S T A T E O F N E W Y O R K

6082

2009-2010 Regular Sessions

I N S E N A T E

July 7, 2009

Introduced by Sen. ADAMS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to the creation of a local advisory board for the Belmont racetrack facility; to amend the racing, pari-mutuel wagering and breeding law, in relation to allotting dates for racing or licensing race meetings at which pari-mutuel betting is permitted on Palm Sunday; to amend the racing, pari-mutuel wagering and breeding law, in relation to rebates and free passes; to amend chapter 342 of the laws of 2005, amending the racing, pari-mutuel wagering and breeding law relating to establishing a task force on the utilization of retired race horses, in relation to the effectiveness thereof; to amend the general municipal law, in relation to requiring a New York state legend on all bell jar tickets sold in New York state; to amend the racing, pari-mutuel wagering and breeding law, in relation to payments by off-track betting corporations to regional harness tracks for out-of-state and out-of-country simulcasting revenue; to amend the racing, pari-mutuel wagering and breeding law, in relation to payments by off-track betting corporations to regional licensed harness tracks; to amend the tax law, in relation to rules and regulations necessary for the implementation of video lottery gaming; to amend chapter 405 of the laws of 1999, amending the real property tax law relating to improving the administration of the school tax relief (STAR) program, in relation to eliminating the expiration and repeal of the Quick Draw lottery game; to amend the tax law, in relation to the game of Quick Draw; to amend the racing, pari-mutuel wagering and breeding law, in relation to account wagering on simulcast horse races; and to amend the tax law, in relation to the disposition of revenues for the game of LOTTO and certain other lottery games

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

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

LBD14526-01-9

Section 1. Subdivision 6 of section 212 of the racing, pari-mutuel wagering and breeding law, as added by chapter 18 of the laws of 2008, is amended by adding a new paragraph c to read as follows:

C. THE LOCAL ADVISORY BOARD FOR THE BELMONT RACETRACK FACILITY SHALL BE COMPRISED OF FIFTEEN MEMBERS AND INCLUDE FOUR DESIGNEES OF THE SUPERVISOR OF THE TOWN OF HEMPSTEAD, THREE OF WHOM SHALL RESIDE WITHIN THE HAMLET OF ELMONT AND ALL OF WHOM SHALL BE SUBJECT TO TOWN OF HEMPSTEAD BOARD APPROVAL; FOUR DESIGNEES OF THE MAYOR OF THE VILLAGE OF FLORAL PARK, SUBJECT TO VILLAGE BOARD APPROVAL; FOUR DESIGNEES OF THE ELMONT COMMUNITY COALITION OF CIVICS; AND THREE DESIGNEES OF THE FRANCHISED CORPORATION.

S 2. Section 105 of the racing, pari-mutuel wagering and breeding law is amended to read as follows:

S 105. Supplementary regulatory powers of the board. Notwithstanding any inconsistent provision of law, the board through its rules and regulations or in allotting dates for racing or in licensing race meetings at which pari-mutuel betting is permitted shall be empowered to: (i) permit racing at which pari-mutuel betting is conducted on any or all dates from the first day of January through the thirty-first day of December, inclusive of Sundays but exclusive of December twenty-fifth [and Palm Sunday] and Easter Sunday; and (ii) fix minimum and maximum charges for admission at any race meeting.

S 3. The racing, pari-mutuel wagering and breeding law is amended by adding a new section 113 to read as follows:

S 113. REBATES. 1. FOR THE PURPOSES OF THIS SECTION, "REBATE" SHALL MEAN A PORTION OF PARI-MUTUEL WAGERS, OTHERWISE PAYABLE TO AN ASSOCIATION OR CORPORATION CONDUCTING PARI-MUTUEL BETTING AT A RACE MEETING ON RACES RUN THEREAT, WHICH IS PAID TO HOLDERS OF PARI-MUTUEL WAGERING TICKETS AND WHICH REDUCES THE AMOUNT OTHERWISE PAYABLE TO SUCH ASSOCIATION OR CORPORATION. REBATES SHALL INCLUDE, BUT NOT BE LIMITED TO, REFUNDS TO HOLDERS OF PARI-MUTUEL WAGERING TICKETS ON ANY PORTION OR PERCENTAGE OF THE FULL FACE VALUE OF A PARI-MUTUEL WAGER, INCREASING THE PAYOFF OF OR PAYING A BONUS ON A WINNING PARI-MUTUEL TICKET, AWARDS OF MERCHANDISE, SERVICES SUCH AS MEALS, PARKING, ADMISSION, SEATING AND PROGRAMS, FREE OR REDUCED COST PARI-MUTUEL WAGERS, AND MONETARY AWARDS.

