards
2 for casino vendor license applicants.

3 4. Each casino vendor enterprise required to be licensed pursuant to
4 subdivision one of this section, as well as its owners; management and
5 supervisory personnel; and employees if such employees have responsibil-
6 ity for services to a gaming facility applicant or licensee, must quali-
7 fy under the standards, except residency, established for qualification
8 of a casino key employee under this article.

9 5. Any vendor that offers goods or services to a gaming facility
10 applicant or licensee that is not included in subdivision one or two of
11 this section including, but not limited to site contractors and subcon-
12 tractors, shopkeepers located within the facility, gaming schools that
13 possess slot machines for the purpose of instruction, and any non-super-
14 visory employee of a junket enterprise licensed under subdivision three
15 of this section, shall be required to register with the commission in
16 accordance with the regulations promulgated under this article.

17 Notwithstanding the provisions aforementioned, the executive director
18 may, consistent with the public interest and the policies of this arti-
19 cle, direct that individual vendors registered pursuant to this subdivi-
20 sion be required to apply for either a casino vendor enterprise license
21 pursuant to subdivision one of this section, or an ancillary vendor
22 industry enterprise license pursuant to subdivision three of this
23 section, as directed by the commission. The executive director may also
24 order that any enterprise licensed as or required to be licensed as an
25 ancillary casino vendor enterprise pursuant to subdivision three of this
26 section be required to apply for a casino vendor enterprise license
27 pursuant to subdivision one of this section. The executive director may
28 also, in his or her discretion, order that an independent software

1 contractor not otherwise required to be registered be either registered
2 as a vendor pursuant to this subdivision or be licensed pursuant to
3 either subdivision one or three of this section.

4 Each ancillary casino vendor enterprise required to be licensed pursu-
5 ant to subdivision three of this section, as well as its owners, manage-
6 ment and supervisory personnel, and employees if such employees have
7 responsibility for services to a gaming facility applicant or licensee,
8 shall establish their good character, honesty and integrity by clear and
9 convincing evidence and shall provide such financial information as may
10 be required by the commission. Any enterprise required to be licensed
11 as an ancillary casino vendor enterprise pursuant to this section shall
12 be permitted to transact business with a gaming facility licensee upon
13 filing of the appropriate vendor registration form and application for
14 such licensure.

15 6. Any applicant, licensee or qualifier of a casino vendor enterprise
16 license or of an ancillary casino vendor enterprise license under subdivi-
17 vision one of this section, and any vendor registrant under subdivision
18 five of this section shall be disqualified in accordance with the crite-
19 ria contained in section one thousand three hundred eighteen of this
20 article, except that no such ancillary casino vendor enterprise license
21 under subdivision three of this section or vendor registration under
22 subdivision five of this section shall be denied or revoked if such
23 vendor registrant can affirmatively demonstrate rehabilitation pursuant
24 to article twenty-three-A of the correction law.

25 7. No casino vendor enterprise license or ancillary casino vendor
26 enterprise license shall be issued pursuant to subdivision one of this
27 section to any person unless that person shall provide proof of valid
28 business registration with the department of state.

1 8. For the purposes of this section, each applicant shall submit to
2 the commission the name, address, fingerprints and a written consent for
3 a criminal history information to be performed, for each person required
4 to qualify as part of the application. The commission is hereby author-
5 ized to exchange fingerprint data with and receive criminal history
6 record information from the state division of criminal justice services
7 and the federal bureau of investigation consistent with applicable state
8 and federal laws, rules and regulations. The applicant shall pay the fee
9 for such criminal history information as established pursuant to article
10 thirty-five of the executive law. The state division of criminal
11 justice services shall promptly notify the commission in the event a
12 current or prospective qualifier, who was the subject of a criminal
13 history record check pursuant to this section, is arrested for a crime
14 or offense in this state after the date the check was performed.

15 9. Subsequent to the licensure of any entity pursuant to subdivision
16 one of this section, including any finding of qualification as may be
17 required as a condition of licensure, or the registration of any vendor
18 pursuant to subdivision three of this section, the executive director
19 may revoke, suspend, limit, or otherwise restrict the license, registra-
20 tion or qualification status upon a finding that the licensee, regis-
21 trant or qualifier is disqualified on the basis of the criteria set
22 forth in section one thousand three hundred eighteen of this article.

