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

5586

2013-2014 Regular Sessions

I N S E N A T E

May 23, 2013

Introduced by Sen. BONACIC -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to casino gambling; to amend the state finance law, in relation to establishing the real property tax reduction account and the Belmont revitalization account; to amend the tax law, in relation to expansion of video lottery terminals; to amend the tax law, in relation to allowing off-track betting corporations in the state to host video lottery terminals; and to amend the executive law and the racing, pari-mutuel wagering and breeding law, in relation to the terms of office and salaries of members of the state gaming commission

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

Section 1. The racing, pari-mutuel wagering and breeding law is amended by adding a new article 13 to read as follows:

ARTICLE 13

CASINO GAMBLING

SECTION 1301. STATEMENT OF PURPOSE.
1302. ISSUANCE OF LICENSES FOR CASINO GAMBLING FACILITIES.
1303. LICENSES FOR CASINO GAMBLING FACILITIES.
1304. GENERAL CONDITIONS OF CASINO GAMBLING LICENSES.
1305. DECISIONS REVIEWABLE.
1306. STATE REVENUE FUND.
1307. ENHANCEMENT OF PURSES AND BREEDING.

S 1301. STATEMENT OF PURPOSE. THIS ARTICLE IS INTENDED TO PROVIDE THE LEGISLATIVE AUTHORIZATION FOR THE ISSUANCE OF UP TO SEVEN LICENSES FOR CASINO GAMBLING FACILITIES WHICH IS HEREBY LEGALIZED AS REGULATED BY THE STATE GAMING COMMISSION UPON THE APPROVAL OF AN AMENDMENT TO THE CONSTITUTION AUTHORIZING UP TO SEVEN CASINO GAMBLING FACILITIES. LABOR PEACE AGREEMENTS FOR SUCH CASINO GAMBLING FACILITIES, AS PROVIDED FOR IN

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

LBD11242-03-3

SECTION ONE HUNDRED NINE-A OF THIS CHAPTER, SHALL BE REQUIRED AS IF SUCH FACILITY WERE A "GAMING FACILITY" AS DEFINED BY SUCH SECTION ONE HUNDRED NINE-A. THE COMMISSION SHALL UTILIZE ITS BEST, INDEPENDENT JUDGMENT IN AWARDING ANY LICENSE AUTHORIZED HEREIN AND SHALL ENDEAVOR TO CREATE THE MAXIMUM PUBLIC BENEFIT IN TERMS OF QUALITY JOB CREATION, AS REASONABLY DETERMINED BY THE COMMISSION, IN AREAS SUFFERING FROM UNEMPLOYMENT AND UNDEREMPLOYMENT.

S 1302. ISSUANCE OF LICENSES FOR CASINO GAMBLING FACILITIES. 1. LICENSES FOR CASINO GAMBLING FACILITIES SHALL BE ISSUED BY THE STATE GAMING COMMISSION PURSUANT TO THIS ARTICLE.

2. PROHIBITION ON LICENSES IN EXCLUSIVITY ZONES. TO THE EXTENT THAT AN INDIAN NATION OR TRIBE HAS A VALID COMPACT WITH THE STATE OF NEW YORK WHICH PROVIDES FOR THE EXCLUSIVE RIGHT TO CONDUCT CLASS III GAMING PURSUANT TO THE INDIAN GAMING REGULATORY ACT, 25 U.S.C. S 2701 ET SEQ. IN A GEOGRAPHIC AREA DEFINED IN SUCH COMPACT, NO LICENSE FOR A CASINO GAMBLING FACILITY SHALL BE ISSUED UNDER THIS ARTICLE WITHIN ANY SUCH EXCLUSIVITY ZONE.

3. PROCESS FOR ISSUING LICENSES. (A) THE FOLLOWING SEVEN LICENSES SHALL BE ISSUED BY THE COMMISSION FOR FACILITIES OPERATING CASINO GAMBLING. THE LICENSES SHALL BE ISSUED TO AN ELIGIBLE OPERATOR, SITING A FACILITY IN THE FOLLOWING GEOGRAPHIC AREAS, AND SHALL ONLY BE ISSUED IN THE ORDER PROVIDED BUT SHALL BE EFFECTIVE ON THE DATE CHOSEN BY THE COMMISSION WITHIN THE PERIOD OF TIME PROVIDED AS THE LICENSE EFFECTIVE DATE BELOW:

LICENSE NUMBER	REGION	LICENSE EFFECTIVE DATE
1	REGION 1, COMPRISED OF THE COUNTIES OF COLUMBIA, DELAWARE GREENE, SULLIVAN, AND ULSTER	NO SOONER THAN JANUARY 1, 2014 AND NO LATER THAN JANUARY 1, 2015
2	REGION 2, COMPRISED OF THE COUNTIES OF BROOME, SENECA, TIOGA, TOMPKINS, CHEMUNG, SCHUYLER, AND WAYNE COUNTIES, EXCEPT ANY PORTIONS THEREOF WHERE THERE EXISTS A COMPACT WITH A NATIVE AMERICAN TRIBE OR NATION LIMITING THE LOCATION OF CASINO GAMBLING FACILITIES THEREIN.	NO SOONER THAN JULY 1, 2014 AND NO LATER THAN JULY 1, 2015
3	REGION 3, COMPRISED OF THE COUNTIES OF ALBANY, FULTON, MONTGOMERY, RENSSELAER, SARATOGA, SCHENECTADY, SCHOHARIE AND WASHINGTON	NO SOONER THAN JULY 1, 2014 AND NO LATER THAN JULY 1, 2015
4	REGION 4, COMPRISED OF THE COUNTIES OF DELAWARE, GREENE, SULLIVAN, AND ULSTER	NO SOONER THAN JULY 1, 2015 AND NO LATER THAN JULY 1, 2016
5	REGION 5, COMPRISED OF THE COUNTIES OF DELAWARE, GREENE, SULLIVAN, ULSTER OR THE COUNTIES OF ALLEGANY, CATTARAUGUS, CHAUTAUQUA, ERIE, GENESEE, LIVINGSTON, MONROE, NIAGARA, ORLEANS, AND WYOMING AND THE PORTIONS OF THE COUNTIES OF CHEMUNG, ONTARIO, SCHUYLER, WAYNE AND YATES	NO SOONER THAN JULY 1, 2016 AND NO LATER THAN JULY 1, 2017

