

3206

2009-2010 Regular Sessions

I N S E N A T E

March 12, 2009

Introduced by Sens. MAZIARZ, BONACIC, DeFRANCISCO, GRIFFO, LITTLE, MORAHAN, OPPENHEIMER, RANZENHOFER, SERRANO, SEWARD, VOLKER, YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to the tribal-state compact revenue account; and to amend the state finance law and the economic development law, in relation to creating the tourism economic development fund and providing for supplemental tourism grants

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative intent. The legislature hereby recognizes the
2 importance of tourism to the New York state economy. As the state's
3 second largest industry, tourism employs hundreds of thousands of New
4 Yorkers and generates billions in economic activity. Therefore, it is
5 the intent of the legislature to facilitate the growth of this industry
6 by increasing the funding source available for tourism promotion. The
7 legislature finds moneys from the casino gaming compacts to be an
8 adequate and appropriate source for such funding. Additionally, the
9 legislature finds that the creation of a supplemental local tourism
10 grants program will be a suitable measure to effectuate a more equitable
11 disbursement of tourism funding throughout the state. The legislature
12 further finds that special consideration should be given to promoting
13 New York state casinos which provide revenue to the state through gaming
14 compacts. This promotion will further enhance the fund from which tour-
15 ism promotion dollars are derived.

16 S 2. Subdivision 3 of section 99-h of the state finance law, as
17 amended by chapter 747 of the laws of 2006, is amended to read as
18 follows:

19 3. Moneys of the account, following appropriation by the legislature,
20 shall be available for purposes including but not limited to: (a)
21 reimbursements or payments to municipal governments that host tribal

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD06139-01-9

1 casinos pursuant to a tribal-state compact for costs incurred in
2 connection with services provided to such casinos or arising as a result
3 thereof, for economic development opportunities and job expansion
4 programs authorized by the executive law; provided, however, that for
5 any gaming facility located in the county of Erie, the municipal govern-
6 ments hosting the facility shall collectively receive a minimum of twen-
7 ty-five percent of the negotiated percentage of the net drop from elec-
8 tronic gaming devices the state receives pursuant to the compact, and
9 provided further that for any gaming facility located in the city of
10 Niagara Falls, county of Niagara a minimum of twenty-five percent of the
11 negotiated percentage of the net drop from electronic gaming devices the
12 state receives pursuant to the compact shall be distributed in accord-
13 ance with subdivision four of this section, and provided further that
14 for any gaming facility located in the county or counties of Cattarau-
15 gus, Chautauqua or Allegany, the municipal governments of the state
16 hosting the facility shall collectively receive a minimum of twenty-five
17 percent of the negotiated percentage of the net drop from electronic
18 gaming devices the state receives pursuant to the compact; and provided
19 further that pursuant to chapter five hundred ninety of the laws of two
20 thousand four, a minimum of twenty-five percent of the revenues received
21 by the state pursuant to the state's compact with the St. Regis Mohawk
22 tribe shall be made available to the counties of Franklin and St.
23 Lawrence, and affected towns in such counties. Each such county and its
24 affected towns shall receive fifty percent of the moneys made available
25 by the state; and (b) TOURISM PROMOTION, AS PROVIDED IN SECTION NINETY-
26 NINE-T OF THIS ARTICLE, AND MADE AVAILABLE FOR APPROPRIATION AND ALLO-
27 CATION TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT FOR THE PURPOSE OF
28 FUNDING THE PROMOTION, ATTRACTION, STIMULATION, DEVELOPMENT, AND EXPAN-
29 SION OF TOURIST TRAVEL, RESORT, VACATION, CULTURAL, AND CONVENTION
30 ACTIVITIES AUTHORIZED UNDER THE ECONOMIC DEVELOPMENT LAW; PROVIDED,
31 FURTHER, THAT NOT LESS THAN THIRTY-FIVE PERCENT OF SUCH FUNDS SHALL BE
32 AVAILABLE FOR THE PAYMENT OF MATCHING FUNDS TO TOURIST PROMOTION AGEN-
33 CIES AS PROVIDED FOR BY THE ECONOMIC DEVELOPMENT LAW; AND (C) support
34 and services of treatment programs for persons suffering from gambling
35 addictions. Moneys not appropriated for such purposes shall be trans-
36 ferred to the general fund for the support of government during the
37 fiscal year in which they are received.

