

Gaming Commission, New York State

Mission

The New York State Gaming Commission's mission is to ensure that all lawful gaming and horse racing activity conducted in this State is of the highest integrity, credibility and quality. Operating in the most efficient and transparent manner, the Commission conducts the New York Lottery and serves the best interests of the public by providing responsive and effective State gaming regulation. The Commission strives to ensure that all stakeholders in the gaming and horse racing industries, including the consumers who wager on activities regulated or operated by the Commission, are treated in an equitable and responsible manner. The Commission is also tasked with promoting the health and safety of horses and all participants in racing. By consolidating various regulatory functions into one oversight body with broad powers, the Commission is able to ensure fair and strict regulation of all gaming activity while reducing costs and regulatory burdens to the gaming industry. The Commission provides the regulatory structure necessary for New York gaming activity to operate effectively in a global, evolving and increasingly competitive marketplace, to generate revenue for aid to education and for the support of government, and to contribute to overall economic development and job creation in New York.

Organization and Staffing

The New York State Gaming Commission regulates all aspects of gaming and gambling activity in the State, including horse racing and pari-mutuel wagering, Class III Indian Gaming, commercial casino gaming, the state lottery (including video lottery terminals) and charitable gaming. The New York State Gaming Commission was formally created via Chapter 60 of the Laws of 2012 as part of the 2012-13 Enacted State Budget. This measure merged the New York State Racing and Wagering Board with the New York State Division of Lottery creating a single state agency. The law also consolidated the administration of the New York Thoroughbred Breeding & Development Fund and the Agriculture & New York State Horse Breeding Development Fund into the Office of Racing Promotion and Development under the umbrella of the Gaming Commission. The New York State Gaming Commission became effective February 1, 2013.

Budget Highlights

The FY 2020 Executive Budget recommends \$408.5 million All Funds for the Commission, an increase of \$49.0 million (13.6 percent) in All Funds from the amount appropriated in FY 2019. The Executive Budget recommends continuing to appropriate \$100,000 in State Operations Funds for the Racing Fan Advisory Council, along with a \$49.0 million increase (19.9 percent) in Aid to Localities due to the uncertainty of Tribal State Compact and commercial gaming revenues and timing of payments to localities. The Executive Budget recommends an appropriation of \$233.0 million for Tribal State Compact Revenue, which represents the local share of the State's estimated revenues from Native American casinos. In addition, the Executive Budget recommends an appropriation of \$62.0 million, which represents the local share of the State's estimated revenues from commercial gaming revenues.

The Executive Budget recommends a workforce of 430 FTEs for the Commission, an increase of 19 FTEs compared to the FY 2019 budget, as Commission staffing on-site at commercial casinos, as well as an additional Native American casino, is increased to meet statutory oversight requirements.

Program Highlights

Lottery

The New York Lottery's sole mission is to earn revenue for education. Lottery revenue is distributed to local school districts by the same statutory formula used to distribute other State aid to education. Lottery games include drawings like Numbers, Mega Millions and Powerball and some 35-50 scratch-off tickets.

Charitable Gaming

Charitable gaming occurs in the form of bingo, bell jar sales, the conduct of Las Vegas nights, and operation of raffles. The Division of Charitable Gaming is responsible for the investigation, audit, and monitoring of bell jar ticket sales, as well as verification of the lawful disbursement of bingo, bell jar, Las Vegas night, and raffle proceeds by licensees in New York State. This division also issues licenses and assists members of authorized organizations, manufacturers, and equipment distributors to comply with State law and Commission rules and regulations.

Gaming

The Division of Gaming oversees the regulation of five Class III Indian gaming facilities, four commercial gaming facilities, and facilities operating video lottery terminals across the State. Gaming inspectors conduct

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compliance examinations to ensure that gaming operations such as dealing procedures, internal accounting and other controls strictly conform to the applicable provisions of the respective gaming facility.

Horse Racing and Pari-Mutuel Wagering

The Division of Horse Racing and Pari-Mutuel Wagering regulates all horse racing and pari-mutuel wagering in New York State. New York currently features both Thoroughbred and Standardbred horse racing where pari-mutuel wagering takes place. There are four Thoroughbred tracks and seven Standardbred (harness) tracks in the state. Additionally, bettors may wager on races remotely through any of the state's five off-track betting corporations. The tracks and off-track betting locations also feature simulcasting of races taking place within and beyond New York's borders.