		WEST OF NEW YORK STATE ROUTE 14 WHERE A CASINO GAMBLING FACILITY WAS NOT PERMITTED AT ANY TIME DUE TO AN EXCLUSIVITY AGREEMENT OR COMPACT WITH A NATIVE AMERICAN OR INDIAN NATION OR TRIBE	
6 AND 7		QUEENS OR WESTCHESTER COUNTY OR ANY LOCATION WHICH WAS WITHIN AN EXCLUSIVITY ZONE (AN AREA WHERE A CASINO GAMBLING FACILITY WOULD NOT BE PERMITTED TO BE AUTHORIZED BY THE STATE DUE TO AN AGREEMENT BETWEEN THE STATE AND A NATIVE AMERICAN NATION OR TRIBE), BUT WHICH IS NO LONGER IN AN EXCLUSIVITY ZONE AS OF THE DATE OF LICENSING SUCH CASINO GAMBLING FACILITY.	NO SOONER THAN JANUARY 1, 2019 AND NO LATER THAN JANUARY 1, 2021

(B) EXTENSION OF TIME TO ISSUE LICENSE. THE COMMISSION SHALL AWARD THE LICENSES IN THE ORDER LISTED IN PARAGRAPH (A) OF THIS SUBDIVISION. HOWEVER, IF THERE IS NO APPLICANT THAT THE COMMISSION DEEMS ELIGIBLE AT THE TIME SUCH LICENSE IS EFFECTIVE, THEN THE COMMISSION MAY BY RESOLUTION EXTEND THE TIME PERIOD FOR THE ACCEPTANCE OF ADDITIONAL LICENSE APPLICATIONS FOR UP TO ONE YEAR. IF A LICENSE IS NOT ISSUED, THE FAILURE TO AWARD A LICENSE IN ANY REGION SHALL NOT DELAY THE ISSUANCE OF OTHER LICENSES, PROVIDED, HOWEVER THAT NO SECOND LICENSE SHALL BE ISSUED UNTIL THE FIRST LICENSE IS EFFECTIVE.

(C) WITHIN THIRTY DAYS AFTER THE DEADLINE HAS PASSED FOR THE SUBMISSION OF APPLICATIONS, THE COMMISSION SHALL SCHEDULE A PUBLIC HEARING IN A COUNTY IN WHICH AN APPLICANT PROPOSES TO LOCATE A CASINO GAMBLING FACILITY. THE PUBLIC HEARING SHALL ALLOW TESTIMONY BY THE GENERAL PUBLIC, AND SHALL REQUIRE THE ATTENDANCE OF A REPRESENTATIVE OF THE APPLICANT AND AT LEAST THREE MEMBERS OF THE COMMISSION.

(D) THE COMMISSION SHALL SELECT A CASINO GAMBLING FACILITY SITE SELECTION BOARD. SUCH BOARD SHALL BE COMPRISED OF FIVE INDIVIDUALS APPOINTED BY MAJORITY VOTE OF THE COMMISSION. BOARD MEMBERS SHALL HAVE EXPERTISE IN THE FIELDS OF REAL ESTATE OR FINANCE OR BOTH. BOARD MEMBERS SHALL TOGETHER BY MAJORITY VOTE APPOINT A FINANCIAL ADVISOR, WHICH SHALL INDEPENDENTLY EVALUATE EACH APPLICATION FOR FISCAL INTEGRITY, IN AN EFFORT TO MAXIMIZE REVENUE FOR THE STATE. THE FINANCIAL ADVISOR SHALL RECEIVE COMPENSATION IN AN AMOUNT FIXED BY THE COMMISSION WITHIN THE AMOUNTS APPROPRIATED THEREFORE. BOARD MEMBERS SHALL SERVE WITHOUT COMPENSATION, BUT SHALL BE REIMBURSED FOR THEIR REASONABLE AND NECESSARY EXPENSES. THE BOARD SHALL RECOMMEND, BY MAJORITY VOTE, AN APPLICANT FOR EACH LICENSE BASED UPON THE CRITERIA SET FORTH IN THIS CHAPTER, AND SHALL TRANSMIT SUCH RECOMMENDATION TO THE COMMISSION. THE BOARD SHALL HAVE THE FULL ASSISTANCE OF THE COMMISSION IN ITS REVIEW AND INVESTIGATION OF THE APPLICATIONS. IN THE EVENT SUCH APPLICANT IS UNABLE TO BE LICENSED, PURSUANT TO SUBDIVISION TWO OF SECTION THIRTEEN HUNDRED THREE OF THIS ARTICLE THE BOARD SHALL BE NOTICED TO RECOMMEND ANOTHER APPLICANT FROM AMONG THE APPLICATIONS RECEIVED. UPON RECOMMENDATION OF THE FINAL APPLICANT FOR THE SEVENTH LICENSE, SUCH BOARD SHALL BE DISSOLVED. NOTHING SHALL PREVENT A SITE SELECTION COMMISSION FROM BEING ESTABLISHED BY THE COMMISSION IN THE FUTURE IF FOR ANY REASON A LICENSE IS AVAILABLE FOR SELECTION BY SUCH BOARD.

S 1303. LICENSES FOR CASINO GAMBLING FACILITIES. 1. (A) THE COMMISSION SHALL ISSUE A REQUEST FOR APPLICATIONS FOR EACH OF THE SEVEN LICENSES.

ALL REQUESTS FOR APPLICATIONS SHALL INCLUDE: (1) THE TIME AND DATE FOR RECEIPT OF RESPONSES TO THE REQUEST FOR APPLICATIONS, THE MANNER THEY ARE TO BE RECEIVED AND THE ADDRESS OF THE OFFICE TO WHICH THE APPLICATIONS SHALL BE DELIVERED; (2) THE FORM OF THE APPLICATION AND THE METHOD FOR SUBMISSION; (3) A GENERAL DESCRIPTION OF THE ANTICIPATED SCHEDULE FOR PROCESSING THE APPLICATION; (4) THE CONTACT INFORMATION OF COMMISSION EMPLOYEES RESPONSIBLE FOR HANDLING APPLICANT QUESTIONS; AND (5) ANY OTHER INFORMATION THAT THE COMMISSION DETERMINES.

