

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2023**

No. 60

Introduced by Council Members Salamanca, Velázquez, Abreu, Schulman and Mealy.

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to allowing charitable organizations to conduct games of chance at professional sporting venues, and to repeal subdivision 8 of section 20-435 of such code, which defines the term “Prize.”

Be it enacted by the Council as follows:

Section 1. Subdivision 2 of section 20-435 of the administrative code of the city of New York is amended to read as follows:

2. "Games of chance" shall mean and include [specific games of chance] *only the games known as “merchandise wheels,” “coin boards,” “merchandise boards,” “seal cards,” “event games,” “raffles,” and “bell jars” and such other specific games as may be authorized by the board,* in which prizes are awarded on the basis of a designated winning number or numbers, color or colors, symbol or symbols determined by chance, but not including games commonly known as "bingo or lotto" which are controlled under article 14-H of the general municipal law and also not including "slot machines", "bookmaking", "*lottery,*" and "policy or numbers games" as defined in section 225.00 of the penal law. No game of chance shall involve wagering of money by one player against another player.

§ 2. Subdivision 4 of section 20-435 of the administrative code of the city of New York is amended to read as follows:

4. “Lawful purposes” shall mean one or more of the following causes, deeds or activities:

(a) Those which shall benefit needy or deserving persons indefinite in number by enhancing their opportunity for religious or educational advancement, by relieving them from disease, suffering or distress, or by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of a devotion to the principles upon which this nation was founded and enhancing their loyalty to their governments.

(b) Those which shall initiate, perform or foster worthy public works or shall enable or further the erection or maintenance of public structures;

(c) Those which shall otherwise lessen the burdens borne by government or which are voluntarily undertaken by an authorized organization to augment or supplement services which government would normally render to the people, *including, in the case of volunteer firefighters or voluntary emergency medical service activities, the purchase, erection or maintenance of a building for a firehouse or a volunteer ambulance corps building, activities open to the public for the enhancement of membership and the purchase of equipment that can reasonably be expected to increase the efficiency of response to fires, accidents, medical emergencies, public calamities and other emergencies.*

(d) *Those which shall initiate, perform or foster the provisions of services to veterans by encouraging the gathering of such veterans and shall enable or further the erection or maintenance of facilities for use by such veterans which shall be used primarily for charitable or patriotic purposes, or those purposes which shall be authorized by a bona fide organization of*

veterans, provided however that such proceeds are disbursed pursuant to section 189 of the general municipal law.

§ 3. Subdivision 5 of section 20-435 of the administrative code of the city of New York is amended to read as follows:

5. "Net proceeds" shall mean (a) in relation to the gross receipts from one or more [occasions] *license periods* of games of chance, the amount that shall remain after deducting the reasonable sums necessarily and actually expended for supplies and equipment, prizes, *security-personnel*, stated rental if any, bookkeeping or accounting services according to a schedule of compensation prescribed by the board, janitorial services and utility supplies if any, license fees, and the cost of bus transportation, if authorized by the [board] *department* and (b) in relation to the gross rent received by an [organization licensed to conduct such games for the use of its premises by another licensee] *authorized games of chance lessor for the use of its premises by a game of chance licensee*, the amount that shall remain after deducting the reasonable sums necessarily and actually expended for janitorial services and utility supplies directly attributable thereto if any.

§ 4. Subdivision 6 of section 20-435 of the administrative code of the city of New York is amended to read as follows:

6. "Net lease" shall mean a written agreement between a lessor and lessee under the terms of which the lessee is entitled to the possession, use or occupancy of the whole or part of any premises from any non-commercial or non-profit [organization] *authorized games of chance lessor* for which the lessee pays rent to the lessor and likewise undertakes to pay substantially all of the regularly recurring expenses *incident* to the operation and maintenance of such leased premises.

§ 5. Subdivision 8 of section 20-435 of the administrative code of the city of New York is REPEALED.

§ 6. Subdivision 10 of section 20-435 of the administrative code of the city of New York is amended to read as follows:

10. “One occasion” shall mean the conducting of any one type of game of chance during any one license period. [No] *Except for raffles conducted during professional and collegiate sporting competitions, no series of prizes on any one occasion shall aggregate more than one thousand dollars. For purposes of raffles conducted during professional and collegiate sporting competitions, “one occasion” shall mean the successive operations of any one such raffle for which the limit on a series of prizes provided by subdivision 6 of section 189 of the general municipal law shall apply.*

§ 7. Subdivision 11 of section 20-435 of the administrative code of the city of New York is amended to read as follows:

11. “Licensed period” shall mean a period of time not to exceed [fourteen] *14* consecutive hours *and, for purposes of the game of chance known as a raffle, “license period” shall mean a period of time running from January first to December thirty-first of each year.*