23 10. After notice and hearing prior to the suspension of any license,
24 registration or qualification issued pursuant to subdivision seven of
25 this section the commission shall have the obligation to prove by
26 substantial evidence that the licensee, registrant or qualifier is
27 disqualified on the basis of the criteria set forth in section one thou-
28 sand three hundred eighteen of this article.

1 § 1327. Duration and renewal of vendor registration. 1. A casino
2 vendor registration shall be effective upon issuance, and shall remain
3 valid for five years unless revoked, suspended, voided by law, limited,
4 or otherwise restricted by the commission. Such registrations may be
5 renewed by the holder thereof upon application, on a form prescribed by
6 the commission, and payment of the applicable fee. Notwithstanding the
7 foregoing, if a vendor registrant has not conducted business with a
8 gaming facility for a period of three years, the registration of that
9 vendor registrant shall lapse.

10 2. The commission shall establish by regulation reasonable and appro-
11 priate fees to be imposed on each vendor registrant who provides goods
12 or services to a gaming facility, regardless of the nature of any
13 contractual relationship between the vendor registrant and gaming facil-
14 ity, if any. Such fees shall be paid to the commission.

15 § 1328. Junket operator licensing. 1. No junkets may be organized or
16 permitted except in accordance with the provisions of this article. No
17 person may act as a junket representative or junket enterprise except in
18 accordance with this section.

19 2. A junket representative employed by a gaming facility licensee, an
20 applicant for a gaming facility license or an affiliate of a gaming
21 facility licensee shall be licensed as a casino key employee; provided,
22 however, that said licensee need not be a resident of this state. No
23 gaming facility licensee or applicant for a gaming facility license may
24 employ or otherwise engage a junket representative who is not so
25 licensed.

26 3. Junket enterprises that, and junket representatives not employed by
27 a gaming facility licensee or an applicant for a gaming facility license
28 or by a junket enterprise who, engage in activities governed by this

1 section shall be licensed as an ancillary casino vendor enterprise in
2 accordance with subdivision three of section one thousand three hundred
3 twenty-six of this title, unless otherwise directed by the commission;
4 provided, however, that any such junket enterprise or junket represen-
5 tative who has disqualified shall be entitled to establish his or her
6 rehabilitation from such disqualification pursuant to article twenty-
7 three-A of the correction law. Any non-supervisory employee of a junket
8 enterprise or junket representative licensed as an ancillary casino
9 vendor enterprise in accordance with subdivision three of section one
10 thousand three hundred twenty-six of this title shall be registered.

11 4. Prior to the issuance of any license required by this section, an
12 applicant for licensure shall submit to the jurisdiction of the state
13 and shall demonstrate that he or she is amenable to service of process
14 within this state. Failure to establish or maintain compliance with the
15 requirements of this subdivision shall constitute sufficient cause for
16 the denial, suspension or revocation of any license issued pursuant to
17 this section.

18 5. Upon petition by the holder of a gaming facility license, an appli-
19 cant for a casino key employee license intending to be employed as a
20 junket representative may be issued a temporary license by the commis-
21 sion in accordance with regulations promulgated, provided that:

22 (a) the applicant for licensure is employed by a gaming facility
23 licensee; and

24 (b) the applicant for licensure has filed a completed application as
25 required by the commission.

26 6. The commission shall have the authority to immediately suspend,
27 limit or condition any temporary license issued pursuant to this

1 section, pending a hearing on the qualifications of the junket represen-
2 tative.

3 7. Unless otherwise terminated, any temporary license issued pursuant
4 to this section shall expire twelve months from the date of its issu-
5 ance, and shall be renewable by the commission for one additional six
6 month period.

7 8. Every agreement concerning junkets entered into by a gaming facili-
8 ty licensee and a junket representative or junket enterprise shall be
9 deemed to include a provision for its termination without liability on
10 the part of the gaming facility licensee, if the commission orders the
11 termination upon the suspension, limitation, conditioning, denial or
12 revocation of the licensure of the junket representative or junket
13 enterprise. Failure to expressly include such a condition in the agree-
14 ment shall not constitute a defense in any action brought to terminate
15 the agreement.

16 9. A gaming facility licensee shall be responsible for the conduct of
17 any junket representative or junket enterprise associated with it and
18 for the terms and conditions of any junket engaged in on its premises,
19 regardless of the fact that the junket may involve persons not employed
20 by such a gaming facility licensee.

21 10. A gaming facility licensee shall be responsible for any violation
22 or deviation from the terms of a junket. Notwithstanding any other
23 provisions of this article, the commission may order restitution to
24 junket participants, assess penalties for such violations or deviations,
25 prohibit future junkets by the gaming facility licensee, junket enter-
26 prise or junket representative, and order such further relief as it
27 deems appropriate.