(B) REQUESTS FOR APPLICATIONS PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION SHALL BE ADVERTISED IN A MANNER CONSISTENT WITH A REQUEST FOR PROPOSALS CONDUCTED PURSUANT TO SECTION ONE HUNDRED SIXTY-THREE OF THE STATE FINANCE LAW AND ON THE OFFICIAL INTERNET WEBSITE OF THE COMMISSION.

(C) THE COMMISSION SHALL PRESCRIBE THE FORM OF THE APPLICATION FOR CASINO GAMING LICENSES WHICH SHALL REQUIRE, BUT NOT BE LIMITED TO:

(1) THE NAME OF THE APPLICANT;

(2) THE MAILING ADDRESS AND, IF A CORPORATION, THE NAME OF THE STATE UNDER THE LAWS OF WHICH IT IS INCORPORATED, THE LOCATION OF ITS PRINCIPAL PLACE OF BUSINESS AND THE NAMES AND ADDRESSES OF ITS DIRECTORS AND MAJOR STOCKHOLDERS OR MEMBERS IN THE DISCRETION OF THE COMMISSION;

(3) THE IDENTITY OF EACH PERSON HAVING A DIRECT OR INDIRECT INTEREST IN THE BUSINESS AND THE NATURE OF SUCH INTEREST; PROVIDED, HOWEVER, THAT IF THE DISCLOSED ENTITY IS A TRUST, THE APPLICATION SHALL DISCLOSE THE NAMES AND ADDRESSES OF ALL BENEFICIARIES; PROVIDED FURTHER, THAT IF THE DISCLOSED ENTITY IS A PARTNERSHIP, THE APPLICATION SHALL DISCLOSE THE NAMES AND ADDRESSES OF ALL PARTNERS, BOTH GENERAL AND LIMITED; AND PROVIDED FURTHER, THAT IF THE DISCLOSED ENTITY IS A LIMITED LIABILITY COMPANY, THE APPLICATION SHALL DISCLOSE THE NAMES AND ADDRESSES OF ALL MEMBERS;

(4) AN INDEPENDENT AUDIT REPORT OF ALL FINANCIAL ACTIVITIES AND INTERESTS OF THE APPLICANT INCLUDING, BUT NOT LIMITED TO, THE DISCLOSURE OF ALL CONTRIBUTIONS, DONATIONS, LOANS OR ANY OTHER FINANCIAL TRANSACTIONS TO OR FROM A GAMING ENTITY OR OPERATOR IN THE PAST FIVE YEARS;

(5) EVIDENCE OF FINANCIAL STABILITY INCLUDING, BUT NOT LIMITED TO, BANK REFERENCES, BUSINESS AND PERSONAL INCOME OF MAJOR SHAREHOLDERS, PARTNERS OR MEMBERS IN THE DISCRETION OF THE COMMISSION, AND DISBURSEMENT SCHEDULES, TAX RETURNS AND OTHER REPORTS FILED BY GOVERNMENT AGENCIES AND BUSINESS AND PERSONAL ACCOUNTING CHECK RECORDS AND LEDGERS;

(6) DESIGNS FOR THE PROPOSED CASINO GAMBLING FACILITY, AND A TIMELINE OF CONSTRUCTION THAT INCLUDES DETAILED STAGES OF CONSTRUCTION FOR THE CASINO GAMBLING FACILITY, NON-GAMING STRUCTURES AND RACETRACK, WHERE APPLICABLE;

(7) A DESCRIPTION OF THE ANCILLARY ENTERTAINMENT SERVICES AND NON-GAMING AMENITIES TO BE PROVIDED AT THE PROPOSED CASINO GAMBLING FACILITY;

(8) THE MINIMUM NUMBER OF EMPLOYEES TO BE EMPLOYED AT THE PROPOSED CASINO GAMBLING FACILITY;

(9) COMPLETED STUDIES AND REPORTS AS REQUIRED BY THE COMMISSION, WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, AN EXAMINATION OF THE PROPOSED CASINO GAMBLING FACILITY:

(I) ECONOMIC BENEFITS TO THE REGION AND THE STATE;

(II) LOCAL AND REGIONAL ENVIRONMENTAL, TRAFFIC AND INFRASTRUCTURE IMPACTS;

(III) IMPACT ON THE LOCAL AND REGIONAL ECONOMY, INCLUDING THE IMPACT ON CULTURAL INSTITUTIONS AND ON SMALL BUSINESSES IN THE HOST COMMUNITY AND SURROUNDING COMMUNITIES;

(IV) COST BENEFIT ANALYSIS OF THE PROJECT AS IT RELATES TO THE HOST COMMUNITY AND IMMEDIATELY SURROUNDING COMMUNITIES AND THE STATE FOR THE PROPOSED CASINO GAMBLING FACILITY TO BE LOCATED AT THE PROPOSED LOCATION; AND

(V) THE ESTIMATED MUNICIPAL AND STATE TAX REVENUE TO BE GENERATED BY THE CASINO GAMBLING FACILITY;

(10) THE TOTAL NEW INVESTMENT PROPOSED BY THE APPLICANT FOR THE PROPOSED PROJECT AND THE CURRENT AMOUNT INVESTED IN THE PROPOSED SITE, IF APPLICABLE;

(11) THE LOCATION OF THE PROPOSED CASINO GAMBLING FACILITY, WHICH SHALL INCLUDE A STATEMENT THAT THE BIDDER OWNS, CONTROLS OR OTHERWISE HAS RIGHTS SATISFACTORY TO THE COMMISSION TO OPERATE SUCH A FACILITY ON THE PROPERTY NAMED; AND

(12) WITH RESPECT TO LICENSES ONE THROUGH FIVE A RESOLUTION ADOPTED BY THE LOCAL GOVERNING BODY OF THE TOWN, VILLAGE OR MUNICIPALITY AND THE COUNTY, EXPRESSING SUPPORT FOR A CASINO GAMBLING FACILITY.

