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

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:

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

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

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

(I) INVEST IN THE RACING INDUSTRY A PORTION OF ITS ANNUAL GROSS GAMING REVENUE RECEIVED PURSUANT TO THIS CHAPTER BY DEDICATING A PORTION OF ITS ANNUAL GROSS GAMING REVENUE RECEIVED PURSUANT TO THIS CHAPTER SOLELY FOR THE PURPOSE OF ENHANCING PURSES AT SUCH TRACK, ACCORDING TO THE FOLLOWING SCHEDULE:

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

BETWEEN FIFTEEN AND ONE-HUNDREDTHS PERCENT TO THIRTY PERCENT INCREASE 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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VIDEO LOTTERY TERMINALS OPERATED PURSUANT TO ARTICLE THIRTY-FOUR OF THE TAX LAW: EIGHT PERCENT OF TOTAL GROSS GAMING REVENUE.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

S 2. This act shall take effect immediately.