1 11. The commission shall, by regulation, prescribe methods, procedures
2 and forms for the delivery and retention of information concerning the
3 conduct of junkets by gaming facility licensees. Without limitation of
4 the foregoing, each gaming facility licensee, in accordance with the
5 rules of the commission, shall:

6 (a) Maintain on file a report describing the operation of any junket
7 engaged in on its premises; and

8 (b) Submit to the commission a list of all its employees who are
9 acting as junket representatives.

10 12. Each gaming facility licensee, junket representative or junket
11 enterprise shall, in accordance with the rules of the commission, file a
12 report with the commission with respect to each list of junket patrons
13 or potential junket patrons purchased directly or indirectly by the
14 gaming facility licensee, junket representative or enterprise.

15 13. The commission shall have the authority to determine, either by
16 regulation, or upon petition by the holder of a gaming facility license,
17 that a type of arrangement otherwise included within the definition of
18 "junket" shall not require compliance with any or all of the require-
19 ments of this section. In granting exemptions, the commission shall
20 consider such factors as the nature, volume and significance of the
21 particular type of arrangement, and whether the exemption would be
22 consistent with the public policies established by this article. In
23 applying the provisions of this subdivision, the commission may condi-
24 tion, limit, or restrict any exemption as it may deem appropriate.

25 14. No junket enterprise or junket representative or person acting as
26 a junket representative may:

27 (a) Engage in efforts to collect upon checks that have been returned
28 by banks without full and final payment;

1 (b) Exercise approval authority with regard to the authorization or
2 issuance of credit;

3 (c) Act on behalf of or under any arrangement with a gaming facility
4 licensee or a gaming patron with regard to the redemption, consol-
5 idation, or substitution of the gaming patron's checks awaiting deposit;

6 (d) Individually receive or retain any fee from a patron for the priv-
7 ilege of participating in a junket; and

8 (e) Pay for any services, including transportation, or other items of
9 value provided to, or for the benefit of, any patron participating in a
10 junket.

11 § 1329. Lobbyist registration. 1. For purposes of this section, the
12 terms "lobbyist", "lobbying", "lobbying activities" and "client" shall
13 have the same meaning as those terms are defined by section one-c of the
14 legislative law.

15 2. In addition to any other registration and reporting required by
16 law, each lobbyist seeking to engage in lobbying activity on behalf of a
17 client or a client's interest before the commission shall first register
18 with the secretary of the commission. The secretary shall cause a regis-
19 tration to be available on the commission's website within five days of
20 submission.

21 § 1330. Registration of labor organizations. 1. Each labor organiza-
22 tion, union or affiliate seeking to represent employees who are employed
23 in a gaming facility by a gaming facility licensee shall register with
24 the commission biennially, and shall disclose such information as the
25 commission may require, including the names of all affiliated organiza-
26 tions, pension and welfare systems and all officers and agents of such
27 organizations and systems; provided, however, that no labor organiza-
28 tion, union, or affiliate shall be required to furnish such information

1 to the extent such information is included in a report filed by any
2 labor organization, union, or affiliate with the Secretary of Labor
3 pursuant to 29 U.S.C. § 431 et seq. or § 1001 et seq. if a copy of such
4 report, or of the portion thereof containing such information, is
5 furnished to the commission pursuant to the aforesaid federal
6 provisions. The commission may in its discretion exempt any labor organ-
7 ization, union, or affiliate from the registration requirements of this
8 subdivision where the commission finds that such organization, union or
9 affiliate is not the certified bargaining representative of any employee
10 who is employed in a gaming facility by a gaming facility licensee, is
11 not involved actively, directly or substantially in the control or
12 direction of the representation of any such employee, and is not seeking
13 to do so.

14 2. No person may act as an officer, agent or principal employee of a
15 labor organization, union or affiliate registered or required to be
16 registered pursuant to this section if the person has been found
17 disqualified by the commission in accordance with the criteria contained
18 in section one thousand three hundred eighteen of this article. The
19 commission may, for purposes of this subdivision, waive any disquali-
20 fication criterion consistent with the public policy of this article and
21 upon a finding that the interests of justice so require.

22 3. Neither a labor organization, union or affiliate nor its officers
23 and agents not otherwise individually licensed or registered under this
24 article and employed by a gaming facility licensee may hold any finan-
25 cial interest whatsoever in the gaming facility or gaming facility
26 licensee whose employees they represent.

