

Window Closing For New York Online Sports-Betting Bill

18TH JUN 2018 | WRITTEN BY: NICHOLAUS GARCIA

With less than 72 hours remaining in New York's 2018 legislative session, a combination of political turmoil and stakeholder disagreements is threatening to derail efforts to pass a closely-watched sports-betting bill.

The window that was opened for New York lawmakers by the U.S. Supreme Court's May 14 ruling to <u>eliminate a federal ban</u> is now rapidly closing, leaving sports-betting advocates scrambling to pass a bill before the session comes to an end at midnight on Wednesday.

However, John Bonacic, chairman of the New York Senate's Racing, Wagering and Gaming Committee and lead author of Senate Bill 7900, remains confident New York can pass a bill before the gavel comes down.

"Senator Bonacic remains optimistic that there is still enough time for a bill to be passed and he will continue pushing to get it done until session ends," Andrew Winchell, Bonacic's chief of staff, told GamblingCompliance on Friday.

Ahead of Wednesday's deadline, there are a number of issues that threaten to stall legislative progress.

Robert McLaughlin, a partner at law firm Hodgson Russ and former director of the New York Lottery, said the situation in Albany remains "tough to read."

"The governor hasn't weighed in and the Senate is deadlocked," McLaughlin said, referring to the New York legislature's upper chamber now having equal numbers of Republicans and Democrats after one Republican member recently departed for active military duty.

Meanwhile, the Democratic majority caucus in the New York Assembly reportedly raised various objections to sports betting during a meeting last Wednesday to discuss legislative priorities for the remainder of the session.

Assembly Speaker Carl Heastie is not completely ruling out that a sports-wagering bill can be passed, but he would not bet on it.

"With the broad spectrum of concerns that members raised, I don't know if that can be resolved in a week," Heastie told local reporters.

Bills authored by Bonacic in the Senate and his gaming chair counterpart Gary Pretlow in the Assembly would expand lawful sports wagering beyond New York's quartet of commercial casino-resorts to also permit self-service betting kiosks at racinos and off-track betting outlets. Licensed casinos could also partner with other companies to deploy online sports-betting platforms.

Amendments to Bonacic's bill filed late on Friday would reduce a proposed "royalty fee" for sports leagues from 0.25 percent to 0.20 percent of wagering and limit each casino to just one online sports-betting platform or "skin". Previous iterations of Bonacic's bill would have allowed up to five skins per casino.

"Right now, there is a lack of consensus among our members on how to proceed. Therefore, we take no position at this time," said Mike Kane, president and executive director of the New York Gaming Association (NYGA).

"Anything controversial is going to be difficult to pass," Kane said.

To pass before Wednesday's deadline, a sports-betting bill would need to clear several committees in the Assembly and Senate before being approved by majorities on the floor of both chambers.

But New York lawmakers were in a similar situation in 2016, when in the final hours of the session, a bill to approve daily fantasy sports (DFS) was passed.

Kane said that DFS was a different ballgame, with fantasy sports a less divisive issue than sports betting for the gaming industry, sports leagues and other stakeholders.

Still, McLaughlin said he would not be surprised to see a similar situation unfold this week.

"Bonacic is going to do anything and everything he can do to get this done and I think Pretlow is all-in as well," McLaughlin said.

Lobbyists for major sports leagues and gaming interests are also expected to converge on the capitol this week for one last push to get a sports-betting bill over the line before Wednesday.

Are you ready U.S. sports betting? For ongoing insights and analysis into this rapidly expanding market, don't miss out on the GamblingCompliance U.S. Sports Betting Tracker, launching June 2018. Our in-depth intelligence looks into the U.S. sports-betting market and analyses what operators across the globe need to be doing to take advantage of this major new market opportunity. Contact us to subscribe and take advantage of early bird rates >>

TOPICS: Legal and Regulatory Draft Laws Compliance and Risk Sports Betting Rights

GEOGRAPHY: New York United States

SECTORS: Online Gambling Online Betting Land-based Gambling Betting Shops/Off Track Betting Casinos Racing

Tribal Gaming

CONTENT: Regulatory Insights

IN FOCUS: U.S. Sports Betting