§ 8. Section 20-435 of the administrative code of the city of New York is amended by adding a new subdivision 12 to read as follows:

12. *“Sports venue” shall mean a building, structure, or place with a permanent seating capacity of more than five thousand in which professional sporting competitions are held.*

§ 9. Section 20-435 of the administrative code of the city of New York is amended by adding a new subdivision 13 to read as follows:

13. *“Raffle” shall mean and include those games of chance in which a participant pays money in return for a ticket or other receipt and in which a prize is awarded on the basis of a winning number or numbers, color or colors, or symbol or symbols designated on the ticket or receipt, determined by chance as a result of: (a) a drawing from among those tickets or receipts previously sold; or (b) a random event, the results of which correspond with tickets or receipts previously sold.*

§ 10. Section 20-435 of the administrative code of the city of New York is amended by adding a new subdivision 14 to read as follows:

14. *“Single type of game” shall mean the games of chance known as merchandise wheels, coin boards, merchandise boards, event games, raffles and bell jars and each other specific game of chance authorized by the board.*

§ 11. Section 20-435 of the administrative code of the city of New York is amended by adding a new subdivision 15 to read as follows:

15. *“Operation” shall mean the play of a single type of game of chance necessary to determine the outcome or winners each time wagers are made. A single drawing of a winning ticket or other receipt in a raffle shall be deemed one operation.*

§ 12. Section 20-435 of the administrative code of the city of New York is amended by adding a new subdivision 16 to read as follows:

16. *“Single prize” shall mean the sum of money or fair market value of merchandise or coins awarded to a participant by a games of chance licensee in any one operation of a single type of game of chance in excess of their wager.*

§ 13. Section 20-435 of the administrative code of the city of New York is amended by adding a new subdivision 17 to read as follows:

17. "Series of prizes" shall mean the total amount of single prizes minus the total amount of wagers lost during the successive operations of a single type of game of chance, except that for merchandize wheels and raffles, "series of prizes" shall mean the sum of cash and the fair market value of merchandise awarded as single prizes during the successive operations of any single merchandise wheel or raffle. In the game of raffle, a series of prizes may include a percentage of the sum of cash received from the sale of raffle tickets.

§ 14. Section 20-436 of the administrative code of the city of New York is amended to read as follows:

§ 20-436 Conduct of games of chance. 1. No person, firm, association, corporation or organization, other than a licensee under the provisions of this subchapter, shall conduct such game or shall lease or otherwise make available for conducting games of chance a hall or other premises for any consideration whatsoever, direct or indirect, except as provided in section 20-437 of this subchapter.

2. No game of chance shall be held, operated or conducted on or within any leased premises if rental under such lease is to be paid, wholly or partly, on the basis of a percentage of the receipts or net profits derived from the operation of such game.

3. No authorized organization licensed under the provisions of this subchapter shall purchase, lease, or receive any supplies or equipment specifically designed or adapted for use in the conduct of games of chance from other than a supplier licensed by the board or from another authorized organization.

4. The entire net proceeds of any game of chance and of any rental shall be exclusively devoted to the lawful purposes of the organization permitted to conduct the same.

5. No prize shall exceed the sum or value of one hundred dollars in any operation or conducting of a single game of chance as defined in section 20-435 of this subchapter, *except for raffles conducted during professional and collegiate sporting competitions at sports venues which shall be subject to the limitations set forth in subdivision 5 of section 189 of the general municipal law.* No single wager shall exceed [ten] *six* dollars, *provided, however, that such limitation shall not apply to the amount of money or value paid by the participant in a raffle in return for a ticket or other receipt.*

6. No series of prizes on any one occasion of games of chance shall aggregate more than one thousand dollars as defined in section 20-435 of this subchapter, *except for raffles conducted during professional and collegiate sporting competitions at sports venues, which shall be subject to the limitations set forth in subdivision 6 of section 189 of the general municipal law.*

7. No person except a bona fide member of [any such organization, its auxiliary or affiliated organization,] *the licensed authorized organization* shall participate in the management [or operation of such game,] *of such games; no person except a bona fide member of the licensed authorized organization, its auxiliary or affiliated organization, shall participate in the operation of such games,* as set forth in section 20-444 of this subchapter.

8. No person shall receive any remuneration for participating in the management or operation of any such game.

9. The unauthorized conduct of a game of chance shall constitute and be punishable as a misdemeanor.

§ 15. Subdivision 1 of section 20-438 of the administrative code of the city of New York is amended to read as follows:

1. The department shall make an investigation of the qualifications of each applicant and the merits of each application, with due expedition after the filing of the application.

