

WEBVTT

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00:00:01.139 --> 00:00:11.038

New York state racing, her mutual wagering and breeding Law Section 102 provides of the New York state. Gaming Commission shall consist to 7 members.

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00:00:11.038 --> 00:00:15.148

Appointed by the governor by, in, with the advice and consent to the Senate.

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00:00:15.148 --> 00:00:23.370

4 members confirmed by the New York state Senate are necessary to afford the commission and ability to establish a quorum and undertake action.

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00:00:23.370 --> 00:00:27.660

This present meeting of the commission is now called to order.

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00:00:27.660 --> 00:00:42.539

This meeting is being conducted in conformity with chapter 1 of the laws of 2022, such chapter authorizes state and local government entities to meet and take such action authorized by law without permitting in person

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00:00:42.539 --> 00:00:50.454

Public access to meetings and authorizes such meetings to be held remotely by conference call or other similar service,

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00:00:50.935 --> 00:00:52.494

provided that the public can view,

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00:00:52.494 --> 00:00:57.715

or listen to such proceeding and that such meetings are recorded and later transcribed.

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00:00:58.049 --> 00:01:02.969

Accordingly this meeting is being conducted in conformance with such allowance.

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00:01:02.969 --> 00:01:11.040

And we are both allowing the public to listen to our proceeding and we are recording today's meeting for transcription as required.

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00:01:11.040 --> 00:01:14.819

Miss Secretary will you please call the role. John Crotty? Here

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00:01:14.819 --> 00:01:19.290

Peter Moschetti Moschetti: here.

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00:01:19.290 --> 00:01:23.370

John Poklemba: here Christopher Riano. Here

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00:01:23.370 --> 00:01:28.290

Barry Sample: here. Jerry Skunick: here

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00:01:28.734 --> 00:01:35.155

Miss secretary please have the record, reflect the quorum of qualified members is present.

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00:01:35.185 --> 00:01:44.304

Thus, enabling the transaction of business:

Minutes of the commission meeting conducted on February 28th 2022 has been provided to the members in advance.

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00:01:46.530 --> 00:01:49.680

At this time, I'd like to ask the members.

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00:01:49.680 --> 00:01:53.370

Any any members have edits corrections or amendments.

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00:01:53.370 --> 00:01:58.109

Hearing none.

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00:01:58.109 --> 00:02:12.294

Miss Secretary, please let the record reflect that the minutes were accepted.

Rulemaking, New York state racing, pari-mutuel wagering and breeding Law section. 104.19 authorizes commissioned to promulgate rules and regulations.

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00:02:12.324 --> 00:02:25.495

That is deemed necessary to carry out its responsibility. In that regard. The commission will from time to time promulgate rules and rule amendments pursuant to the state administrative procedure act.

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00:02:25.495 --> 00:02:39.775

Today we have 1 rule for adoption Rob?

For commission consideration is the adoption of a rule making to authorize organizations to sell raffle tickets through the Internet or mobile device platforms subject to prescribed commission regulation.

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00:02:39.775 --> 00:02:49.284

This proposal harmonizes, the location requirements for servers or other electronic equipment. That would accept Internet or mobile raffle wagers.

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00:02:52.164 --> 00:02:59.905

With the requirements for servers or other electronic equipment that accept sports wagers the rule would implement general,

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00:02:59.905 --> 00:03:01.224

municipal law section 189.16,

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00:03:01.224 --> 00:03:13.555

which requires the commission to ensure that the purchase of a raffle ticket is initiated and received or otherwise made on the premise of an authorized organization or an authorized games of chance lessor,

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00:03:13.854 --> 00:03:18.564

in a municipality that complies with the conditions set forth in general,

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00:03:18.564 --> 00:03:21.264

municipal law sections 189.13 B1 through 189.13 B4.

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00:03:29.485 --> 00:03:32.245

This proposal would require a charitable organization,

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00:03:32.245 --> 00:03:39.625

wishing to conduct the Internet or mobile device raffle sales to demonstrate that the server or other electronic equipment from the

Internet,

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00:03:39.775 --> 00:03:46.375

or mobile raffle sales are initiated and located in compliance with statutory requirements.

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00:03:46.710 --> 00:03:52.830

Demonstrate geo location and capabilities to comply with the statutory geo location requirements.