2. THE RACING AND WAGERING BOARD, UPON APPLICATION OF AN ASSOCIATION OR CORPORATION CONDUCTING PARI-MUTUEL BETTING AT A RACE MEETING ON RACES RUN THEREAT, MAY ANNUALLY APPROVE THE PAYMENT OF REBATES BY SUCH ASSOCIATION OR CORPORATION, SUBJECT TO THE FOLLOWING REQUIREMENTS:

A. THE APPLICANT FULLY DISCLOSES THE EXTENT OF THE REBATE PROGRAM. FULL DISCLOSURE SHALL INCLUDE THE DISCLOSURE OF THE MONETARY VALUE OF ALL REBATES PAID TO BETTORS DURING THE PREVIOUS CALENDAR YEAR, AND THE TERMS AND CONDITIONS GOVERNING THE AWARD OF REBATES TO BETTORS FOR THE CALENDAR YEAR TO WHICH THE APPLICATION APPLIES;

B. THE APPLICANT PROVIDES ASSURANCES THAT THE VALUES OF THE REBATES ARE DETERMINED SOLELY BY (I) THE AMOUNT WAGERED BY A BETTOR, (II) THE AMOUNT PAYABLE TO THE ASSOCIATION OR CORPORATION ON EACH WAGER, AND (III) HOW FREQUENTLY A BETTOR WAGERS;

C. THE ASSOCIATION OR CORPORATION MAINTAINS RECORDS OF ALL WAGERS SUBJECT TO A REBATE, FOR A PERIOD OF NOT LESS THAN THREE YEARS; AND

D. THE APPLICANT DEMONSTRATES THAT SUCH REBATES ARE IN THE BEST INTERESTS OF HORSE RACING.

3. REGIONAL OFF-TRACK BETTING CORPORATIONS MAY OFFER REBATES ON WAGERS MADE ON RACES RUN BY ANY ASSOCIATION OR CORPORATION WHICH OFFERS REBATES PURSUANT TO THIS SECTION. SUCH REBATES SHALL BE SUBJECT TO THE PROVISIONS OF SUBDIVISIONS ONE AND TWO OF THIS SECTION.

4. UPON THE APPROVAL OF AN ASSOCIATION OR CORPORATION CONDUCTING PARI-MUTUEL BETTING AT A RACE MEETING ON RACES RUN THEREAT, ANOTHER RACING ASSOCIATION OR CORPORATION MAY PROVIDE BETTORS WITH REBATES ON WAGERS ON RACES RUN AT THE RACETRACK OPERATED BY SUCH APPROVING ASSOCIATION OR CORPORATION. ALL SUCH REBATES SHALL BE SUBJECT TO THE PROVISIONS OF SUBDIVISIONS ONE AND TWO OF THIS SECTION.

S 4. Section 243 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, is amended to read as follows:

S 243. Free passes, cards or badges. A corporation licensed or franchised to conduct pari-mutuel betting on races run on its racetrack[, shall not] MAY issue free passes, cards or badges [except] to [persons hereafter described:] ANY QUALIFIED PERSON. QUALIFIED PERSON SHALL INCLUDE, BUT NOT BE LIMITED TO, officers and employees of the corporation conducting the race meeting, members, officers and employees of the state racing and wagering board, members and employees of the jockey club, members and employees of the national steeplechase and hunt association, members of turf organizations of other states and foreign countries, public officers engaged in the performance of their duties, persons actually employed and accredited by the press to attend such meetings, owners, stable managers, trainers, jockeys, jockey managers, grooms, concessionaires, spouses, domestic partners and children of owners, trainers and jockeys, [and] other persons whose actual duties require their presence at such racetrack, AND ANY OTHER PERSON OR GUEST DEEMED APPROPRIATE BY SUCH CORPORATION. IN ADDITION, FREE PASSES, CARDS OR BADGES MAY BE ISSUED TO THE GENERAL PUBLIC IN CONNECTION WITH ANY PROMOTIONAL CAMPAIGN OR MARKETING PROGRAM SPONSORED BY SUCH CORPORATION TO INCREASE ATTENDANCE AT LIVE RACE MEETS. The issuance of free passes, cards or badges shall be under the rules and regulations of the state racing and wagering board [and a list of all persons to whom free passes, cards or badges are issued shall be filed with the state racing and wagering board].