(a) Issuance of licenses to conduct games of chance. If such department shall determine that the applicant is duly qualified to be licensed to conduct games of chance under this subchapter; that the members of the applicant designated in the application to conduct games of chance are bona fide active members of the applicant and are persons of good moral character and have never been convicted of a crime, or, if convicted, have received a pardon or a certificate of good conduct; that such games are to be conducted in accordance with the provisions of this subchapter and in accordance with the rules and regulations of the board and that the proceeds thereof are to be disposed of as provided by this subchapter; and if such department is satisfied that no commission, salary, compensation, reward or recompense whatever will be paid or given to any person holding, operating or conducting or assisting in the holding, operation and conduct of any such games except as in this subchapter otherwise provided; and that *except for raffles conducted during professional and collegiate sporting competitions at sports venues, which shall be subject to the limitations set forth in section 189 of the general municipal law*, no prize will be given in excess of the sum or value of one hundred dollars in any single game and that the aggregate of all prizes given on one occasion, under said license shall not exceed the sum or value of one thousand dollars, the department shall issue a license to the applicant for the conduct of games of chance upon payment of a license fee of twenty-five dollars for each license period.

(b) Issuance of licenses to authorized games of chance lessors. If such department shall determine that the applicant seeking to lease a hall or premises for the conduct of games of chance to an authorized organization is duly qualified to be licensed under this subchapter; that the applicant satisfies the requirements for an authorized games of chance lessor as defined in section 20-435 of this subchapter that such department shall find and determine that there is a public need and that public advantage will be served by the issuance of such license; that the applicant has filed its proposed rent for each game of chance occasion; that there is no diversion of the funds of the proposed lessee from the lawful purposes as defined in this subchapter; and that such leasing of a hall or premises for the conduct of such games is to be in accordance with the provisions of this subchapter and in accordance with the rules and regulations of the board, it shall issue a license permitting the applicant to lease said premises for the conduct of such games to the authorized organization or organizations specified in the application during the period therein specified or such shorter period as such department shall determine, but not to exceed one year, upon payment of a license fee of fifty dollars.

§ 16. Section 20-441 of the administrative code of the city of New York is amended to read as follows:

§ 20-441 Control and supervision; suspension of licenses; inspection of premises; rulemaking.

1. The department shall have and exercise rigid control and close supervision over all games of chance conducted under such license, to the end that the same are fairly conducted in accordance with the provisions of such license, the provisions of the rules and regulations promulgated by the board and the provisions of this subchapter, and the department and the board shall have the power and authority to temporarily suspend any license issued by the department pending a hearing and,

after notice and hearing, the department and the board may suspend or revoke same, and additionally, impose a fine not exceeding one thousand dollars for violation of any such provisions, and the department and the board shall have the right of entry, by their respective officers and agents, at all times into any premises where any game of chance is being conducted or where it is intended that any such game shall be conducted, or where any equipment being used or intended to be used in the conduct thereof is found, for the purpose of inspecting the same. An agent of the department shall make an on-site inspection during the conduct of all games of chance licensed pursuant to this subchapter.

[2. Service of alcoholic beverages. Subject to the applicable provisions of the alcoholic beverage control law, beer may be offered for sale during the conduct of games of chance but the offering of all other alcoholic beverages is prohibited.

3.] 2. The commissioner of the department may promulgate such rules and regulations as deemed necessary for the proper implementation and enforcement of this subchapter and which are not inconsistent with those rules and regulations promulgated by the board.

§ 17. Section 20-443 of the administrative code of the city of New York is amended to read as follows:

§ 20-443 *Frequency and scheduling* of games. No game or games of chance shall be conducted under any license issued under this subchapter more often than twelve times in any calendar year. Games shall be conducted only between the hours of noon and midnight on Monday, Tuesday, Wednesday, Thursday, and Sunday; and between the hours of noon on Friday and two a.m. Saturday; and between the hours of noon on Saturday and two a.m. Sunday. The two a.m. closing period shall also apply to a legal holiday. Notwithstanding the foregoing provisions of this section

no games of chance shall be conducted on Easter Sunday, Christmas Day, New Year's Eve, and the days of Rosh Hashanah and Yom Kippur. *The restrictions in this section shall not apply when only the game of chance known as raffle is conducted, provided that authorized organizations licensed under this subchapter may conduct raffles during professional and collegiate sporting competitions at sports venues only from two hours before the beginning of play until the end of play.*

§ 18. Section 20-444 of the administrative code of the city of New York is amended to read as follows:

§ 20-444 Persons operating and conducting games; equipment; expenses; compensation.