38 S 3. The state finance law is amended by adding a new section 99-t to
39 read as follows:

40 S 99-T. TOURISM ECONOMIC DEVELOPMENT FUND. 1. THERE IS HEREBY ESTAB-
41 LISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSION-
42 ER OF TAXATION AND FINANCE A SPECIAL FUND TO BE KNOWN AS THE "TOURISM
43 ECONOMIC DEVELOPMENT FUND".

44 2. SUCH FUND SHALL CONSIST OF: (A) AN AMOUNT EQUAL TO NOT LESS THAN
45 THIRTY PERCENT OF THE NEGOTIATED PERCENTAGE OF THE NET DROP FROM ELEC-
46 TRONIC GAMING DEVICES THE STATE RECEIVES PURSUANT TO PART B OF CHAPTER
47 THREE HUNDRED EIGHTY-THREE OF THE LAWS OF TWO THOUSAND ONE, PROVIDED,
48 HOWEVER, THAT IN THE EVENT THAT MORE THAN FOUR CASINOS BECOME OPERA-
49 TIONAL PURSUANT TO PART B OF CHAPTER THREE HUNDRED EIGHTY-THREE OF THE
50 LAWS OF TWO THOUSAND ONE, AND ANY TRIBAL-STATE COMPACT, THE AGGREGATE
51 PERCENTAGE OF THE NEGOTIATED PERCENTAGE OF THE NET DROP FROM ELECTRONIC
52 GAMING DEVICES REQUIRED TO BE DEPOSITED INTO THE TOURISM ECONOMIC DEVEL-
53 OPMENT FUND PURSUANT TO THIS SECTION SHALL DECREASE BY FIVE PERCENT AS
54 EACH ADDITIONAL CASINO BECOMES OPERATIONAL AND MAKES NEW DEPOSITS INTO
55 THE TRIBAL-STATE COMPACT REVENUE ACCOUNT PROVIDED FURTHER THAT NO SUCH
56 DECREASES SHALL OCCUR ONCE THE AGGREGATE PERCENTAGE REQUIRED FOR DEPOSIT

1 REACHES TEN PERCENT; (B) ALL MONEYS APPROPRIATED FOR THE PURPOSE OF SUCH
2 FUND AND ALL MONEYS TRANSFERRED TO SUCH FUND PURSUANT TO LAW; AND (C)
3 ANY INTEREST EARNED BY THE INVESTMENT OF MONEYS IN SUCH FUND, WHICH
4 SHALL BE ADDED TO SUCH FUND.

5 3. REVENUES IN THE TOURISM ECONOMIC DEVELOPMENT FUND SHALL BE KEPT
6 SEPARATE AND SHALL NOT BE COMMINGLED WITH ANY OTHER MONEYS IN THE CUSTO-
7 DY OF THE COMPTROLLER. ALL DEPOSITS OF SUCH REVENUES SHALL, IF REQUIRED
8 BY THE COMPTROLLER, BE SECURED BY OBLIGATIONS OF THE UNITED STATES OR
9 THE STATE HAVING A MARKET VALUE EQUAL AT ALL TIMES TO THE AMOUNT OF SUCH
10 DEPOSITS. ALL BANKS AND TRUST COMPANIES ARE AUTHORIZED TO GIVE SECURITY
11 FOR SUCH DEPOSITS. ANY SUCH REVENUES IN SUCH FUND MAY, UPON THE
12 DISCRETION OF THE COMPTROLLER, BE INVESTED IN OBLIGATIONS IN WHICH THE
13 COMPTROLLER IS AUTHORIZED TO INVEST PURSUANT TO SECTION NINETY-EIGHT-A
14 OF THIS ARTICLE.

15 4. MONEYS OF SUCH FUND SHALL BE AVAILABLE FOR APPROPRIATION AND ALLO-
16 CATION TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT FOR THE PURPOSE OF
17 FUNDING THE PROMOTION, ATTRACTION, STIMULATION, DEVELOPMENT, AND EXPAN-
18 SION OF TOURIST TRAVEL, RESORT, VACATION, CULTURE, AND CONVENTION ACTIV-
19 ITIES WITHIN THE STATE AND ITS REGIONS PURSUANT TO PROGRAMS AND ACTIV-
20 ITIES AUTHORIZED UNDER THE ECONOMIC DEVELOPMENT LAW.