S 5. Section 324 of the racing, pari-mutuel wagering and breeding law is amended to read as follows:

S 324. Free passes, cards or badges. A corporation or association licensed to conduct pari-mutuel betting on harness horse races run at its racetrack [shall not] MAY issue free passes, cards or badges [except] to [persons hereafter described:] ANY QUALIFIED PERSON. QUALIFIED PERSON SHALL INCLUDE, BUT NOT BE LIMITED TO, officers and employees of the corporation or association conducting the race meeting, members, officers and employees of the state racing and wagering board, members of harness racing associations of other states and foreign countries, public officers engaged in the performance of their duties, persons actually employed and accredited by the press to attend such meetings, owners, stable managers, trainers, drivers, concessionaires [and], SPOUSES, DOMESTIC PARTNERS AND CHILDREN OF OWNERS, TRAINERS AND JOCKEYS, other persons whose actual duties require their presence at such racetrack, AND ANY OTHER PERSON OR GUEST DEEMED APPROPRIATE BY SUCH CORPORATION OR ASSOCIATION. IN ADDITION, FREE PASSES, CARDS OR BADGES MAY BE ISSUED TO THE GENERAL PUBLIC IN CONNECTION WITH ANY PROMOTIONAL CAMPAIGN OR MARKETING PROGRAM SPONSORED BY SUCH CORPORATION OR ASSOCIATION TO INCREASE ATTENDANCE AT LIVE RACE MEETS. The issuance of free passes, cards or badges shall be under the rules and regulations of the state racing and wagering board [and a list of all persons to whom free passes, cards or badges are issued shall be filed with the state racing and wagering board].

S 6. Section 422 of the racing, pari-mutuel wagering and breeding law is amended to read as follows:

S 422. Free passes, cards or badges. A corporation or association licensed to conduct pari-mutuel betting on quarter horse races run at its racetrack [shall] MAY issue free passes, cards or badges to [persons hereafter described:] ANY QUALIFIED PERSON. QUALIFIED PERSON SHALL INCLUDE, BUT NOT BE LIMITED TO, officers and employees of the corporation or association conducting the race meeting, members, officers and employees of the state racing and wagering board, members of quarter horse racing associations of other states and foreign countries, public officers engaged in the performance of their duties, persons actually employed and accredited by the press to attend such meetings, owners, stable managers, trainers, jockeys, concessionaires [and], SPOUSES, DOMESTIC PARTNERS AND CHILDREN OF OWNERS, TRAINERS AND JOCKEYS, other persons whose actual duties require their presence at such racetrack, AND ANY OTHER PERSON OR GUEST DEEMED APPROPRIATE BY SUCH CORPORATION OR ASSOCIATION. IN ADDITION, FREE PASSES, CARDS OR BADGES MAY BE ISSUED TO THE GENERAL PUBLIC IN CONNECTION WITH ANY PROMOTIONAL CAMPAIGN OR MARKETING PROGRAM SPONSORED BY SUCH CORPORATION OR ASSOCIATION TO INCREASE ATTENDANCE AT LIVE RACE MEETS. The issuance of free passes, cards or badges shall be under the rules and regulations of the state racing and wagering board [and a list of all persons to whom free passes, cards or badges are issued shall be filed with the state racing and wagering board].

S 7. Section 2 of chapter 342 of the laws of 2005, amending the racing, pari-mutuel wagering and breeding law relating to establishing a task force on the utilization of retired race horses, as amended by chapter 293 of the laws of 2007, is amended to read as follows:

S 2. This act shall take effect immediately and shall expire and be deemed repealed December 31, [2009] 2011.

S 8. Subdivision 1 of section 195-n of the general municipal law, as amended by chapter 637 of the laws of 1999, is amended to read as follows:

1. Distribution; manufacturers. For business conducted in this state, manufacturers licensed by the board to sell bell jar tickets shall sell only such tickets to distributors licensed by the board, AND SHALL ONLY SELL SUCH TICKETS THAT HAVE BEEN APPROVED BY THE BOARD AND ARE IMPRINTED WITH AN APPROVED LEGEND PRESCRIBED BY THE BOARD IN A MANNER PRESCRIBED BY THE BOARD. BELL JAR TICKETS THAT ARE BANDED SINGLE-SIDED SINGLE-TABBED, DOUBLE-SIDED SINGLE-TABBED OR FOLDED BELL JAR TICKETS ARE EXCLUDED FROM THE APPROVED LEGEND REQUIREMENT. Manufacturers of bell jar tickets, seal cards, merchandise boards, and coin boards may submit samples, artists' renderings, or color photocopies of proposed bell jar tickets, seal cards, merchandise boards, coin boards, payout cards, and flares for review and approval by the board. Within thirty days of receipt of such sample or rendering, the board shall approve or deny such bell jar tickets. Following approval of a rendering of a bell jar ticket, seal card, merchandise board, or coin board by the board, the manufacturer shall submit to the board a sample of the printed bell jar ticket, seal card, merchandise board, coin board, payout card, and flare for such game. Such sample shall be submitted prior to the sale of the game to any licensed distributor for resale in this state. For coin boards and merchandise boards, nothing herein shall require the submittal of actual coins or merchandise as part of the approval process. Any licensed manufacturer who [willfully] INTENTIONALLY violates the provisions of this section shall: (a) upon such first offense, have

