



## PHILLIPS LYTLE LLP CLIENT ALERT

### NOT-FOR-PROFIT

MAY 2022



## *NYS Gaming Commission Adopts New Regulations for Charitable Gaming*

The New York State Gaming Commission recently adopted regulations concerning an authorized organization's sale of raffle tickets through the internet or mobile device platforms. The New York State Legislature's authorization of the sale of raffle tickets online and by mobile devices for charitable gaming pursuant to Chapter 464 of the Laws of 2017 was contingent upon the Gaming Commission promulgating regulations related to such sales. Now that these regulations have been adopted, authorized organizations are one step closer to being able to sell raffle tickets online or by mobile application with respect to their charitable raffles. The relevant regulations require that authorized organizations seek approval from the Gaming Commission no less than 60 days before they offer any tickets for sale on the internet or by mobile device. The Gaming Commission is in the process of developing an application form to be used to obtain such approval. Until such an application form has been developed and made available, authorized organizations will have difficulty satisfying all requirements of the relevant regulations.

There are several other noteworthy requirements and limitations imposed by these regulations for the sale of raffle tickets online or by mobile device. For example, authorized organizations that wish to sell such raffle tickets must first be issued a games of chance identification number and a raffle license from the Gaming Commission. The electronic

equipment (including the server) that initiates the offering of the raffle ticket sale and accepts a purchase must be located in the State of New York. Purchasers must be physically located in New York at the exact time of purchase, and the raffle ticket sale platform must block any attempt to purchase raffle tickets from outside the State of New York. Purchasers must also first establish a raffle ticket account with the authorized organization conducting the raffle, and such account must include the purchaser's legal name, date of birth, unique account number, address, email address and telephone number. The [relevant regulations](#),<sup>1</sup> which include additional restrictions and obligations, are available on the New York State Gaming Commission website.

In light of the Gaming Commission's adoption of the relevant regulations, authorized organizations interested in conducting raffles should continue to comply with existing laws and regulations until such time that the Gaming Commission makes available its application form related to the sale of raffle tickets online and by mobile device.

### **Additional Assistance**

*For further assistance, please contact any of the attorneys on our [Not-For-Profit Practice Team](#) or the [Phillips Lytle attorney with whom you have a relationship](#). ■*

<sup>1</sup> "Rules and Regulations, Chapter II (Division of Charitable Gaming), Subchapter B (Authorized Games of Chance, Games of Chance Currency, Conduct of Games and Supplies and Equipment)," 9 NYCRR §§ 4620-4627.19, <https://www.gaming.ny.gov/pdf/legal/New%20York%20State%20Gaming%20Commission%20rules%20Chapter%20II%2C%20Subchapter%20B%20%28Charitable%20Gaming%2C%20Games%20of%20Chance%29%20updated%202022-04.pdf>.





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