

# **STATE RACING AND WAGERING BOARD**

## **MISSION**

The Racing and Wagering Board regulates all legalized gambling activities in New York except the State Lottery. Horse racing, off-track betting (OTB) and Indian casino gaming are directly regulated by the Board. The responsibility for oversight of bingo and other permitted games of chance conducted by religious and not-for-profit organizations is shared with municipalities, which collect license fees and ensure that the Board's rules and regulations are followed.

## **ORGANIZATION AND STAFFING**

A three-member Board oversees agency activities. The Governor appoints each member to a six-year term with the consent of the Senate.

The Chair and central office staff are in Albany with additional staff operating from the New York City regional office. The agency also employs on-site inspectors at the Oneida Indians' Turning Stone Casino in Verona, Oneida County and the Mohawk Indians' Akwesasne Mohawk Casino in Hogansburg, Franklin County. Temporary and full time employees oversee horse racing at New York's four thoroughbred race tracks — Aqueduct, Belmont, Saratoga and Finger Lakes — and six harness tracks — Buffalo, Monticello, Saratoga, Syracuse, Vernon Downs and Yonkers. The Racing and Wagering Board will have a workforce of 123 full time and 153 temporary staff in 2000-01. Approximately 34 percent of these positions will be supported by State tax dollars; the remaining staff will be supported by revenues generated by Indian casinos and charitable gaming activities.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2000-01 Executive Budget recommends \$9.728 million in General Fund support for staff and related costs associated with the processing of racing licenses; the review of financial statements submitted by regional OTBs; legal hearings to suspend or fine violators of racing regulations; seasonal employees at the thoroughbred and harness tracks; and the testing of race horses for prohibited drugs.

In addition, \$2 million in existing fees collected by the State from charitable gaming proceeds is recommended to support the regulation of these games. This funding will support oversight of "bell jar" games, which are games of chance in which players remove "pull tabs" from randomly drawn tickets to reveal potential winning combinations of three or more matching items. The Budget also authorizes \$3 million in revenues from fees charged to Indian casinos to pay for on-site monitoring and investigation of these casinos.

## **PROGRAM HIGHLIGHTS**

### **REGULATION OF GAMES OF CHANCE**

The Racing and Wagering Board promulgates rules and regulations governing bingo and other games of chance operated by more than 14,100 charitable and not-for-profit organizations throughout the State. The Board establishes standards for issuing licenses to suppliers and manufacturers of gaming equipment; reviews

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financial statements of charitable gaming operations; and, in conjunction with local law enforcement officials, investigates illegal gaming activities. In accordance with legislation enacted in 1996, the Board will continue its oversight of "bell jar" games in order to decrease illegal activity.

### **INDIAN GAMING**

The State has negotiated compacts or protocols with the Oneida Nation and St. Regis Mohawk Tribe to conduct gaming activities. Under these compacts, the Racing and Wagering Board is responsible for supervising gaming activities operating on these Indian lands. The Board maintains 22 employees that oversee activities at the Oneida Nation's Turning Stone Casino and 28 employees at the St. Regis Mohawk Tribe's Akwesasne Casino.

### **REGULATION OF RACING**

The Board's permanent staff oversee 153 temporary employees who ensure that horse races at the State's race tracks are conducted legally. As part of this effort, the Board has a contract with Cornell University to conduct research and to carry out post-race testing of blood and urine samples taken from race horses.

#### **ALL FUNDS APPROPRIATIONS**

Category	Available 1999-00	Appropriations Recommended 2000-01	Change	Reappropriations Recommended 2000-01
State Operations .....	\$14,707,300	\$14,707,300	.....	.....
Aid To Localities .....	.....	.....	.....	.....
Capital Projects .....	.....	.....	.....	.....
Total .....	<u>\$14,707,300</u>	<u>\$14,707,300</u>	<u>.....</u>	<u>.....</u>