21 5. (A) WITH RESPECT TO THE MONIES ANNUALLY DEDICATED IN THE TOURISM
22 ECONOMIC DEVELOPMENT FUND, NOT LESS THAN THIRTY-FIVE PERCENT SHALL BE
23 MADE AVAILABLE FOR THE PAYMENT OF MATCHING FUNDS TO TOURIST PROMOTION
24 AGENCIES AS PROVIDED FOR BY THE ECONOMIC DEVELOPMENT LAW.

25 (B) OF THE MONEYS MADE AVAILABLE FOR THE PAYMENT OF MATCHING FUNDS BY
26 PARAGRAPH (A) OF THIS SUBDIVISION NOT LESS THAN THIRTY PERCENT SHALL BE
27 MADE AVAILABLE FOR THE PAYMENT OF SUPPLEMENTAL TOURISM GRANTS AS
28 PROVIDED BY SECTION ONE HUNDRED SIXTY-FOUR-A OF THE ECONOMIC DEVELOPMENT
29 LAW.

30 S 4. The economic development law is amended by adding a new section
31 164-a to read as follows:

32 S 164-A. SUPPLEMENTAL TOURISM GRANTS. (A) THE COMMISSIONER SHALL,
33 WITHIN THE AMOUNT APPROPRIATED PURSUANT TO SUBDIVISION FIVE OF SECTION
34 NINETY-NINE-T OF THE STATE FINANCE LAW, ALSO AWARD TO TOURIST PROMOTION
35 AGENCIES RECEIVING SUCH MATCHING FUNDS A SUPPLEMENTAL TOURISM GRANT.
36 SUCH GRANT SHALL BE DISTRIBUTED BY THE COMMISSIONER IN A MANNER THAT
37 ALLOWS FOR AN EQUAL PERCENTAGE OF THE AGGREGATE TO BE ALLOCATED UPON THE
38 RECOMMENDATION OF THE GOVERNOR, TEMPORARY PRESIDENT OF THE SENATE, AND
39 SPEAKER OF THE ASSEMBLY RESPECTIVELY.

40 (B) OF ANY MONEY AVAILABLE TO A TOURIST PROMOTION AGENCY WHICH HAS
41 BEEN DESIGNATED TO REPRESENT A COUNTY WHOLLY WITHIN A CITY, NOT LESS
42 THAN FIFTY PERCENT OF THE TOTAL AMOUNT APPROPRIATED SHALL BE AVAILABLE
43 TO SUCH TOURIST PROMOTION AGENCY FOR DISCRETIONARY USE FOR TOURISM
44 PROMOTION PURPOSES, AS SPECIFIED IN SUBDIVISION FOUR OF SECTION NINETY-
45 NINE-T OF THE STATE FINANCE LAW. OF THE REMAINING FIFTY PERCENT, SUCH
46 MONEY SHALL BE USED FOR TOURISM PROMOTION PURPOSES, AS SPECIFIED IN
47 SUBDIVISION FOUR OF SECTION NINETY-NINE-T OF THE STATE FINANCE LAW, ON A
48 PER CAPITA BASIS IN A MANNER THAT AWARDS A TOURIST PROMOTION AGENCY A
49 SHARE OF THE TOTAL AMOUNT APPROPRIATED WHICH IS PROPORTIONAL TO THAT OF
50 THE POPULATION, BASED UPON THE MOST CURRENT FEDERAL DECENNIAL OR SPECIAL
51 CENSUS, RESIDING IN THE COUNTY OR COUNTIES REPRESENTED BY THE TOURIST
52 PROMOTION AGENCY RELATIVE TO THE POPULATION OF THE ENTIRE STATE.

53 (C) THE COMMISSIONER IS HEREBY AUTHORIZED TO SET REASONABLE DEADLINES
54 FOR THE SUBMISSION OF APPLICATIONS FOR EACH FISCAL YEAR COVERED BY
55 APPROPRIATIONS IN ORDER TO ASSIST SUCH AGENCIES IN THE FINANCING OF
56 THEIR RECOGNIZED ADVERTISING PROGRAMS. BEFORE ANY SUCH GRANTS MAY BE