Interactive Fantasy Sports

The Division of Interactive Fantasy Sports provides general oversight of permissible fantasy sports contests. Responsibilities also include the investigation of violations, processing and issuing registrations, and processing and auditing regulatory assessments.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available FY 2019	Appropriations Recommended FY 2020	Change From FY 2019	Reappropriations Recommended FY 2020
State Operations	113,514,000	113,514,000	0	0
Aid To Localities	246,000,000	295,000,000	49,000,000	0
Total	359,514,000	408,514,000	49,000,000	0

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	FY 2019 Estimated FTEs 03/31/19	FY 2020 Estimated FTEs 03/31/20	FTE Change
Administration of the Lottery			
Special Revenue Funds - Other	236	234	(2)
Administration			
General Fund	55	56	1
Charitable Gaming			
Special Revenue Funds - Other	8	8	0
Gaming			
Special Revenue Funds - Other	92	112	20
Horse Racing and Pari-Mutuel Wagering			
Special Revenue Funds - Other	20	20	0
Total	411	430	19

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STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2019	Recommended FY 2020	Change
General Fund	6,431,000	6,431,000	0
Special Revenue Funds - Other	107,083,000	107,083,000	0
Total	113,514,000	113,514,000	0
Adjustments:			
Transfer(s) To			
General Services, Office of			
General Fund	70,000		
Appropriated FY 2019	113,584,000		

STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2019	Recommended FY 2020	Change
Administration			
General Fund	6,431,000	6,431,000	0
Administration of the Lottery			
Special Revenue Funds - Other	69,426,000	67,831,000	(1,595,000)
Charitable Gaming			
Special Revenue Funds - Other	2,173,000	1,770,000	(403,000)
Gaming			
Special Revenue Funds - Other	18,678,000	20,272,000	1,594,000
Horse Racing and Pari-Mutuel Wagering			
Special Revenue Funds - Other	15,079,000	16,249,000	1,170,000
Interactive Fantasy Sports			
Special Revenue Funds - Other	1,727,000	961,000	(766,000)
Total	113,514,000	113,514,000	0

STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2020 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,213,500	(649,500)	3,200,000	(618,000)
Total	3,213,500	(649,500)	3,200,000	(618,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	10,000	(33,000)	3,500	1,500
Total	10,000	(33,000)	3,500	1,500

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2020 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	3,217,500	649,500	405,000	102,000
Total	3,217,500	649,500	405,000	102,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	40,000	0	2,422,500	432,500
Total	40,000	0	2,422,500	432,500

Program	Equipment	
	Amount	Change
Administration	350,000	115,000
Total	350,000	115,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2020 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration of the Lottery	67,831,000	(1,595,000)	18,228,000	527,000
Charitable Gaming	1,770,000	(403,000)	711,000	(2,000)
Gaming	20,272,000	1,594,000	10,605,000	1,163,000
Horse Racing and Pari-Mutuel Wagering	16,249,000	1,170,000	7,372,000	558,000
Interactive Fantasy Sports	961,000	(766,000)	185,000	(278,000)
Total	107,083,000	0	37,101,000	1,968,000

Program	Nonpersonal Service	
	Amount	Change
Administration of the Lottery	49,603,000	(2,122,000)
Charitable Gaming	1,059,000	(401,000)
Gaming	9,667,000	431,000
Horse Racing and Pari-Mutuel Wagering	8,877,000	612,000
Interactive Fantasy Sports	776,000	(488,000)
Total	69,982,000	(1,968,000)

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AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2019	Recommended FY 2020	Change
Special Revenue Funds - Other	246,000,000	295,000,000	49,000,000
Total	246,000,000	295,000,000	49,000,000

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2019	Recommended FY 2020	Change
Gaming			
Special Revenue Funds - Other	60,000,000	62,000,000	2,000,000
Tribal State Compact Revenue			
Special Revenue Funds - Other	186,000,000	233,000,000	47,000,000
Total	246,000,000	295,000,000	49,000,000

Note: Most recent estimates as of 1/15/2019