(D) A PROPOSED LICENSING FEE TO BE PAID BY APPLICANT, PRIOR TO THE EFFECTIVE DATE OF A LICENSE ISSUED BY THE COMMISSION TO OPERATE A CASINO GAMBLING FACILITY. SUCH FEE SHALL BE NO LESS THAN A MINIMUM AMOUNT TO BE PRESCRIBED BY THE COMMISSION FOR EACH COUNTY WHERE THE BIDDER PROPOSES A BID FOR SUCH LICENSE. ANY MINIMUM LICENSING FEE REQUIREMENT SHALL BE PROMULGATED NOT LATER THAN OCTOBER FIRST, TWO THOUSAND THIRTEEN.

(E) A PROPOSED TAX RATE BASED ON NET INCOME FOR SLOT MACHINES AND THE NET INCOME OF TABLE GAMES (GAMES OTHER THAN SLOT MACHINES). SUCH COMBINED AMOUNT SHALL BE THE GROSS GAMING REVENUE PAYMENT. THE COMMISSION SHALL STUDY AND ISSUE TO THE LEGISLATURE A REPORT DETAILING THE STATE AND LOCAL IMPACTS OF PROPOSED TAX RATES TO BE FIXED BY THE LEGISLATURE. SUCH REPORT, INCLUDING A RECOMMENDED MINIMUM RATE, SHALL BE ISSUED NO LATER THAN OCTOBER FIRST, TWO THOUSAND THIRTEEN.

(F) THE COMMISSION OR THE CASINO GAMBLING FACILITY SITE SELECTION BOARD MAY, PRIOR TO ISSUING A LICENSE CONDUCT PERSONAL INTERVIEWS OF REPRESENTATIVES OF BIDDERS AND REVIEW DOCUMENTS RELATED TO BIDDERS AND SHALL HAVE THE COOPERATION OF THE DIVISION OF CRIMINAL JUSTICE SERVICES AND THE DEPARTMENT OF TAXATION AND FINANCE IN REVIEWING THE BACKGROUNDS OF ENTITIES WHICH BID OR THE OFFICERS, DIRECTORS, SHAREHOLDERS, EXECUTIVES, OR MEMBERS THEREOF.

2. THE COMMISSION, UNLESS IT SHALL ISSUE A WRITTEN FINDING STATING ITS REASONS FOR HOLDING OTHERWISE, SHALL HONOR THE RECOMMENDATIONS FOR THE OPERATORS OF THE CASINO GAMBLING FACILITIES BY THE CASINO GAMBLING FACILITY SITE SELECTION BOARD, PURSUANT TO THE STANDARDS ESTABLISHED BY LAW AND MAY ENSURE THE OPERATOR IS OPERATING IN A MANNER WHICH COMPLIES WITH ALL APPLICABLE LAWS, RULES, AND REGULATIONS. THE COMMISSION SHALL TAKE SUCH STEPS AS ARE NECESSARY TO ENSURE THAT THE OWNERS, DIRECTORS, SHAREHOLDERS, OFFICERS, AND EMPLOYEES AND SUCH OTHER PERSONS ASSOCIATED WITH THE LICENSEE AS THE COMMISSION DEEMS NECESSARY, ARE FREE OF PAST CRIMINAL OR CIVIL CONDUCT WHICH WOULD IMPUGN THE INTEGRITY OR TRUSTWORTHINESS OF SUCH PERSONS. IN DETERMINING WHETHER AN APPLICANT SHALL RECEIVE A CASINO GAMBLING LICENSE, THE CASINO GAMBLING FACILITY SITE SELECTION BOARD SHALL EVALUATE WHETHER OR NOT AN APPLICANT MEETS THE FOLLOWING CRITERIA:

(A) MAXIMIZING REVENUES RECEIVED BY THE STATE;

(B) REALIZING MAXIMUM CAPITAL INVESTMENT EXCLUSIVE OF LAND ACQUISITION AND INFRASTRUCTURE IMPROVEMENTS;

(C) IMPLEMENTING A WORKFORCE DEVELOPMENT PLAN THAT UTILIZES THE EXISTING LABOR FORCE, INCLUDING THE ESTIMATED NUMBER OF CONSTRUCTION JOBS A PROPOSED CASINO GAMBLING FACILITY WILL GENERATE, THE DEVELOPMENT OF

WORKFORCE TRAINING PROGRAMS THAT SERVE THE UNEMPLOYED AND METHODS FOR ACCESSING EMPLOYMENT AT THE CASINO GAMBLING FACILITY INCLUDING AGREEMENTS WITH COUNTY GOVERNMENTS IN ONE OR MORE COUNTIES FOUND TO HAVE HIGH UNEMPLOYMENT RATES TO HIRE A PERCENTAGE OF EMPLOYEES FROM SUCH COUNTY;

(D) BUILDING A CASINO GAMBLING FACILITY OF HIGH CALIBER WITH A VARIETY OF QUALITY NON-GAMING AMENITIES TO BE INCLUDED AS PART OF SUCH FACILITY;

(E) PROMOTING LOCAL BUSINESSES IN HOST AND SURROUNDING COMMUNITIES, INCLUDING DEVELOPING CROSS-MARKETING STRATEGIES WITH LOCAL RESTAURANTS, SMALL BUSINESSES, HOTELS, RETAIL OUTLETS, RACETRACKS, IF APPLICABLE, AND IMPACTED LIVE ENTERTAINMENT VENUES;

(F) PROVIDING A HIGH NUMBER OF QUALITY JOBS IN THE CASINO GAMBLING FACILITY;

(G) OFFERING THE HIGHEST AND BEST VALUE TO CREATE A SECURE AND ROBUST GAMING MARKET IN THE REGION AND THE STATE; AND

(H) MITIGATION OF ADVERSE IMPACTS ON THE STATE RELATED TO PROBLEM GAMBLING INCLUDING, BUT NOT LIMITED TO, TRAINING OF GAMING EMPLOYEES TO IDENTIFY PATRONS EXHIBITING PROBLEMS WITH GAMBLING AND PREVENTION PROGRAMS TARGETED TOWARD VULNERABLE POPULATIONS.