27 4. The commission may maintain a civil action and proceed in a summary
28 manner, without posting bond, against any person, including any labor

1 organization, union or affiliate, to compel compliance with this
2 section, or to prevent any violations, the aiding and abetting thereof,
3 or any attempt or conspiracy to violate this section.

4 5. In addition to any other remedies provided in this section, a labor
5 organization, union or affiliate registered or required to be registered
6 pursuant to this section may be prohibited by the commission from
7 receiving any dues from any employee licensed or registered under this
8 article and employed by a gaming facility licensee or its agent, if any
9 officer, agent or principal employee of the labor organization, union or
10 affiliate has been found disqualified and if such disqualification has
11 not been waived by the commission in accordance with subdivision two of
12 this section.

13 § 1330-a. Casino gaming expenditures. 1. (a) In addition to any other
14 registration or reporting required by law, any entity licensed under
15 section sixteen hundred seventeen-a of the tax law, or which possesses a
16 pari-mutuel wagering license or franchise awarded pursuant to article
17 two or three of this chapter that makes an expenditure of more than one
18 thousand dollars for any written, typed, or other printed communication,
19 or any internet-based communication, or any television or radio communi-
20 cation, or any automated or paid telephone communications, in support or
21 opposition to any referendum authorized by the state legislature follow-
22 ing second passage of a concurrent resolution to amend the state consti-
23 tution to permit or authorize casino gaming to a general public audi-
24 ence, shall file any reports required pursuant to the election law
25 simultaneously with the gaming commission and shall provide such addi-
26 tional reports as required by the gaming commission. This requirement
27 shall apply irrespective of whether such entity makes such expenditure
28 directly or indirectly via one or more persons. The gaming commission

1 shall promulgate regulations to implement the requirements of this
2 section.

3 (b) Casino gaming expenditures do not include expenditures in
4 connection with:

5 (i) a written news story, commentary, or editorial or a news story,
6 commentary, or editorial distributed through the facilities of any
7 broadcasting station, cable or satellite unless such publication or
8 facilities are owned or controlled directly or indirectly by the person
9 making such expenditure; or

10 (ii) a communication published on the Internet, unless the communi-
11 cation is a paid advertisement.

12 (c) For purposes of this section, the term "person" shall mean person,
13 group of persons, corporation, unincorporated business entity, labor
14 organization or business, trade or professional association or organiza-
15 tion, or political committee.

16 (d) A knowing or willful violation of the provisions of this section
17 shall subject the person to a civil penalty equal to up to one hundred
18 thousand dollars or the cost of the communication, whichever is greater,
19 imposed by the gaming commission for each violation.

20 2. A copy of all communications paid for by the casino gaming expendi-
21 ture, including but not limited to broadcast, cable or satellite sched-
22 ules and scripts, advertisements, pamphlets, circulars, flyers,
23 brochures, letterheads and other printed matter and statements or infor-
24 mation conveyed to one thousand or more members of a general public
25 audience shall be filed with the gaming commission with the statements
26 required this article.

27

TITLE 5

28

REQUIREMENTS FOR CONDUCT AND OPERATION OF GAMING

1 Section 1331. Operation certificate.

2 1332. Age for gaming participation.

3 1333. Hours of operation.

4 1334. Internal controls.

5 1335. Games and gaming equipment.

6 1336. Certain wagering prohibited.

7 1337. Gratuities.

8 1338. Limitation on certain financial access.

9 1339. Credit.

10 1340. Alcoholic beverages.

11 1341. Licensee leases and contracts.

12 1342. Required exclusion of certain persons.

13 1343. Exclusion, ejection of certain persons.

14 1344. List of persons self-excluded from gaming activities.

15 1345. Excluded person; forfeiture of winnings; other sanctions.

16 1346. Labor peace agreements for certain facilities

17 § 1331. Operation certificate. 1. Notwithstanding the issuance of a
18 license therefor, no gaming facility may be opened or remain open to the
19 public, and no gaming activity, except for test purposes, may be
20 conducted therein, unless and until a valid operation certificate has
21 been issued to the gaming facility licensee by the commission. Such
22 certificate shall be issued by the executive director upon a determi-
23 nation that a gaming facility complies in all respects with the require-
24 ments of this article and regulations promulgated hereunder, and that
25 the gaming facility is prepared in all respects to receive and entertain
26 the public.

1 2. An operation certificate shall remain in force and effect unless
2 revoked, suspended, limited, or otherwise altered by the commission in
3 accordance with this article.