1. No person shall [hold,] operate [or conduct] any games of chance under any license issued under this subchapter except [an active member of the authorized organization] *a bona fide member of the authorized organization* to which the license is issued, *or a bona fide member of an organization or association which is an auxiliary to the licensee or a bona fide member of an organization or association of which such licensee is an auxiliary or a bona fide member of an organization or association which is affiliated with the licensee by being, with it, auxiliary to another organization or association. Nothing herein shall be construed to limit the number of games of chance licensees for whom such persons may operate games of chance nor to prevent non-members from assisting the licensee in any activity other than managing or operating games.* [and no person shall assist in the holding, operating or conducting of any game of chance under such license except such an active member or a member of an organization or association which is an auxiliary to the licensee or a member of an organization or association of which such licensee is

an auxiliary or member of an organization or association which is affiliated with the licensee by being, with it, auxiliary to another organization or association. No]

2. *No game of chance shall be conducted with any equipment except such as shall be owned or leased by the authorized organization so licensed or used without payment of any compensation therefore by the licensee. An authorized organization affiliated with a sports venue may utilize equipment supplied by a third-party provided that any equipment specifically designed or adapted for use in the conduct of games of chance come from a supplier licensed by the board or another authorized organization.*

3. *Except for raffles conducted during professional and collegiate sporting competitions at sports venues, [At] at least two officers, directors, trustees or clergy of the authorized organization shall upon request certify, under oath, that the persons assisting in holding, operating or conducting any game of chance are bona fide members of such authorized organization, auxiliary or affiliated organization. Upon request by the department, any such person involved in such games of chance shall certify that he or she has no criminal record.*

4. *No items of expense shall be incurred or paid in connection with the conducting of any game of chance pursuant to any license issued under this subchapter except those that are reasonable and are necessarily expended for games of chance supplies and equipment, prizes, security personnel, stated rental if any, bookkeeping or accounting services according to a schedule of compensation prescribed by the board, janitorial services and utility supplies if any, license fees, and the cost of bus transportation, if authorized by such department.*

§ 19. Section 20-445 of the administrative code of the city of New York is amended to read as follows:

§ 20-445 Charge for admission and participation; amount of prizes; award of prizes. [Not] *Except for raffles conducted during professional and collegiate sporting competitions at sports venues, no more than two dollars shall be charged by any licensee for admission to any room or place in which any game or games of chance are to be conducted under any license issued under this subchapter. The department may in its discretion fix a minimum fee. [Every] Except for raffles conducted during professional and collegiate sporting competitions at sports venues, every winner shall be determined and every prize shall be awarded and delivered within the same calendar day as that upon which the game was played. The winner of any single prize in a raffle conducted during professional and collegiate sporting competitions at sports venues shall not be required to be present at the time such raffle is conducted.* No alcoholic beverage shall be offered or given as a prize in any game of chance.

§ 20. Section 20-446 of the administrative code of the city of New York is amended to read as follows:

§ 20-446 Advertising games. [No] *Except for raffles conducted during professional and collegiate sporting competitions at sports venues, no game of chance conducted or to be conducted in this city shall be advertised as to its location, the time when it is to be or has been played, or the prizes awarded or to be awarded, or transportation facilities to be provided to such game, by means of newspapers, radio, television or sound trucks or by means of billboards, posters or handbills or any other means addressed to the general public, except that one sign not exceeding sixty square feet in area may be displayed on or adjacent to the premises owned or occupied by a licensed authorized organization, and when an organization is licensed to conduct games of chance on premises of an authorized games of chance lessor, one additional such sign may be displayed on or*

adjacent to the premises in which the games are to be conducted. Additional signs may be displayed upon any fire fighting equipment belonging to any licensee, which is a volunteer fire company, or upon any first-aid or rescue squad equipment belonging to any licensee, which is a first-aid or rescue squad, in and throughout the community or communities served by such volunteer fire company or such first-aid or rescue squad, as the case may be. *When an organization is licensed or authorized to conduct games of chance on the premises of an authorized games of chance lessor, one additional sign may be displayed on or adjacent to the premises in which the games are to be conducted. A licensee conducting raffles during professional and collegiate sporting competitions at sports venues may advertise conduct of games of chance to the general public by means of newspaper, circular, handbill, poster, and through the internet or television as may be regulated by the rules and regulations of the board. All advertisements shall be limited to the description of such event as "Games of chance" or "Las Vegas Night", the name of the authorized organization conducting such games, the license number of the authorized organization as assigned by the department, the prizes offered and the date, location and time of the event.*

§ 21. This local law takes effect immediately.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on April 27, 2023 and approved by the Mayor on May 25, 2023.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 60 of 2023, Council Int. No. 891-A of 2023) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council and approved by the Mayor.

STEPHEN LOUIS, Acting Corporation Counsel.