3. EXCEPT FOR THE COUNTY OF SULLIVAN, WHERE THERE MAY NOT BE MORE THAN TWO SUCH LICENSES, THERE SHALL NOT BE MORE THAN ONE LICENSEE AUTHORIZED TO OPERATE A CASINO GAMBLING FACILITY IN ANY COUNTY.

S 1304. GENERAL CONDITIONS OF LICENSES. 1. PERFORMANCE COLLATERAL. (A) UPON AWARD OF A CASINO GAMBLING LICENSE BY THE COMMISSION, THE APPLICANT SHALL BE REQUIRED TO DEPOSIT TEN PERCENT OF THE TOTAL INVESTMENT PROPOSED IN THE APPLICATION INTO AN INTEREST BEARING ACCOUNT. MONIES RECEIVED FROM THE APPLICANT SHALL BE HELD IN ESCROW UNTIL THE FINAL STAGE OF CONSTRUCTION, AS DETAILED IN THE TIMELINE OF CONSTRUCTION SUBMITTED WITH THE LICENSEE'S APPLICATION AND APPROVED BY THE COMMISSION, AT WHICH TIME THE DEPOSIT PLUS ALL ACCRUED INTEREST SHALL BE RETURNED TO THE APPLICANT TO BE APPLIED FOR THE FINAL STAGE. SHOULD THE APPLICANT BE UNABLE TO COMPLETE THE CASINO GAMBLING FACILITY, THE DEPOSIT PLUS ALL ACCRUED INTEREST SHALL BE FORFEITED TO THE STATE. IN PLACE OF A CASH DEPOSIT, THE COMMISSION MAY ALLOW FOR AN APPLICANT TO SECURE A DEPOSIT BOND INSURING THAT TEN PERCENT OF THE PROPOSED CAPITAL INVESTMENT SHALL BE FORFEITED TO THE STATE IF THE APPLICANT IS UNABLE TO COMPLETE THE CASINO GAMBLING FACILITY.

(B) A LICENSEE WHO FAILS TO BEGIN GAMING OPERATIONS WITHIN ONE YEAR AFTER THE DATE SPECIFIED IN ITS CONSTRUCTION TIMELINE, AS APPROVED BY THE COMMISSION, SHALL BE SUBJECT TO SUSPENSION OR REVOCATION OF THE CASINO GAMBLING LICENSE BY THE COMMISSION AND MAY, AFTER BEING FOUND BY THE COMMISSION AFTER A HEARING TO HAVE ACTED IN BAD FAITH IN ITS APPLICATION, BE ASSESSED A FINE OF UP TO FIFTY MILLION DOLLARS.

2. (A) THE COMMISSION SHALL PRESCRIBE THE FORM OF THE CASINO GAMBLING LICENSE, WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING LICENSE CONDITIONS FOR EACH LICENSEE. THE LICENSEE SHALL:

(1) HAVE AN AFFIRMATIVE OBLIGATION TO ABIDE BY EVERY STATEMENT MADE IN ITS APPLICATION TO THE COMMISSION, INCLUDING ALL EVALUATION CRITERIA AND ELIGIBILITY REQUIREMENTS;

(2) COMPLY WITH ALL LAWS OF THE STATE, THE LAWS OF THE UNITED STATES AND ALL RULES AND REGULATIONS PROMULGATED UNDER THIS CHAPTER;

(3) PAY WEEKLY TO THE COMMISSION THE GROSS GAMING REVENUE PAYMENT PURSUANT TO THE TERMS OF THE LICENSE;

(4) MAKE, OR CAUSE TO BE MADE, CAPITAL EXPENDITURES TO ITS CASINO GAMBLING FACILITY AS PART OF A MULTI-YEAR CAPITAL EXPENDITURE PLAN APPROVED BY THE COMMISSION;

(5) NOT CHANGE ITS BUSINESS GOVERNING STRUCTURE WITHOUT THE NOTIFICATION AND APPROVAL OF THE COMMISSION;

(6) NOT OPERATE, INVEST IN OR OWN, IN WHOLE OR IN PART, ANOTHER CASINO GAMBLING LICENSEE'S LICENSE OR CASINO GAMBLING FACILITY;

(7) COOPERATE WITH THE COMMISSION AND THE ATTORNEY GENERAL IN ALL GAMING-RELATED INVESTIGATIONS. EACH CASINO GAMBLING LICENSEE SHALL MAKE READILY AVAILABLE ALL DOCUMENTS, MATERIALS, EQUIPMENT, PERSONNEL AND ANY OTHER ITEMS REQUESTED DURING AN INVESTIGATION; PROVIDED, HOWEVER, THAT MATERIAL THAT THE CASINO GAMBLING LICENSEE CONSIDERS A TRADE SECRET OR DETRIMENTAL TO THE CASINO GAMBLING LICENSEE IF IT WERE MADE PUBLIC SHALL, WITH THE COMMISSION'S APPROVAL, BE PROTECTED FROM PUBLIC DISCLOSURE;

(8) COOPERATE WITH THE COMMISSION AND THE ATTORNEY GENERAL WITH RESPECT TO THE INVESTIGATION OF ANY CRIMINAL MATTER; PROVIDED, HOWEVER, THAT THE CASINO GAMBLING LICENSEE SHALL, UPON RECEIPT OF A CRIMINAL OR CIVIL PROCESS COMPELLING TESTIMONY OR PRODUCTION OF DOCUMENTS IN CONNECTION WITH A CIVIL OR CRIMINAL INVESTIGATION, IMMEDIATELY DISCLOSE SUCH INFORMATION TO THE COMMISSION; AND PROVIDED FURTHER, THAT THIS PARAGRAPH SHALL NOT PROHIBIT PRIVATE PERSONS OR PUBLIC ENTITIES FROM SEEKING ANY REMEDY OR DAMAGES AGAINST A CASINO GAMBLING LICENSEE;