their license suspended for a period of thirty days; (b) upon such second offense, participate in a hearing to be conducted by the board, and surrender their license for such period as recommended by the board; and (c) upon such third or subsequent offense, have their license suspended for a period of one year and shall be guilty of a class E felony. Any unlicensed manufacturer who violates the provisions of this section shall be guilty of a class E felony.

S 9. Subdivision 1 of section 195-o of the general municipal law, as amended by chapter 637 of the laws of 1999, is amended to read as follows:

1. Distribution; distributors. Any distributor licensed in accordance with section one hundred eighty-nine-a of this article to distribute bell jar tickets shall purchase bell jar tickets only from licensed manufacturers and may manufacture coin boards and merchandise boards only as authorized in subdivision one-a of this section. LICENSED DISTRIBUTORS WHO PURCHASE BELL JAR TICKETS FOR RESALE IN NEW YORK STATE SHALL ONLY PURCHASE AND RESELL BELL JAR TICKETS IMPRINTED WITH AN APPROVED LEGEND PRESCRIBED BY THE BOARD IN A MANNER PRESCRIBED BY THE BOARD, OR BELL JAR TICKETS THAT HAVE BEEN APPROVED BY THE BOARD THAT ARE BANDED SINGLE-SIDED SINGLE-TABBED, DOUBLE-SIDED SINGLE-TABBED OR FOLDED BELL JAR TICKETS. Licensed distributors of bell jar tickets shall sell such tickets only to not-for-profit, charitable or religious organizations registered by the board. Any licensed distributor who [willfully] INTENTIONALLY violates the provisions of this section shall: (a) upon such first offense, have their license suspended for a period of thirty days; (b) upon such second offense, participate in a hearing to be conducted by the board, and surrender their license for such period as recommended by the board; and (c) upon such third or subsequent offense, have their license suspended for a period of one year and shall be guilty of a class E felony. Any unlicensed distributor who violates this section shall be guilty of a class E felony.

S 10. Subdivision 2 of section 1017 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, is amended to read as follows:

2. [a. Maintenance of effort. Any off-track betting corporation which engages in accepting wagers on the simulcasts of thoroughbred races from out-of-state or out-of-country as permitted under subdivision one of this section shall submit to the board, for its approval, a schedule of payments to be made in any year or portion thereof, that such off-track corporation engages in nighttime thoroughbred simulcasting. In order to be approved by the board, the payment schedule shall be identical to the actual payments and distributions of such payments to tracks and purses made by such off-track corporation pursuant to the provisions of section one thousand fifteen of this article during the year two thousand two, as derived from out-of-state harness races displayed after 6:00 P.M. If approved by the board, such scheduled payments shall be made from revenues derived from any simulcasting conducted pursuant to this section and section one thousand fifteen of this article.

b. Additional payments] PAYMENTS. During each calendar year, to the extent, and at such time in the event, that aggregate statewide wagering handle after 7Labor P.M. on out-of-state and out-of-country thoroughbred races exceeds one hundred million dollars, each off-track betting corporation conducting such simulcasting shall pay to its regional harness track or tracks, an amount equal to [two percent] THE FOLLOWING PERCENTAGE of its proportionate share of such excess handle: FOR CALENDAR YEARS THROUGH TWO THOUSAND NINE, TWO PERCENT; FOR CALENDAR YEAR TWO

THOUSAND TEN, ONE AND ONE-HALF PERCENT; FOR CALENDAR YEAR TWO THOUSAND ELEVEN, ONE PERCENT; AND FOR CALENDAR YEAR TWO THOUSAND TWELVE, ONE-HALF OF ONE PERCENT. THERE SHALL BE NO FURTHER ADDITIONAL PAYMENT OBLIGATION PURSUANT TO THIS SUBDIVISION FOR CALENDAR YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN. In any region where there are two or more regional harness tracks, such [two percent] PAYMENT AMOUNT shall be divided between or among the tracks in a proportion equal to the proportion of handle on live harness races conducted at such tracks during the preceding calendar year. Fifty percent of the sum received by each track pursuant to this [paragraph] SUBDIVISION shall be used exclusively for increasing purses, stakes and prizes at that regional harness track.