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00:03:52.830 --> 00:03:57.270

Have the age verification procedures to prevent play by minors.

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00:03:57.270 --> 00:04:03.629

Offer parental controls, have procedures to prevent promotional materials being sent to minors.

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00:04:03.629 --> 00:04:06.870

Have privacy protection procedures.

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00:04:06.870 --> 00:04:14.819

Have procedures to protect the security of personal, important information of ticket purchasers from unauthorized disclosure.

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00:04:14.819 --> 00:04:18.839

And implement procedures to exclude persons on the

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00:04:18.839 --> 00:04:22.500

The statewide self exclusion lists from making a purchase.

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00:04:23.064 --> 00:04:36.774

In addition, software providers and platforms would be required to be licensed as a games of chance, supplier and paragraph 7 through 9 of commission rule. 4620.22 B, would be renumbered as paragraphs 9 through 11.

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00:04:39.238 --> 00:04:45.028

The notice of proposed rulemaking was published in the state register on January, 12, 2022.

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00:04:45.028 --> 00:04:49.678

Meaning that the public comment period expired on March 14th, 2022.

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00:04:50.004 --> 00:04:55.944

2 comments were received both from companies that provide technology platforms for organizations,

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00:04:55.944 --> 00:04:56.514

offering,

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00:04:56.543 --> 00:04:57.564

charitable gambling,

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00:04:58.194 --> 00:05:00.293

Ascend fundraising solutions,

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00:05:00.713 --> 00:05:02.454

and Bump worldwide,

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00:05:02.723 --> 00:05:03.653

incorporated,

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00:05:04.584 --> 00:05:12.353

both ascend and bump expressed a preference for hosting websites in a cloud based platform while proposed rule 46 2022.

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00:05:12.353 --> 00:05:23.213

b7 Romanette 2 would require a server to be located in a municipality in New York in which the sale of raffle tickets is authorized as set forth in general, municipal law section. 189.13.

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00:05:26.699 --> 00:05:39.869

The commentators make a policy argument that is inconsistent with the New York statutes. General, municipal law section 189.16 incorporates the general raffle location requirements.

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00:05:39.869 --> 00:05:53.819

Of section, 189.13 requiring in the context of an Internet or mobile application platform that a raffle wager be received, or otherwise made in local locations.

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00:05:53.819 --> 00:06:00.809

Staff believes the cyber space cloud would not satisfy statutory requirements.

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00:06:00.809 --> 00:06:07.408

Bump also asserts that having the server located locally would not make the platform more secure.

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00:06:07.408 --> 00:06:14.848

Because platform providers would not readily be available to access control access or provide support and maintenance.

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00:06:14.848 --> 00:06:21.658

Bump asserts that there would be no ability to ensure off site, backup and storage of critical data.

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00:06:21.658 --> 00:06:31.228

In states that the raffle requirement and raffle ticket purchase requirement, be initiated and accepted in authorizing municipality could be satisfied.

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00:06:31.228 --> 00:06:34.499

Through portable or handheld electronic equipment.

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00:06:34.499 --> 00:06:43.858

On a cloud based platform staff notes that there is no restriction in the proposed rule that would prevent offsite backup of data.

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00:06:43.858 --> 00:06:56.278

Bump and Ascend also suggest that proposed rule 46,022 b7 Romanette 3, which requires the purchaser of a raffle ticket through an Internet or mobile platform.

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00:06:56.278 --> 00:07:02.519

The 1st, to establish a raffle ticket account would burden players and negatively impact participations.

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00:07:02.519 --> 00:07:05.608

Ascend suggests that guest purchases.

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00:07:05.608 --> 00:07:08.728

Which we assumed to be non account based purchases.

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00:07:08.728 --> 00:07:15.509

Should be permitted bump indicated that their current clients do not want personal information of players.

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00:07:15.509 --> 00:07:28.889

Nor want the risk associated with maintaining personal and sensitive information. Staff believes the requirement to establish player counts is consistent with the regulation of the other types of Internet based wagering in New York.

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00:07:28.889 --> 00:07:38.309

Namely advanced deposit wagering on horse racing, mobile sports, wagering, lottery, subscriptions and interactive fantasy sports contests.

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00:07:38.309 --> 00:07:48.509

Account establishment allows for the effective regulation of other important policy objectives, such as responsible gaming and the prevention of gambling by minors.

