

9294

I N A S S E M B L Y

April 8, 2014

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Racing and Wagering

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to payments to the racing industry at racinos receiving full casino gaming licenses

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

1 Section 1. Section 1355 of the racing, pari-mutuel wagering and breeding  
2 law, as added by chapter 174 of the laws of 2013, is amended to read  
3 as follows:

4 S 1355. Racing support payments. 1. If an applicant who possesses a  
5 pari-mutuel wagering franchise or license awarded pursuant to article  
6 two or three of this chapter, or who possessed in two thousand thirteen  
7 a franchise or a license awarded pursuant to article two or three of  
8 this chapter or is an articulated entity or such applicant, is issued a  
9 gaming facility license pursuant to this article, the licensee shall:

10 (a) Maintain payments made from video lottery gaming operations to the  
11 relevant horsemen and breeders organizations at the same dollar level  
12 realized in two thousand thirteen, to be adjusted annually pursuant to  
13 changes in the consumer price index for all urban consumers, as  
14 published annually by the United States department of labor bureau of  
15 labor statistics;

16 (I) INVEST IN THE RACING INDUSTRY A PORTION OF ITS ANNUAL GROSS GAMING  
17 REVENUE RECEIVED PURSUANT TO THIS CHAPTER BY DEDICATING A PORTION OF ITS  
18 ANNUAL GROSS GAMING REVENUE RECEIVED PURSUANT TO THIS CHAPTER SOLELY FOR  
19 THE PURPOSE OF ENHANCING PURSES AT SUCH TRACK, ACCORDING TO THE FOLLOW-  
20 ING SCHEDULE:

21 FROM THE FIRST FIFTEEN PERCENT INCREASE IN GROSS GAMING REVENUE ABOVE  
22 ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO LOTTERY TERMINALS OPERATED  
23 PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX LAW: NO CONTRIBUTION UNTIL  
24 THE FOLLOWING PLATEAUS ARE REACHED;

25 BETWEEN FIFTEEN AND ONE-HUNDREDTHS PERCENT TO THIRTY PERCENT INCREASE  
26 IN GROSS GAMING REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM

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

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1 VIDEO LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE  
2 TAX LAW: EIGHT PERCENT OF TOTAL GROSS GAMING REVENUE.

3 BETWEEN THIRTY AND ONE-HUNDREDTHS PERCENT TO FIFTY PERCENT INCREASE IN  
4 GROSS GAMING REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO  
5 LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX  
6 LAW: AN ADDITIONAL SIX PERCENT OF TOTAL GROSS GAMING REVENUE ABOVE THE  
7 PREVIOUS PLATEAU.

8 BETWEEN FIFTY AND ONE-HUNDREDTHS PERCENT TO EIGHTY PERCENT INCREASE IN  
9 GROSS GAMING REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO  
10 LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX  
11 LAW: AN ADDITIONAL FIVE PERCENT OF TOTAL GROSS GAMING REVENUE ABOVE THE  
12 PREVIOUS PLATEAU.

13 EIGHTY AND ONE-HUNDREDTHS PERCENT AND ABOVE INCREASE IN GROSS GAMING  
14 REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO LOTTERY  
15 TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX LAW: AN  
16 ADDITIONAL FOUR PERCENT OF TOTAL GROSS GAMING REVENUE ABOVE THE PREVIOUS  
17 PLATEAU.

18 (II) IN ADDITION, TO THE FOREGOING, THE LICENSEE SHALL DISTRIBUTE A  
19 PORTION OF ITS ANNUAL GROSS GAMING REVENUE RECEIVED PURSUANT TO THIS  
20 CHAPTER TO THE APPROPRIATE BREEDING FUND SOLELY FOR THE PURPOSES OF  
21 ENHANCING THE APPROPRIATE BREEDING FUND, ACCORDING TO THE FOLLOWING  
22 SCHEDULE:

23 FROM THE FIRST FIFTEEN PERCENT INCREASE IN GROSS GAMING REVENUE ABOVE  
24 ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO LOTTERY TERMINALS OPERATED  
25 PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX LAW: NO CONTRIBUTION UNTIL  
26 THE FOLLOWING PLATEAUS ARE REACHED;

27 BETWEEN FIFTEEN AND ONE-HUNDREDTHS PERCENT TO THIRTY PERCENT INCREASE  
28 IN GROSS GAMING REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM  
29 VIDEO LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE  
30 TAX LAW: ONE PERCENT OF TOTAL GROSS GAMING REVENUE.

31 BETWEEN THIRTY AND ONE-HUNDREDTHS PERCENT TO FIFTY PERCENT INCREASE IN  
32 GROSS GAMING REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO  
33 LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX  
34 LAW: AN ADDITIONAL EIGHTY-FIVE HUNDREDS PERCENT OF TOTAL GROSS GAMING  
35 REVENUE ABOVE THE PREVIOUS PLATEAU.