(9) ALLOW THE COMMISSION OR THE DIVISION OF STATE POLICE AND STATE POLICE OFFICERS ASSIGNED TO THE COMMISSION OR THE DIVISION OF STATE POLICE TO CONDUCT WARRANTLESS SEARCHES OF THE CASINO GAMBLING LICENSEE'S GAMING AREA (BOTH THOSE AREAS OPEN TO THE PUBLIC AND THOSE PRIVATE AREAS WHEN GAMING OPERATIONS ARE OVERSEEN OR CONTROLLED);

(10) COLLECT AND ANNUALLY REPORT TO THE COMMISSION A DETAILED STATISTICAL REPORT ON THE NUMBER, JOB TITLES, BENEFITS AND SALARIES OF EMPLOYEES HIRED AND RETAINED IN EMPLOYMENT AT THE CASINO GAMBLING FACILITY;

(11) EMPLOY ONLY THOSE PERSONS LICENSED OR REGISTERED BY THE COMMISSION WHICH LICENSES OR REGISTRATIONS ARE HEREBY AUTHORIZED;

(12) DO BUSINESS ONLY WITH THOSE VENDORS LICENSED OR REGISTERED BY THE COMMISSION WHICH LICENSES OR REGISTRATIONS ARE HEREBY AUTHORIZED;

(13) KEEP CONSPICUOUSLY POSTED IN THE GAMING AREA A NOTICE CONTAINING THE NAME AND A TELEPHONE NUMBER FOR PROBLEM GAMBLING ASSISTANCE;

(B) THE REQUIREMENTS OF THIS SUBDIVISION SHALL BE SUPPLEMENTARY TO ANY OTHER POWER OF THE COMMISSION AND SHALL NOT BE DEEMED TO RESTRICT THE POWERS OF THE COMMISSION AS OTHERWISE PROVIDED BY LAW.

(C) IN THE EVENT THAT A LICENSEE FAILS TO OPERATE THE CASINO GAMBLING FACILITY IN ACCORDANCE WITH THESE PROVISIONS OR FAILS TO COMPLY WITH OTHER TERMS OF THE LICENSE, THE COMMISSION SHALL BE EMPOWERED TO REVOKE THE LICENSE OF ANY ENTITY, MEMBER OR OFFICER OF THE CASINO GAMBLING FACILITY. THE COMMISSION SHALL TAKE SUCH ACTION AS IS NECESSARY TO ASSURE THE CONTINUATION OF THE GAMING ACTIVITIES AT THE CASINO GAMBLING FACILITY IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LICENSE.

(D) THE COMMISSION IS HEREBY AUTHORIZED TO APPROVE THE OPENING OF A TEMPORARY FACILITY OF THE LICENSEE BEFORE THE CASINO GAMBLING FACILITY IS COMPLETE. SUCH TEMPORARY FACILITY SHALL BE APPROVED FOR A DURATION NOT TO EXCEED EIGHTEEN MONTHS. THE COMMISSION MAY AUTHORIZE THE TEMPORARY FACILITY AT A LOCATION OTHER THAN THE PLANNED LOCATION FOR THE PERMANENT CASINO GAMBLING FACILITY; HOWEVER SUCH TEMPORARY FACILITY MUST BE WITHIN THE SAME COUNTY AS THE PERMANENT CASINO GAMBLING FACILITY AND SHALL BE WITHIN FIFTEEN MILES OF THE PROPOSED PERMANENT CASINO GAMBLING FACILITY.

S 1305. DECISIONS REVIEWABLE. ALL FINAL DETERMINATIONS OF THE COMMISSION UNDER THIS ARTICLE SHALL BE REVIEWABLE BY A COURT OF COMPETENT JURISDICTION IN A PROCEEDING PURSUANT TO ARTICLE SEVENTY-EIGHT OF THE

CIVIL PRACTICE LAW AND RULES. AN ACTION INSTITUTED FOR A DECLARATION THAT SUCH ACTION WAS ARBITRARY AND CAPRICIOUS BY AN AGGRIEVED PARTY SHALL BE INSTITUTED, IF AT ALL, WITHIN THIRTY CALENDAR DAYS OF THE COMMISSION'S FINAL DETERMINATION.

S 1306. STATE REVENUE FUND. 1. REVENUE DERIVED FROM THE AMOUNTS PAYABLE UNDER PARAGRAPH (E) OF SUBDIVISION ONE OF SECTION THIRTEEN HUNDRED THREE OF THIS ARTICLE, AND THE GROSS GAMING REVENUE DERIVED FROM THE COMBINED SALES TAX ON SLOT MACHINES AND TABLE GAMES AS PROVIDED IN PARAGRAPH (F) OF SUBDIVISION ONE OF SECTION THIRTEEN HUNDRED THREE OF THIS ARTICLE SHALL BE DISTRIBUTED AS FOLLOWS:

(A) EIGHTY PERCENT FOR ELEMENTARY AND SECONDARY EDUCATION; AND

(B) TWENTY PERCENT TO BE DEPOSITED INTO THE REAL PROPERTY TAX REDUCTION ACCOUNT CREATED BY SECTION NINETY-NINE-V OF THE STATE FINANCE LAW.

2. IF A CASINO GAMBLING FACILITY IS LICENSED IN QUEENS COUNTY, THE COMMISSION SHALL ENSURE THAT PRIOR TO DISBURSEMENT OF STATE REVENUE AS PROVIDED IN SUBDIVISION ONE OF THIS SECTION, THAT THE AMOUNT TO BE CONTRIBUTED TO PRIMARY AND SECONDARY EDUCATION SHALL BE NO LESS THAN THE AMOUNT PAID BY THE VIDEO LOTTERY GAMING VENDOR LICENSED TO OPERATE IN QUEENS COUNTY IN THE YEAR PRECEDING SUCH A CASINO GAMBLING FACILITY'S LICENSURE IN QUEENS COUNTY. AFTER PAYMENT OF SUCH AMOUNT, AND FOR THE FIRST THROUGH FIFTH FULL YEAR AFTER SUCH A CASINO GAMBLING FACILITY IS LICENSED IN QUEENS COUNTY, THE REVENUES SHALL BE DISTRIBUTED AS FOLLOWS:

SIXTY-FIVE PERCENT FOR ELEMENTARY AND SECONDARY EDUCATION;

