

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

3651--A

2011-2012 Regular Sessions

I N A S S E M B L Y

January 26, 2011

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Racing and Wagering -- recommitted to the Committee on Racing and Wagering in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to the distribution of the additional vendor's marketing allowance by any operator of a racetrack located in the county of Westchester

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

1 Section 1. Subparagraph (iii) of paragraph 1 of subdivision b of
2 section 1612 of the tax law, as amended by section 1 of part 0-1 of
3 chapter 57 of the laws of 2009, is amended to read as follows:
4 (iii) less an additional vendor's marketing allowance at a rate of ten
5 percent for the first one hundred million dollars annually and eight
6 percent thereafter of the total revenue wagered at the vendor track
7 after payout for prizes to be used by the vendor track for the marketing
8 and promotion and associated costs of its video lottery gaming oper-
9 ations and pari-mutuel horse racing operations, as long as any such
10 costs associated with pari-mutuel horse racing operations simultaneously
11 encourage increased attendance at such vendor's video lottery gaming
12 facilities, consistent with the customary manner of marketing comparable
13 operations in the industry and subject to the overall supervision of the
14 division; provided, however, that the additional vendor's marketing
15 allowance shall not exceed eight percent in any year for any operator of
16 a racetrack located in the county of [Westchester or] Queens; provided,
17 however, a vendor track that receives a vendor fee pursuant to clause
18 (G) of subparagraph (ii) of this paragraph shall not receive the addi-
19 tional vendor's marketing allowance; AND PROVIDED, FURTHER, THAT THE
20 ADDITIONAL VENDOR'S MARKETING ALLOWANCE FOR ANY OPERATOR OF A RACETRACK
21 LOCATED IN THE COUNTY OF WESTCHESTER EXPENDED BY SUCH OPERATOR FOR

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

LBD05826-03-1

1 MARKETING SHALL NOT EXCEED EIGHT PERCENT OF THE TOTAL REVENUE WAGERED AT
2 THE VENDOR TRACK AFTER PAYOUT FOR PRIZES PURSUANT TO THIS CHAPTER IN ANY
3 YEAR AND THE REMAINDER OF SUCH ADDITIONAL VENDOR'S MARKETING ALLOWANCE
4 FOR SUCH OPERATOR CALCULATED PURSUANT TO THIS SUBDIVISION, NOT TO EXCEED
5 TWENTY-FIVE MILLION DOLLARS ANNUALLY, SHALL BE PAID BY SUCH OPERATOR TO
6 THE YONKERS CITY SCHOOL DISTRICT BOARD OF EDUCATION IN QUARTERLY
7 PAYMENTS COMMENCING JULY FIRST, TWO THOUSAND THIRTEEN TO SUPPORT AND
8 MAINTAIN EDUCATIONAL PROGRAMS ESTABLISHED PURSUANT TO THE SETTLEMENT
9 AGREEMENT DATED JANUARY THIRTY-FIRST, TWO THOUSAND TWO IN UNITED STATES
10 OF AMERICA V. YONKERS BOARD OF EDUCATION. NOTWITHSTANDING ANY OTHER
11 PROVISION OF LAW, RULE OR REGULATION TO THE CONTRARY, SUCH AMOUNT
12 PROVIDED PURSUANT TO THIS SUBDIVISION SHALL BE IN ADDITION TO ANY ANNUAL
13 MAINTENANCE OF EFFORT REQUIREMENT IMPOSED ON THE STATE OR CITY OF YONK-
14 ERS. In establishing the vendor fee, the division shall ensure the
15 maximum lottery support for education while also ensuring the effective
16 implementation of section sixteen hundred seventeen-a of this article
17 through the provision of reasonable reimbursements and compensation to
18 vendor tracks for participation in such program. Within twenty days
19 after any award of lottery prizes, the division shall pay into the state
20 treasury, to the credit of the state lottery fund, the balance of all
21 moneys received from the sale of all tickets for the lottery in which
22 such prizes were awarded remaining after provision for the payment of
23 prizes as herein provided. Any revenues derived from the sale of adver-
24 tising on lottery tickets shall be deposited in the state lottery fund.
25 S 2. This act shall take effect July 1, 2013.