4 3. It shall be an express condition of continued operation under this
5 article that a gaming facility licensee shall maintain either electron-
6 ically or in hard copy at the discretion of the gaming facility licen-
7 see, copies of all books, records, and documents pertaining to the
8 licensee's operations and approved hotel in a manner and location
9 approved by the commission, provided, however, that the originals of
10 such books, records and documents, whether in electronic or hard copy
11 form, may be maintained at the offices or electronic system of an affil-
12 iate of the gaming facility licensee, at the discretion of the gaming
13 facility licensee. All such books, records and documents shall be imme-
14 diately available for inspection during all hours of operation in
15 accordance with the rules of the commission and shall be maintained for
16 such period of time as the commission shall require.

17 § 1332. Age for gaming participation. 1. No person under the age at
18 which a person is authorized to purchase and consume alcoholic beverages
19 shall enter, or wager in, a licensed gaming facility; provided, however,
20 that such a person may enter a gaming facility by way of passage to
21 another room, and provided further, however, that any such person who is
22 licensed or registered under the provisions of this article may enter a
23 gaming facility in the regular course of the person's permitted activ-
24 ities.

25 2. Any person disqualified pursuant to subdivision one of this section
26 entitled to funds, cash or prizes from gambling activity shall forfeit
27 same. Such forfeited funds, cash or prizes shall be remitted to the
28 commission and deposited into the commercial gaming revenue fund.

1 § 1333. Hours of operation. 1. Each gaming facility licensed pursuant
2 to this article shall be permitted to operate twenty-four hours a day
3 unless otherwise directed by the commission.

4 2. A gaming facility licensee shall file with the commission a sched-
5 ule of hours prior to the issuance of an initial operation certificate.
6 If the gaming facility licensee proposes any change in scheduled hours,
7 such change may not be effected until such licensee files a notice of
8 the new schedule of hours with the commission. Such filing must be made
9 thirty days prior to the effective date of the proposed change in hours.

10 3. Nothing in this section shall be construed to limit a gaming facil-
11 ity licensee in opening its casino later than, or closing its casino
12 earlier than, the times stated in its schedule of operating hours;
13 provided, however, that any such alterations in its hours shall comply
14 with the provisions of subdivision one of this section and with regu-
15 lations of the commission pertaining to such alterations.

16 § 1334. Internal controls. 1. Each applicant for a gaming facility
17 license shall create, maintain, and file with the commission a
18 description of its internal procedures and administrative and accounting
19 controls for gaming operations that conform to commission regulations
20 and provide adequate and effective controls, establish a consistent
21 overall system of internal procedures and administrative and accounting
22 controls and conform to generally accepted accounting principles, and
23 ensure that gaming facility procedures are carried out and supervised by
24 personnel who do not have incompatible functions. A gaming facility
25 licensee's internal controls shall contain a narrative description of
26 the internal control system to be utilized by the gaming facility,
27 including, but not limited to:

- 1 (a) Accounting controls, including the standardization of forms and
2 definition of terms to be utilized in the gaming operations;
- 3 (b) Procedures, forms, and, where appropriate, formulas covering the
4 calculation of hold percentages; revenue drop; expense and overhead
5 schedules; complimentary service or item; junkets; and cash equivalent
6 transactions;
- 7 (c) Procedures within the cashier's cage for the receipt, storage and
8 disbursal of chips, cash, and other cash equivalents used in gaming; the
9 cashing of checks; the redemption of chips and other cash equivalents
10 used in gaming; the pay-off of jackpots; and the recording of trans-
11 actions pertaining to gaming operations;
- 12 (d) Procedures for the collection and security of moneys at the gaming
13 tables;
- 14 (e) Procedures for the transfer and recordation of chips between the
15 gaming tables and the cashier's cage;
- 16 (f) Procedures for the transfer of moneys from the gaming tables to
17 the counting process;
- 18 (g) Procedures and security for the counting and recordation of reven-
19 ue;
- 20 (h) Procedures for the security, storage and recordation of cash,
21 chips and other cash equivalents utilized in the gaming;
- 22 (i) Procedures for the transfer of moneys or chips from and to the
23 slot machines;
- 24 (j) Procedures and standards for the opening and security of slot
25 machines;
- 26 (k) Procedures for the payment and recordation of slot machine jack-
27 pots;

1 (l) Procedures for the cashing and recordation of checks exchanged by
2 casino patrons;

3 (m) Procedures governing the utilization of the private security force
4 within the gaming facility;

5 (n) Procedures and security standards for the handling and storage of
6 gaming apparatus including cards, dice, machines, wheels and all other
7 gaming equipment;

8 (o) Procedures and rules governing the conduct of particular games and
9 the responsibility of gaming facility personnel in respect thereto;

10 (p) Procedures for the orderly shutdown of gaming facility operations
11 in the event that a state of emergency is declared and the gaming facil-
12 ity licensee is unable or ineligible to continue to conduct gaming
13 facility operations during such a state of emergency, which procedures
14 shall include, without limitation, the securing of all keys and gaming
15 assets.