TWENTY PERCENT TO BE DEPOSITED IN THE REAL PROPERTY TAX REDUCTION ACCOUNT CREATED BY SECTION NINETY-NINE-V OF THE STATE FINANCE LAW; AND

FIFTEEN PERCENT, NOT TO EXCEED SEVENTY-FIVE MILLION DOLLARS IN ANY CALENDAR YEAR, TO BE DEPOSITED IN THE BELMONT REVITALIZATION ACCOUNT CREATED BY SECTION NINETY-NINE-W OF THE STATE FINANCE LAW. ANY ADDITIONAL AMOUNTS ABOVE THE SEVENTY-FIVE MILLION DOLLARS SHALL BE DISTRIBUTED TO THE REAL PROPERTY TAX REDUCTION ACCOUNT. AT THE EXPIRATION OF THE FIFTH FULL YEAR OF OPERATIONS BY A CASINO GAMBLING FACILITY IN THE COUNTY OF QUEENS THE STATE REVENUE FROM SUCH CASINO GAMBLING FACILITY SHALL BE DISBURSED IN THE MANNER OF ANY OTHER CASINO GAMBLING FACILITY AUTHORIZED BY THIS ARTICLE.

S 1307. ENHANCEMENT OF PURSES AND BREEDING. NOTWITHSTANDING THE OTHER PROVISIONS OF THIS SECTION, THE COMMISSION AND ANY OTHER NECESSARY OFFICER OR EMPLOYEE OF THE STATE MAY TAKE SUCH ACTIONS AS ARE NECESSARY TO CAUSE PAYMENTS TO BE MADE FOR THE ENHANCEMENT OF PURSES AND TO PROMOTE NEW YORK HORSE BREEDING OR OTHER RACING SUPPORT PAYMENTS, AT THE MINIMUM LEVEL SUCH AMOUNTS WERE PROVIDED FOR IN THE YEAR TWO THOUSAND THIRTEEN PURSUANT TO SECTION SIXTEEN HUNDRED TWELVE OF THE TAX LAW. THE COMMISSION SHALL ISSUE A REPORT TO THE GOVERNOR AND THE LEGISLATURE ON A RECOMMENDED METHODOLOGY TO ENSURE CONTINUED INCREASES WITH A RATE STRUCTURE FOR THE SAME FOR THE ENHANCEMENT OF PURSES AND BREEDING AND THE RACING INDUSTRY BASED ON THE AMOUNT OF REVENUE DERIVED FROM CASINO GAMBLING VERSUS REVENUE FROM VIDEO LOTTERY TERMINALS IN THE YEAR TWO THOUSAND THIRTEEN, TAKING INTO ACCOUNT THE OVERALL GROWTH, IF ANY, OF THE HORSE RACING AND BREEDING INDUSTRY IN NEW YORK STATE. NOTHING HEREIN, HOWEVER, SHALL PERMIT ANY PAYMENTS TO EDUCATION TO BE DIMINISHED BELOW THEIR TWO THOUSAND THIRTEEN LEVELS AS PROVIDED FOR THROUGH VIDEO LOTTERY TERMINALS. THE REPORT SHALL, PRIOR TO BEING ISSUED IN FINAL FORM, BE SUBJECT TO A PUBLIC HEARING AT WHICH INTERESTED PARTIES FROM THE AGRICULTURAL INDUSTRY AND THOSE ENGAGED IN THE RACING OF HORSES AND THE SUPPORT WORKERS ASSOCIATED WITH THE HORSE RACING INDUSTRY, OR THEIR

REPRESENTATIVES, SHALL BE PERMITTED TO TESTIFY. SUCH REPORT SHALL BE ISSUED NOT LATER THAN JANUARY FIRST, TWO THOUSAND FIFTEEN.

S 2. Section 109-a of the racing, pari-mutuel wagering and breeding law is amended by adding three new subdivisions 4, 5 and 6 to read as follows:

4. CONSTRUCTION. CONSTRUCTION FOR EACH CAPITAL PROJECT UNDERTAKEN BY A GAMING FACILITY SHALL BE DEEMED A "PUBLIC WORK" TO BE PERFORMED IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE EIGHT OF THE LABOR LAW, AS WELL AS SUBJECT TO SECTIONS TWO HUNDRED, TWO HUNDRED FORTY, TWO HUNDRED FORTY-ONE AND TWO HUNDRED FORTY-TWO OF THE LABOR LAW AND ENFORCEMENT OF PREVAILING WAGE REQUIREMENTS BY THE NEW YORK STATE DEPARTMENT OF LABOR.

5. CAPITAL PROJECTS. IF OTHERWISE APPLICABLE, CAPITAL PROJECTS UNDERTAKEN BY A GAMING FACILITY SHALL BE SUBJECT TO SECTION ONE HUNDRED THIRTY-FIVE OF THE STATE FINANCE LAW AND SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW.

6. PROJECT LABOR AGREEMENTS. A. FOR THE PURPOSES OF THIS SECTION, "PROJECT LABOR AGREEMENT" SHALL MEAN A PRE-HIRE COLLECTIVE BARGAINING AGREEMENT BETWEEN A GAMING FACILITY OR CONTRACTOR THEREOF AND THE NEW YORK STATE BUILDING AND CONSTRUCTION TRADES COUNCIL AND/OR A SUBDIVISION THEREOF, DETERMINED BY THE GAMING COMMISSION AS REPRESENTING THE LARGEST NUMBER OF EMPLOYEES LIKELY TO WORK ON THE PROJECT, ESTABLISHING THE LABOR ORGANIZATION AS THE COLLECTIVE BARGAINING REPRESENTATIVE FOR ALL PERSONS WHO WILL PERFORM WORK ON THE PROJECT, AND WHICH PROVIDES THAT ONLY CONTRACTORS AND SUBCONTRACTORS WHO SIGN A PRE-NEGOTIATED AGREEMENT WITH THE LABOR ORGANIZATION CAN PERFORM PROJECT WORK.