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00:07:48.509 --> 00:08:03.418

As the sale of Internet Raffles is optional to an authorized organization. Any that feel burdened by the regulatory requirements would not be obligated to participate and could instead continue to sell raffle tickets by traditional means.

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00:08:03.418 --> 00:08:09.269

Both commentators also raised concern with the self-exclusion component of the rules.

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00:08:09.269 --> 00:08:15.149

Proposed rule section 46, 2022 Romanette 4.

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00:08:15.149 --> 00:08:29.968

Romanette 6 C and Romanette 6 f would prohibit the sale of a raffle ticket to persons on the commission self-exclusion list and require procedures to prevent such purchases.

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00:08:29.968 --> 00:08:42.778

In response bumps suggests a self-reporting verification step in states that requiring an organization to double check. A self-reporting. Verification is not plausible.

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00:08:42.778 --> 00:08:47.519

Ascend inquired whether the collection of birth dates would suffice.

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00:08:47.519 --> 00:08:50.333

And questions how self-exclusion would be implemented,

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00:08:50.333 --> 00:08:54.833

and whether the commission would provide access to a database of self-excluded persons,

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00:08:55.913 --> 00:09:10.793

staff believes that self-verification of self-exclusion status would be ineffective to prevent play of self-excluded persons and notes that mobile sports wagering operators have been required to implement self-exclusion procedures

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00:09:10.793 --> 00:09:14.274

since they commenced operation in January. Commission,

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00:09:14.274 --> 00:09:19.763

staff would also assist any licensee with the implementation of a self-exclusion program.

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00:09:20.339 --> 00:09:25.619

With respect to proposed rule 46,022 b7.

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00:09:25.619 --> 00:09:40.379

Romanette 6 C Bump suggests that self-reporting of the age would sufficiently protect a participant and that compliance and implementation costs to the proposed rule would diminish charitable gaming revenue.

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00:09:40.379 --> 00:09:46.889

Staff believes that self reporting of age would be ineffective to prevent on a under age play.

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00:09:46.889 --> 00:09:51.958

Proposed rule 46, 2022 b7.

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00:09:52.043 --> 00:09:53.783

Roman at 6,

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00:09:53.813 --> 00:10:08.573

C2 requires an authorized organization to demonstrate how it would prevent underage play staff also notes the age verification is a component of a wide variety of Internet gaming applications and as

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00:10:08.573 --> 00:10:14.903

stated earlier an authorized organization that feels that they are burdened by regulatory requirements.

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00:10:16.019 --> 00:10:24.089

Are not obligated to sell raffle tickets on the Internet and could instead continue to sell raffle tickets by traditional means.

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00:10:24.089 --> 00:10:32.038

Finally staff notes a typographical error that should be corrected upon adoption as a non-substantive change as the word.

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00:10:32.063 --> 00:10:34.344

Or should be of,

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00:10:34.614 --> 00:10:38.604

in 1 instance in proposed rule 46,022 be 7 Roman at 3 staff,

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00:10:38.634 --> 00:10:49.703

recommends that the commission adopt this rule maker commissioners any questions on the adoption of a rule authorizing regulation of charitable gaming Internet Raffles.

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00:10:54.808 --> 00:10:59.639

Hearing none may I have a motion to adopt this rule so.

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00:10:59.639 --> 00:11:03.928

Any second? Discussion of the motion.

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00:11:06.208 --> 00:11:10.349

Hearing none all in favor. Aye.

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00:11:10.349 --> 00:11:16.499

Motion carried, uh, next item. Do we have any new business?

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00:11:16.499 --> 00:11:20.818

Hearing none do we have any old business.

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00:11:20.818 --> 00:11:28.619

Hearing none that will conclude our published agenda for the day.

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00:11:28.619 --> 00:11:34.558

Um, traditionally we need the last Monday of the month.

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00:11:34.558 --> 00:11:42.239

Of April, we work with Kristen to identify the appropriate date for everyone when we'd be available.

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00:11:42.239 --> 00:11:46.048

And may have a motion to conclude today's meeting.

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00:11:46.048 --> 00:11:50.038

So, move 6th.

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00:11:50.038 --> 00:11:54.359

Thank you. Thank you. Mr.