16 2. No minimum staffing requirements shall be included in the internal
17 controls created in accordance with subdivision one of this section.

18 § 1335. Games and gaming equipment. 1. This article shall not be
19 construed to permit any gaming except the conduct of authorized games in
20 a casino in accordance with this article and the regulations promulgated
21 hereunder.

22 2. Gaming equipment shall not be possessed, maintained or exhibited by
23 any person on the premises of a gaming facility except in a casino or in
24 restricted casino areas used for the inspection, repair or storage of
25 such equipment and specifically designated for that purpose by the
26 gaming facility licensee with the approval of the commission. Gaming
27 equipment that supports the conduct of gaming in a gaming facility but
28 does not permit or require patron access, such as computers, may be

1 possessed and maintained by a gaming facility licensee or a qualified
2 holding or intermediary company of a gaming facility licensee in
3 restricted areas specifically approved by the commission. No gaming
4 equipment shall be possessed, maintained, exhibited, brought into or
5 removed from a gaming facility by any person unless such equipment is
6 necessary to the conduct of an authorized game, has permanently affixed,
7 imprinted, impressed or engraved thereon an identification number or
8 symbol authorized by the commission, is under the exclusive control of a
9 gaming facility licensee or gaming facility licensee's employees, or of
10 any individually qualified employee of a holding company or gaming
11 facility licensee and is brought into or removed from the gaming facili-
12 ty following twenty-four hour prior notice given to an authorized agent
13 of the commission.

14 Notwithstanding any other provision of this section, computer equip-
15 ment used by the slot system operator of a multi-casino progressive slot
16 system to link and communicate with the slot machines of two or more
17 gaming facility licensees for the purpose of calculating and displaying
18 the amount of a progressive jackpot, monitoring the operation of the
19 system, and any other purpose that the commission deems necessary and
20 appropriate to the operation or maintenance of the multi-casino progres-
21 sive slot machine system may, with the prior approval of the commission,
22 be possessed, maintained and operated by the slot system operator either
23 in a restricted area on the premises of a gaming facility or in a secure
24 facility inaccessible to the public and specifically designed for that
25 purpose off the premises of a gaming facility with the written permis-
26 sion of the commission. Notwithstanding the foregoing, a person may,
27 with the prior approval of the commission and under such terms and
28 conditions as may be required by the commission, possess, maintain or

1 exhibit gaming equipment in any other area of the gaming facility,
2 provided that such equipment is used for nongaming purposes. Notwith-
3 standing any other provision of this article to the contrary, the
4 commission may, by regulation, authorize the linking of slot machines of
5 one or more gaming facility licensees and slot machines located in casi-
6 nos licensed by another state of the United States. Wagering and account
7 information for a multi-state slot system shall be transmitted by the
8 operator of such multi-state slot system to either a restricted area on
9 the premises of a gaming facility or to a secure facility inaccessible
10 to the public and specifically designed for that purpose with the writ-
11 ten permission of the commission, and from there to slot machines of
12 gaming facility licensees, provided all locations are approved by the
13 commission.

14 3. Each gaming facility shall contain a count room and such other
15 secure facilities as may be required by the commission for the counting
16 and storage of cash, coins, tokens, checks, plaques, gaming vouchers,
17 coupons, and other devices or items of value used in wagering and
18 approved by the commission that are received in the conduct of gaming
19 and for the inspection, counting and storage of dice, cards, chips and
20 other representatives of value. The commission shall promulgate regu-
21 lations for the security of drop boxes and other devices in which the
22 foregoing items are deposited at the gaming tables or in slot machines,
23 and all areas wherein such boxes and devices are kept while in use,
24 which regulations may include certain locking devices. Said drop boxes
25 and other devices shall not be brought into or removed from a gaming
26 facility, or locked or unlocked, except at such times, in such places,
27 and according to such procedures as the commission may require.