S 11. Clause (E) of subparagraph 5 of paragraph b of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, is amended to read as follows:

(E) [On] DURING THE FIRST ONE HUNDRED TWENTY days IN ANY CALENDAR YEAR when a franchised corporation is not conducting a race meeting [and when a licensed harness track is neither accepting wagers nor displaying the signal from an in-state thoroughbred corporation or association or an out-of-state thoroughbred track]:

(i) [Such] A licensed regional harness track shall receive in lieu of any other payments on wagers placed at off-track betting facilities outside the special betting district on races conducted by an in-state thoroughbred racing corporation, two and eight-tenths percent on regular and multiple bets during a regional meeting and one and nine-tenths percent of such bets if there is no regional meeting and four and eight-tenths percent on exotic bets on days on which there is a regional meeting and three and four-tenths percent of such bets if there is no regional meeting.

(ii) [Such] A licensed regional harness track shall receive [one and one-half] THREE-QUARTERS OF ONE per centum on total regional handle on races conducted at out-of-state or out-of-country thoroughbred tracks.

(iii) In those regions in which there is more than one licensed regional harness track, [if no track is accepting wagers or displaying the live simulcast signal from the out-of-state track,] the total sum shall be divided among the tracks in proportion to the ratio the wagers placed on races conducted by each track bears to the corporation's total in-region harness handle. [If one or more tracks are accepting wagers or displaying the live simulcast signal, the total amount shall be divided among those tracks not accepting wagers or displaying the simulcast signal for an out-of-state track or in-state thoroughbred corporation or association.]

S 12. Clause (F) of subparagraph 6 of paragraph b of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, is amended to read as follows:

(F) [On] DURING THE FIRST ONE HUNDRED TWENTY days IN ANY CALENDAR YEAR when a franchised corporation is not conducting a race meeting [and when a licensed harness track is neither accepting wagers nor displaying the signal from an in-state thoroughbred corporation or association or an out-of-state thoroughbred track]:

(i) [Such] A licensed regional harness track shall receive in lieu of any other payments on wagers placed at off-track betting facilities outside the special betting district on races conducted by an in-state thoroughbred racing corporation, two and eight-tenths percent on regular

and multiple bets during a regional meeting and one and nine-tenths percent of such bets if there is no regional meeting and four and eight-tenths percent on exotic bets on days on which there is a regional meeting and three and four-tenths percent of such bets if there is no regional meeting.

(ii) [Such] A licensed regional harness track shall receive [one and one-half] THREE-QUARTERS OF ONE per centum on total regional handle on races conducted at out-of-state or out-of-country thoroughbred tracks.

(iii) In those regions in which there is more than one licensed regional harness track, [if no track is accepting wagers or displaying the live simulcast signal from the out-of-state track,] the total sum shall be divided among the tracks in proportion to the ratio the wagers placed on races conducted by each track bears to the corporation's total in-region harness handle. [If one or more tracks are accepting wagers or displaying the live simulcast signal, the total amount shall be divided among those tracks not accepting wagers or displaying the simulcast signal for an out-of-state track or in-state thoroughbred corporation.]

S 13. Subdivision 2 of section 1017 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, is amended to read as follows:

2. a. Maintenance of effort. Any off-track betting corporation which engages in accepting wagers on the simulcasts of thoroughbred races from out-of-state or out-of-country as permitted under subdivision one of this section shall submit to the board, for its approval, a schedule of payments to be made in any year or portion thereof, that such off-track corporation engages in nighttime thoroughbred simulcasting. In order to be approved by the board, the payment schedule shall be identical to the actual payments and distributions of such payments to tracks and purses made by such off-track corporation pursuant to the provisions of section one thousand fifteen of this article during the year two thousand two, as derived from out-of-state harness races displayed after 6:00 P.M. If approved by the board, such scheduled payments shall be made from revenues derived from any simulcasting conducted pursuant to this section and section one thousand fifteen of this article. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF THIS PARAGRAPH: (I) FOR PURPOSES OF CALCULATING THE PAYMENTS TO BE MADE PURSUANT TO THIS PARAGRAPH FOR CALENDAR YEAR TWO THOUSAND NINE, THE AMOUNT OTHERWISE PAYABLE, IF ANY, BY AN OFF-TRACK BETTING CORPORATION TO A REGIONAL HARNESS TRACK SHALL BE REDUCED IN PROPORTION TO THE REDUCTION, IF ANY, IN THE NUMBER OF RACING PROGRAMS CONDUCTED BY THE REGIONAL HARNESS TRACK DURING TWO THOUSAND NINE COMPARED WITH THE NUMBER OF RACING PROGRAMS CONDUCTED BY SUCH TRACK DURING THE TWO THOUSAND TWO BASE CALENDAR YEAR; AND (II) NO OFF-TRACK BETTING CORPORATION SHALL HAVE ANY FURTHER PAYMENT OBLIGATION PURSUANT TO THIS PARAGRAPH WITH RESPECT TO CALENDAR YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND TEN.

