

The Wait is Over for Legalized Sports Gambling in New York

A provision in New York's 2013 Racing, Pari-Mutuel Wagering and Breeding Law authorizing casinos to take bets on sporting events had been held in suspension because of the federal ban on state-regulated sports wagering. Now, as a result of the U.S. Supreme Court's striking down the Professional and Amateur Sports Protection Act of 1992 (PASPA), which prohibited state-regulated sports wagering, pending licensure by the New York State Gaming Commission, sports gambling in the state will become a reality.

The New York statutory provisions were a part of the Upstate NY Gaming Economic Development Act passed in 2013, alongside a Constitutional Amendment authorizing casino gaming in New York. That Constitutional Amendment subsequently was approved by the voters statewide in November 2013.

As a result of the Supreme Court decision in *Murphy v. National Collegiate Athletic Assn.*, No. 16-476 (May 14, 2018), the New York State Gaming Commission,

which would regulate sports betting, is drafting regulations to bring sports betting to the four commercial casinos and ancillary Native American casinos located in New York.

New York joins other states that have contemplated legalized sports betting. Many states, including Connecticut, Mississippi, New Jersey, Pennsylvania, and West Virginia, are in the process of finalizing proposed legislation in reaction to the Supreme Court's action. For more on the decision and its effects, see [Supreme Court Strikes Down Law Banning States from Legalizing Sports Gambling and Following Supreme Court Decision New Jersey Considers Sports Gambling Law](#).

Pending Legislation

Expecting the change at the federal level, some New York lawmakers have taken steps to enhance the current statutory structure, which appears to allow only sports gambling at the four New York commercial casinos located in the Capital Region, the Catskills, the Finger Lakes, and the Southern Tier.

New York Senate Bill S.7900-A would expand the Racing, Pari-Mutuel Wagering

and Breeding Law to allow mobile gaming to be offered by the four commercial casinos and to partner with other regional gaming interests (such as the New York State Race Tracks and Off Track Betting Corporations) to help expand the reach of sports gaming in the hope of generating considerable revenue to the state. This bill was part of the Senate's Budget Resolution, but it failed to gain traction during 2018-2019 state budget negotiations because of the uncertainty of what would take place at the federal level.

At this writing, there remains no significant Assembly legislation seeking to expand the current regulatory construct. Further, both Assembly Speaker Carl Heastie (D-Bronx) and Governor Andrew Cuomo appear cool to the idea of taking up legislation on the matter in the current session, scheduled to conclude on June 20, 2018.

However, Assembly Racing and Wagering Chairman Gary Pretlow (D-Yonkers) has voiced support for authorizing sports betting statewide. He has indicated the two houses will come to an agreement before the end of session.

Native American Casinos

A pervasive question discussed in the halls of the state Capitol regarding implementing sports betting is how the Native American casinos factor in to any regulatory structure.

While the four non-Native American casinos wait for the Commission, the legislature, and the Governor to act, the Oneida Nation (which manages Turning Stone Casino and two other smaller facilities) plans to begin offering sports betting soon. The Oneida Nation asserts that its 1993 compact with the state permits it to offer any Class III game authorized by the state, which would include sports betting.

The Seneca Indian Nation and the St. Regis Mohawk Tribe have been more circumspect, simply saying they are reviewing the Supreme Court's decision.

Complicating things are Tribal State Compact disputes between the Seneca Nation and the state and other tensions between Indian Nations and the state pertaining to where certain commercial casinos are sited.

The Jackson Lewis Government Relations and Collegiate and Professional Sports practices will continue to monitor regulatory and legislative developments and provide updates. Please contact us if you have any questions.

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