**Memorandum of Opposition**

**S.8185-A (Addabbo)**

**AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to interactive gaming; and to amend the tax law, in relation to interactive lottery gaming**

The Long Island Gasoline Retailers Association (LIGRA), a trade association representing the interests of Gas Stations/Convenience stores many of them family owned and operated – strongly opposes S.8185-A, which would legalize online interactive casino gaming and the online sale of lottery tickets. This bill would negatively impact retail stores by directly removing a source of revenue at a time when the cost of doing business labor, energy, taxes has skyrocketed.

For the past five decades, LIGRA members and other retailers have provided adult New Yorkers with quick, convenient, year-round access to New York Lottery tickets. Collectively, these 14,600 licensed “traditional lottery sales agents” convenience stores, grocery stores, bodegas, newsstands, taverns, restaurants, liquor stores, service stations and others – have built the sales of traditional lottery games from $53 million in 1967 to nearly $8 billion today. These sales, in turn, have led to over $80 billion in education funding since the start of the lottery.

Unfortunately, the state’s appreciation for the lottery retailers has been waning – in fact it has been hostile. In 2021, the Gaming Commission shortened a retailer’s payment cycle for scratch-off tickets. Instead of having 45 days to pay for a book of tickets, now agents only have 28 days, which has squeezed cash flow significantly. In addition to pre-paying for tickets in this short timeframe, retailers are no longer reimbursed for tickets that have been stolen and reported. In effect, the state has told LIGRA members that theft and crime is their problem to address not the state’s in a budget year where the Governor has made retail theft and the safety of retail workers a top priority.

Lastly, the Gaming Commission and legislative leaders have rejected outright - without thoughtful consideration - lottery retailers’ request to increase their commission from 6 percent to 7 percent – having never been increased since the program’s inception in 1967. While lottery sales volume has steadily risen since then, the resulting additional commission income to lottery sales agents has been far outstripped by sharp growth in their operating expenses. Minimum wage alone has increased over 80 percent since 2010 while lottery sales only grew by 13 percent during the same period. Normally, when costs rise, businesses have three choices – absorb it, raise their retail prices, or cut expenses. In this case, agents are forbidden from selling lottery tickets for more than face value.

To introduce a bill meant to undercut traditional lottery sales on top of the recent policy decisions or indecisions is bad for business, bad for jobs, and bad for the Lottery.

For these reasons we OPPOSE this bill.

Chris daniello

LIGRA

Executive Director

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