b. Additional payments. During each calendar year, to the extent, and at such time in the event, that aggregate statewide wagering handle after 7Labor P.M. on out-of-state and out-of-country thoroughbred races exceeds one hundred million dollars, each off-track betting corporation conducting such simulcasting shall pay to its regional harness track or tracks, an amount equal to [two percent] THE FOLLOWING PERCENTAGE of its proportionate share of such excess handle: FOR CALENDAR YEARS THROUGH TWO THOUSAND NINE, TWO PERCENT; FOR CALENDAR YEAR TWO THOUSAND TEN, ONE AND ONE-HALF PERCENT; FOR CALENDAR YEAR TWO THOUSAND ELEVEN, ONE PERCENT; AND FOR CALENDAR YEAR TWO THOUSAND TWELVE, ONE-HALF OF ONE PERCENT. THERE SHALL BE NO FURTHER ADDITIONAL PAYMENT OBLIGATION PURSU-

ANT TO THIS PARAGRAPH FOR CALENDAR YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND TWELVE. In any region where there are two or more regional harness tracks, such [two percent] PAYMENT AMOUNT shall be divided between or among the tracks in a proportion equal to the proportion of handle on live harness races conducted at such tracks during the preceding calendar year. Fifty percent of the sum received by each track pursuant to this paragraph shall be used exclusively for increasing purses, stakes and prizes at that regional harness track.

S 14. Subdivision b of section 1617-a of the tax law, as amended by section 2 of part Z3 of chapter 62 of the laws of 2003, is amended to read as follows:

b. Video lottery gaming shall [only] be permitted for [no more than sixteen consecutive hours per day and on no day shall such operation be conducted past 2:00 a.m] A VENDOR TRACK HAVING FEWER THAN ONE THOUSAND FIVE HUNDRED SEVENTY-FIVE VIDEO GAMING MACHINES OPERATED DAILY FOR A MAXIMUM OF ONE HUNDRED TWENTY-EIGHT HOURS PER WEEK AND A MINIMUM OF ONE HUNDRED TWELVE HOURS PER WEEK, AND FOR A VENDOR TRACK HAVING ONE THOUSAND FIVE HUNDRED SEVENTY-FIVE OR MORE VIDEO GAMING MACHINES OPERATED DAILY FOR A MAXIMUM OF ONE HUNDRED FORTY HOURS PER WEEK AND A MINIMUM OF ONE HUNDRED TWELVE HOURS PER WEEK, WITH THE ACTUAL DAILY HOURS OF OPERATION SET BY EACH VENDOR TRACK AND APPROVED BY THE DIRECTOR.

S 15. Section 1 of part J of chapter 405 of the laws of 1999, amending the real property tax law relation to improving the administration of the school tax relief (STAR) program, as amended by section 3 of part PP-1 of chapter 57 of the laws of 2008, is amended to read as follows:

Section 1. Notwithstanding the provisions of article 5 of the general construction law, the provisions of the tax law amended by sections 94-a, 94-d and 94-g of chapter 2 of the laws of 1995 are hereby revived and shall continue in full force and effect as they existed on March 31, 1999 [through May 31, 2010, when upon such date they shall expire and be repealed]. Sections 1, 2, 3, 4, and 5, and such part of section 10 of chapter 336 of the laws of 1999 as relates to providing for the effectiveness of such sections 1, 2, 3, 4 and 5 shall be nullified in effect on the effective date of this section, except that the amendments made to: paragraph (2) of subdivision a of section 1612 of the tax law by such section 1; and subdivision b of section 1612 of the tax law by such section 2; and the repeal of section 152 of chapter 166 of the laws of 1991 made by such section 5 shall continue to remain in effect.