#### **ALL FUND TYPES LEVELS OF EMPLOYMENT BY PROGRAM ANNUAL SALARIED POSITIONS**

Program	Available 1999-00	2000-01 Recommended Average Fill Level			Change
		Personal Service (Regular)	Maintenance Undistributed	Total Recommended 2000-01	
Administration					
General Fund .....	15	15	.....	15	.....
Audit and Investigation					
General Fund .....	23	23	.....	23	.....
Regulation of Racing and Off-Track Betting					
General Fund .....	4	4	.....	4	.....
Regulation of Wagering					
Special Revenue Funds - Other .....	81	81	.....	81	.....
Total .....	<u>123</u>	<u>123</u>	<u>.....</u>	<u>123</u>	<u>.....</u>

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## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

<u>Fund Type</u>	<u>Available 1999-00</u>	<u>Recommended 2000-01</u>	<u>Change</u>
General Fund .....	\$9,728,000	\$9,728,000	.....
Special Revenue Funds - Other .....	4,979,300	4,979,300	.....
<b>Total .....</b>	<b><u>\$14,707,300</u></b>	<b><u>\$14,707,300</u></b>	<b><u>.....</u></b>

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

<u>Program</u>	<u>Available 1999-00</u>	<u>Recommended 2000-01</u>	<u>Change</u>
Administration			
General Fund .....	\$1,615,600	\$1,615,600	.....
Audit and Investigation			
General Fund .....	1,165,800	1,165,800	.....
Regulation of Racing and Off-Track Betting			
General Fund .....	6,946,600	6,946,600	.....
Regulation of Wagering			
Special Revenue Funds - Other .....	4,979,300	4,979,300	.....
<b>Total .....</b>	<b><u>\$14,707,300</u></b>	<b><u>\$14,707,300</u></b>	<b><u>.....</u></b>

## STATE OPERATIONS — GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2000-01 RECOMMENDED

<u>Program</u>	Total Personal Service		Personal Service Regular (Annual Salaried)	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration .....	\$674,200	.....	\$674,200	.....
Audit and Investigation .....	1,081,500	.....	1,081,500	.....
Regulation of Racing and Off-Track Betting .....	4,261,300	.....	4,261,300	.....
<b>Total .....</b>	<b><u>\$6,017,000</u></b>	<b><u>.....</u></b>	<b><u>\$6,017,000</u></b>	<b><u>.....</u></b>

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**STATE OPERATIONS — GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2000-01 RECOMMENDED**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration . . . . .	\$941,400	. . . .	\$335,600	. . . .
Audit and Investigation . . . . .	84,300	. . . .	14,000	. . . .
Regulation of Racing and Off-Track Betting . . . . .	2,685,300	. . . .	56,100	. . . .
<b>Total . . . . .</b>	<b>\$3,711,000</b>	<b>. . . .</b>	<b>\$405,700</b>	<b>. . . .</b>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration . . . . .	\$37,800	. . . .	\$568,000	. . . .
Audit and Investigation . . . . .	37,400	. . . .	30,700	. . . .
Regulation of Racing and Off-Track Betting . . . . .	9,400	. . . .	2,614,200	. . . .
<b>Total . . . . .</b>	<b>\$84,600</b>	<b>. . . .</b>	<b>\$3,212,900</b>	<b>. . . .</b>

Program	Equipment	
	Amount	Change
Administration . . . . .	. . . .	. . . .
Audit and Investigation . . . . .	\$2,200	. . . .
Regulation of Racing and Off-Track Betting . . . . .	5,600	. . . .
<b>Total . . . . .</b>	<b>\$7,800</b>	<b>. . . .</b>

**STATE OPERATIONS — OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2000-01 RECOMMENDED**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Regulation of Wagering . . . . .	\$4,979,300	. . . .	\$2,982,700	. . . .
<b>Total . . . . .</b>	<b>\$4,979,300</b>	<b>. . . .</b>	<b>\$2,982,700</b>	<b>. . . .</b>

Program	Nonpersonal Service	
	Amount	Change
Regulation of Wagering . . . . .	\$1,996,600	. . . .
<b>Total . . . . .</b>	<b>\$1,996,600</b>	<b>. . . .</b>