1 EXPENDED, THE TOURIST PROMOTION AGENCY SHALL HAVE MADE APPLICATION TO
2 THE DEPARTMENT FOR SUCH GRANTS, AND SHALL HAVE THEREIN SET FORTH THE
3 SCHEDULE, BUDGET, SCOPE, AND THEME OF THE PROPOSED ADVERTISING PROGRAM
4 TO BE UNDERTAKEN FOR THE PURPOSE OF ENCOURAGING AND STIMULATING TOURIST
5 TRAVEL, RESORT, VACATION, CULTURE AND CONVENTION ACTIVITIES IN THE COUN-
6 TY OR COUNTIES WITHIN ITS AREA. SUCH APPLICATION SHALL FURTHER STATE,
7 UNDER OATH OR AFFIRMATION, WITH EVIDENCE THEREOF SATISFACTORY TO THE
8 DEPARTMENT, THAT ALL ADVERTISING PURCHASED WITH GRANTS APPROPRIATED
9 UNDER THIS ARTICLE SHALL FOLLOW CENTRAL CONCEPTUAL THEMES USED BY THE
10 DEPARTMENT IN ITS ADVERTISING FOR STATE TOURISM PROMOTION INCLUDING
11 USING ANY LOGO-TYPE OR SIMILAR ADVERTISING CONSTRUCT IN USE BY THE
12 DEPARTMENT.

13 (D) AFTER REVIEW OF A SUBMITTED APPLICATION, IF SATISFIED THAT THE
14 PROGRAM OF THE TOURIST PROMOTION AGENCY APPEARS TO BE IN ACCORD WITH THE
15 PURPOSES OF THIS ARTICLE, THE COMMISSIONER SHALL AUTHORIZE IN WRITING
16 THE PAYMENT OF A SUPPLEMENTAL TOURISM GRANT APPROPRIATED PURSUANT TO
17 THIS ARTICLE TO SUCH TOURIST PROMOTION AGENCY EQUAL TO FUNDS ALLOCATED
18 BY SUCH AGENCY TO THE PROGRAM DESCRIBED IN ITS APPLICATION. PROVIDED
19 THAT SUFFICIENT FUNDS ARE APPROPRIATED, NO SUCH GRANT SHALL BE LESS THAN
20 TEN THOUSAND DOLLARS PER COUNTY REPRESENTED BY SUCH TOURIST PROMOTION
21 AGENCY. NO SUCH MINIMUM GRANT SHALL ALLOW THE AWARDING OF SUPPLEMENTAL
22 MATCHING GRANTS FOR APPLICATIONS OTHER THAN THOSE MEETING THE GUIDELINES
23 ESTABLISHED BY THE DEPARTMENT.

24 (E) NO SUPPLEMENTAL TOURISM GRANTS AWARDED TO A TOURIST PROMOTION
25 AGENCY PURSUANT TO THIS SECTION MAY BE USED FOR TRAVEL, FOOD, LODGING,
26 ENTERTAINMENT, TRANSPORTATION OR EXPENSES UNRELATED TO THE APPROVED
27 ADVERTISING PROGRAM.

28 (F) APPLICATIONS REQUIRED BY THIS SECTION SHALL BE SUBMITTED ONLY UPON
29 FORMS PROVIDED BY THE DEPARTMENT. SUCH FORMS SHALL CONTAIN A STATEMENT
30 OF THE GUIDELINES WHICH THE COMMISSIONER SHALL USE TO EVALUATE THE
31 APPLICATIONS. SUCH GUIDELINES SHALL BE ESTABLISHED BY THE COMMISSIONER
32 ON AN ANNUAL BASIS AND, ONCE ESTABLISHED, SHALL NOT BE CHANGED UNTIL THE
33 FOLLOWING YEAR.

34 (G) NOTHING CONTAINED IN THIS SECTION SHALL BE CONSTRUED AS TO PROHIB-
35 IT A TOURIST PROMOTION AGENCY FROM ESTABLISHING A LOCAL TOURISM
36 PROMOTION MATCHING FUNDS PROGRAM RELATING TO ANY SUPPLEMENTAL TOURISM
37 GRANT AWARD, FOR THE PURPOSE OF TOURISM PROMOTION, AS SPECIFIED IN
38 SUBDIVISION FOUR OF SECTION NINETY-NINE-T OF THE STATE FINANCE LAW, OF A
39 COUNTY REPRESENTED BY SUCH TOURIST PROMOTION AGENCY.

40 S 5. This act shall take effect immediately, provided, however, that
41 the amendments to subdivision 3 of section 99-h of the state finance law
42 made by section two of this act shall not affect the expiration of such
43 section and shall be deemed to expire therewith.