S 16. Paragraph 1 of subdivision a of section 1612 of the tax law, as amended by chapter 336 of the laws of 1999, is amended to read as follows:

(1) sixty percent of the total amount for which tickets have been sold for a lawful lottery game introduced on or after the effective date of this paragraph[, subject to the following provisions:

(A) drawings in such game shall be held during no more than thirteen hours each day, no more than eight hours of which shall be consecutive;

(B) such game shall be available only on premises occupied by licensed lottery sales agents, subject to the following provisions:

(i) if the licensee holds a license issued pursuant to the alcoholic beverage control law to sell alcoholic beverages for consumption on the premises, then not less than twenty-five percent of the gross sales must result from sales of food;

(ii) if the licensee does not hold a license issued pursuant to the alcoholic beverage control law to sell alcoholic beverages for consumption on the premises, then the premises must have a minimum square footage greater than two thousand five hundred square feet;

(iii) notwithstanding the foregoing provisions, television equipment that automatically displays the results of such drawings may be installed and used without regard to the percentage of food sales or the square footage if such premises are used as:

(I) a commercial bowling establishment, or

(II) a facility authorized under the racing, pari-mutuel wagering and breeding law to accept pari-mutuel wagers;

(C) the rules for the operation of such game shall be as prescribed by regulations promulgated and adopted by the division, provided however, that such rules shall provide that no person under the age of twenty-one may participate in such games on the premises of a licensee who holds a license issued pursuant to the alcoholic beverage control law to sell alcoholic beverages for consumption on the premises; and, provided, further, that such regulations may be revised on an emergency basis not later than ninety days after the enactment of this paragraph in order to conform such regulations to the requirements of this paragraph]; or

S 17. Section 1003 of the racing, pari-mutuel wagering and breeding law, as added by chapter 363 of the laws of 1984, subdivision 1 as separately amended by chapters 2 and 70 of the laws of 1995, paragraph (a) of subdivision 1 as amended by section 1 of part L-1 of chapter 57 of the laws of 2009, paragraph (b) of subdivision 1 as added by chapter 2 of the laws of 1995, the opening paragraph of paragraph (a) of subdivision 2 as amended by chapter 538 of the laws of 1999, subdivision 5 as amended by chapter 287 of the laws of 1985, is amended to read as follows:

S 1003. Licenses for simulcast facilities. 1. [(a)] Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the board for a license so to do. Applications for licenses shall be in such form as may be prescribed by the board and shall contain such information or other material or evidence as the board may require. No license shall be issued by the board authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility per year payable by the licensee to the board for deposit into the general fund. [Except as provided herein, the board shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The board may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences, homes or other areas technically capable of receiving the simulcast signal shall be a contracting party; (iii) the distribution of revenues

shall be subject to contractual agreement of the parties except that statutory payments to non-contracting parties, if any, may not be reduced; provided, however, that nothing herein to the contrary shall prevent a track from televising its races on an irregular basis primarily for promotional or marketing purposes as found by the board. For purposes of this paragraph, the provisions of section one thousand thirteen of this article shall not apply. Any agreement authorizing an in-home simulcasting experiment commencing prior to May fifteenth, nineteen hundred ninety-five, may, and all its terms, be extended until June thirtieth, two thousand ten; provided, however, that any party to such agreement may elect to terminate such agreement upon conveying written notice to all other parties of such agreement at least forty-five days prior to the effective date of the termination, via registered mail. Any party to an agreement receiving such notice of an intent to terminate, may request the board to mediate between the parties new terms and conditions in a replacement agreement between the parties as will permit continuation of an in-home experiment until June thirtieth, two thousand ten; and (iv) no in-home simulcasting in the thoroughbred special betting district shall occur without the approval of the regional thoroughbred track.

(b) Any agreement authorizing in-home simulcasting pursuant to this section shall be in writing, and upon written request, a copy shall be provided to the representative horsemen's group of the racing association or corporation that is party to said agreement. Such agreement shall include a categorical statement of new and incremental expenses directly related and attributable to the conduct of in-home simulcasting. The representative horsemen's group may, within thirty days of receiving the agreement, petition the board for a determination as to the appropriateness and reasonableness of any expenses attributed by either the racing association or corporation or the off-track betting corporation.]

2. Before it may grant such license, the board shall review and approve a plan of operation submitted by such applicant including, but not limited to the following information: a. A feasibility study denoting the revenue earnings expected from the simulcast facility and the costs expected to operate such facility. No feasibility study shall be received for a simulcast facility that is applying to renew its license. The form of the feasibility study shall be prescribed by the board and may include:

(i) the number of simulcast races to be displayed;

(ii) the types of wagering to be offered;

(iii) the level of attendance expected and the area from which such attendance will be drawn;

(iv) the level of anticipated wagering activity;

(v) the source and amount of revenues expected from other than pari-mutuel wagering;

(vi) the cost of operating the simulcast facility and the identification of costs to be amortized and the method of amortization of such costs;

(vii) the amount and source of revenues needed for financing the simulcast facility;