36 BETWEEN FIFTY AND ONE-HUNDREDTHS PERCENT TO EIGHTY PERCENT INCREASE IN  
37 GROSS GAMING REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO  
38 LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX  
39 LAW: AN ADDITIONAL FIVE SIXTY-FIVE HUNDREDTHS PERCENT OF TOTAL GROSS  
40 GAMING REVENUE ABOVE THE PREVIOUS PLATEAU.

41 EIGHTY AND ONE-HUNDREDTHS PERCENT AND ABOVE INCREASE IN GROSS GAMING  
42 REVENUE ABOVE ITS TWO THOUSAND THIRTEEN NET WIN FROM VIDEO LOTTERY  
43 TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX LAW: AN  
44 ADDITIONAL FORTY-FIVE HUNDREDTHS PERCENT OF TOTAL GROSS GAMING REVENUE  
45 ABOVE THE PREVIOUS PLATEAU.

46 (III) PAY TWO PERCENT OF SUCH ADDITIONAL PURSE ENHANCEMENT AMOUNT TO  
47 THE GAMING COMMISSION TO BE HELD FOR THE JOINT AND EXCLUSIVE USE OF  
48 PROMOTING AND MARKETING THE EQUINE RACING INDUSTRY IN NEW YORK WITH THE  
49 CONSENT AND APPROVAL OF THE RECOGNIZED HORSEMEN'S ASSOCIATION AND THE  
50 LICENSEE HEREUNDER. ANY PORTION OF SUCH FUNDING PAID TO THE GAMING  
51 COMMISSION WHICH IS UNUSED OR NOT DEDICATED TO A SPECIFIC PROJECT DURING  
52 ANY FISCAL YEAR SHALL BE RETURNED TO THE LICENSEES ON A PRO RATA BASIS  
53 IN ACCORDANCE WITH THE AMOUNTS ORIGINALLY CONTRIBUTED BY EACH LICENSEE  
54 AND SHALL BE USED FOR THE PURPOSE OF ENHANCING PURSES AT SUCH TRACK  
55 UNLESS THE PARTIES AGREE TO DEDICATE ALL OR A PORTION THEREOF TO DRUG  
56 TESTING.

1 (B) PROVIDED, FURTHER, THAT NOTHING IN THIS PARAGRAPH SHALL PREVENT  
2 EACH LICENSEE FROM ENTERING INTO AN AGREEMENT, NOT TO EXCEED FIVE YEARS,  
3 WITH THE RECOGNIZED HORSEMEN'S ASSOCIATION AT THAT TRACK TO INCREASE OR  
4 DECREASE THE PORTION OR PERCENTAGE OF ITS GROSS GAMING REVENUE DEDICATED  
5 TO ENHANCING PURSES AT SUCH TRACK DURING THE YEARS OF PARTICIPATION BY  
6 SUCH TRACK IN GAMING ACTIVITY.

7 (C) PROVIDED FURTHER THAT ALL REQUIRED ENHANCEMENTS AND DISTRIBUTIONS  
8 SHALL BE MADE BY FEBRUARY FIRST OF THE SUCCEEDING YEAR.

9 (D) PROVIDED FURTHER, THAT IN THE CALENDAR YEAR A GAMING FACILITY  
10 BECOMES OPERATIONAL, THE COMPUTATIONAL FLOOR AND CEILING AMOUNTS FOR THE  
11 RANGES SET FORTH ABOVE SHALL BE ADJUSTED BY A MULTIPLIER FRACTION, THE  
12 DENOMINATOR OF WHICH IS TWELVE, AND THE NUMERATOR OF WHICH IS THE NUMBER  
13 OF FULL OPERATIONAL MONTHS DURING THE INITIAL YEAR OF OPERATION.

14 [(b)] (E) All [racetracks] RACETRACK locations awarded a gaming facil-  
15 ity license shall maintain racing activity and race dates pursuant to  
16 articles two and three of this chapter.

17 2. If an applicant that does not possess either a pari-mutuel wagering  
18 license or franchise awarded pursuant to article two or three of this  
19 chapter is issued a gaming facility license pursuant to this article,  
20 the licensee shall pay:

21 (a) an amount to horsemen for purses at the licensed racetracks in the  
22 region that will assure the purse support from video lottery gaming  
23 facilities in the region to the licensed racetracks in the region to be  
24 maintained at the same dollar levels realized in two thousand thirteen  
25 to be adjusted by the consumer price index for all urban consumers, as  
26 published annually by the United States department of labor bureau of  
27 labor statistics; and

28 (b) amounts to the agricultural and New York state horse breeding  
29 development fund and the New York state thoroughbred breeding and devel-  
30 opment fund to maintain payments from video lottery gaming facilities in  
31 the region to such funds to be maintained at the same dollar levels  
32 realized in two thousand thirteen to be adjusted by the consumer price  
33 index for all urban consumers, as published annually by the United  
34 States department of labor bureau of labor statistics.

35 S 2. This act shall take effect immediately.