(viii) the probable impact of the proposed operation on revenues to local government;

b. The security measures to be employed to protect the facility, to control crowds, to safeguard the transmission of the simulcast signals

and to control the transmission of wagering data to effectuate common wagering pools;

c. The type of data processing, communication and transmission equipment to be utilized;

d. The description of the management groups responsible for the operation of the simulcast facility;

e. The system of accounts to maintain a separate record of revenues collected by the simulcast facility, the distribution of such revenues and the accounting of costs relative to the simulcast operation;

f. The location of the facility and a written confirmation from appropriate local officials that the location of such facility and the number of patrons expected to occupy such facility are in compliance with all applicable local ordinances;

[g. The written agreements and letters of consent between specified parties pursuant to sections one thousand seven, one thousand eight and one thousand nine of this article.]

3. Within forty-five days of receipt of the plan of operation provided in subdivision two of this section, the board shall issue an order approving the plan, approving it with modifications or denying approval, in which latter case the board shall state its reasons therefor. Within such period the board may request additional information or suggest amendments. If the board fails to approve the plan, the applicant may request a public hearing to be held within thirty days of the issuance of an order denying it. The board shall issue its final determination within ten days of such hearing. The applicant may submit an amended application no sooner than thirty days after a denial.

4. No racing association or corporation or regional off-track betting corporation shall be allowed to operate a simulcast facility except according to the provisions of an approved plan of operation. No change in such plan of operation may occur until an amendment proposing a change to the plan is approved by the board. A plan of operation may be amended from time to time at the request of either the operator or the board. The operator shall have the right to be heard concerning any amendment to the plan and the board shall dispose of such proposed amendments as expeditiously as practicable, but no later than thirty days following submission by the operator or, in the case of amendments proposed by the board, objection by the operator.

5. For the purpose of maintaining proper control over simulcasts conducted pursuant to this article, the [state racing and wagering] board shall license any person, association or corporation participating in simulcasting, as the board may by rule prescribe, including, if the board deem it necessary so to do, any or all persons, associations or corporations who create, distribute, transmit or display simulcast signals. In the case of thoroughbred racing simulcasting or harness racing simulcasting, such licenses shall be issued in accordance with and subject to the provisions governing licenses for participants and employees in article two or article three of this chapter as may be applicable to such type of racing.

6. NOTHING IN THIS CHAPTER SHALL BE CONSTRUED TO PROHIBIT ANY RACING ASSOCIATION, FRANCHISED CORPORATION, OFF-TRACK BETTING CORPORATION OR ACCOUNT WAGERING LICENSEE FROM TELEVISING OR VIDEO STREAMING OVER THE INTERNET OR OTHER ELECTRONIC DEVICES HORSE RACES INTO INDIVIDUAL OR GROUP RESIDENCES, HOMES OR OTHER AREAS IN THE STATE, PROVIDING SUCH ENTITY HAS RECEIVED WRITTEN CONSENT FROM THE HOST TRACK AND THE OFF-TRACK BETTING CORPORATION, IF ANY, HAVING JURISDICTION IN THE COUNTY

OF THE STATE INTO WHICH SUCH TRANSMISSION IS BEING BROADCAST OR SIMULCAST.

S 18. Paragraph 4 of subdivision a of section 1612 of the tax law, as amended by chapter 2 of the laws of 1995, is amended to read as follows:

(4) [forty] FIFTY percent of the total amount for which tickets have been sold for: (A) "Lotto", offered no more than once daily, a discrete game in which all participants select a specific subset of numbers to match a specific subset of numbers, as prescribed by rules and regulations promulgated and adopted by the division, from a larger specific field of numbers, as also prescribed by such rules and regulations and (B) with the exception of the game described in paragraph one of this subdivision, such other state-operated lottery games which the division may introduce, offered no more than once daily, commencing on or after forty-five days following the official publication of the rules and regulations for such game.

S 19. This act shall take effect immediately, provided that:

1. the amendments to section 212 of the racing, pari-mutuel wagering and breeding law made by section one of this act shall not affect the repeal of such section as provided in section 110 of chapter 18 of the laws of 2008 and shall be deemed repealed therewith;

2. sections eight and nine of this act shall take effect on the first of January next succeeding the year in which it shall have become a law, provided, however, that any rules and regulations necessary for the timely implementation of sections eight and nine of this act shall be promulgated on or before such effective date; and

3. section fourteen of this act shall take effect on the thirtieth day after it shall have become a law; provided that the amendments made to section 1617-a of the tax law by section fourteen of this act shall not affect the repeal of such section and shall expire and be deemed repealed therewith.