B. THE GAMING COMMISSION SHALL REQUIRE A GAMING FACILITY OR CONTRACTOR THEREOF AWARDED A CONTRACT, SUBCONTRACT, LEASE, GRANT, BOND, COVENANT OR OTHER AGREEMENT FOR A PROJECT TO ENTER INTO A PROJECT LABOR AGREEMENT DURING AND FOR THE WORK INVOLVED WITH SUCH PROJECT WHEN SUCH REQUIREMENT IS PART OF THE GAMING FACILITY PROJECT, BUT ONLY IF THE GAMING COMMISSION DETERMINES THAT THE RECORD SUPPORTING THE DECISION TO ENTER INTO SUCH AN AGREEMENT ESTABLISHES THAT THE INTERESTS OF THE STATE ARE BEST MET BY REQUIRING A PROJECT LABOR AGREEMENT INCLUDING: OBTAINING THE BEST WORK AT THE LOWEST POSSIBLE PRICE; PREVENTING FAVORITISM, FRAUD AND CORRUPTION; THE IMPACT OF DELAY; THE POSSIBILITY OF COST SAVINGS; AND ANY LOCAL HISTORY OF LABOR UNREST.

C. ANY CONTRACT TO WHICH THE GAMING FACILITY IS A PARTY, AND ANY CONTRACT ENTERED INTO BY A THIRD PARTY ACTING IN PLACE OF, ON BEHALF OF AND FOR THE BENEFIT OF THE GAMING FACILITY PURSUANT TO ANY LEASE, PERMIT OR OTHER AGREEMENT BETWEEN SUCH THIRD PARTY AND THE GAMING FACILITY, FOR THE CONSTRUCTION, RECONSTRUCTION, DEMOLITION, EXCAVATION, REHABILITATION, REPAIR, RENOVATION, ALTERATION, OR IMPROVEMENT, OF A PROJECT UNDERTAKEN PURSUANT TO THIS CHAPTER, SHALL BE SUBJECT TO ALL OF THE PROVISIONS OF ARTICLE EIGHT OF THE LABOR LAW, INCLUDING THE ENFORCEMENT OF PREVAILING WAGE REQUIREMENTS BY THE FISCAL OFFICER AS DEFINED IN PARAGRAPH E OF SUBDIVISION FIVE OF SECTION TWO HUNDRED TWENTY OF THE LABOR LAW TO THE SAME EXTENT AS A CONTRACT OF THE STATE, AND SHALL BE DEEMED PUBLIC WORK FOR PURPOSES OF SUCH ARTICLE.

D. EVERY CONTRACT ENTERED INTO BY THE GAMING FACILITY FOR A PROJECT SHALL CONTAIN A PROVISION THAT THE CONTRACTOR SHALL FURNISH A LABOR AND MATERIAL BOND GUARANTEEING PROMPT PAYMENT OF MONEYS THAT ARE DUE TO ALL PERSONS FURNISHING LABOR AND MATERIALS PURSUANT TO THE REQUIREMENTS OF ANY CONTRACTS FOR A PROJECT UNDERTAKEN PURSUANT TO THIS SECTION AND A PERFORMANCE BOND FOR THE FAITHFUL PERFORMANCE OF THE PROJECT, WHICH SHALL CONFORM TO THE PROVISIONS OF SECTION ONE HUNDRED THREE-F OF THE GENERAL MUNICIPAL LAW, AND THAT A COPY OF SUCH PERFORMANCE AND PAYMENT

BONDS SHALL BE KEPT BY THE GAMING COMMISSION AND SHALL BE OPEN TO PUBLIC INSPECTION.

E. FOR THE PURPOSES OF ARTICLE FIFTEEN-A OF THE EXECUTIVE LAW, ANY PERSON ENTERING INTO A CONTRACT FOR A PROJECT AUTHORIZED PURSUANT TO THIS SECTION SHALL BE DEEMED A STATE AGENCY AS THAT TERM IS DEFINED IN SUCH ARTICLE AND SUCH CONTRACTS SHALL BE DEEMED STATE CONTRACTS WITHIN THE MEANING OF THAT TERM AS SET FORTH IN SUCH ARTICLE.

F. WHENEVER A GAMING FACILITY ENTERS INTO A CONTRACT, SUBCONTRACT, LEASE, GRANT, BOND, COVENANT OR OTHER AGREEMENT FOR CONSTRUCTION, RECONSTRUCTION, DEMOLITION, EXCAVATION, REHABILITATION, REPAIR, RENOVATION, ALTERATION, OR IMPROVEMENT WITH RESPECT TO EACH PROJECT UNDERTAKEN PURSUANT TO THIS CHAPTER, THE GAMING COMMISSION SHALL CONSIDER THE FINANCIAL AND ORGANIZATIONAL CAPACITY OF CONTRACTORS AND SUBCONTRACTORS IN RELATION TO THE MAGNITUDE OF WORK THEY MAY PERFORM, THE RECORD OF PERFORMANCE OF CONTRACTORS AND SUBCONTRACTORS ON PREVIOUS WORK, THE RECORD OF CONTRACTORS AND SUBCONTRACTORS IN COMPLYING WITH EXISTING LABOR STANDARDS AND MAINTAINING HARMONIOUS LABOR RELATIONS, AND THE COMMITMENT OF CONTRACTORS TO WORK WITH MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES PURSUANT TO ARTICLE FIFTEEN-A OF THE EXECUTIVE LAW THROUGH JOINT VENTURES OR SUBCONTRACTOR RELATIONSHIPS.

G. THE GAMING COMMISSION SHALL FURTHER REQUIRE, ON ANY CONTRACT FOR CONSTRUCTION IN EXCESS OF THREE MILLION DOLLARS WITH RESPECT TO ANY CONTRACT FOR CONSTRUCTION, RECONSTRUCTION, DEMOLITION, EXCAVATION, REHABILITATION, REPAIR, RENOVATION, ALTERATION, OR IMPROVEMENT THAT EACH CONTRACTOR AND SUBCONTRACTOR SHALL PARTICIPATE IN APPRENTICE TRAINING PROGRAMS IN THE TRADES OF WORK IT EMPLOYS THAT HAVE BEEN APPROVED BY THE DEPARTMENT OF LABOR FOR NOT LESS THAN THREE YEARS. THE GAMING COMMISSION SHALL FURTHER REQUIRE THAT EACH CONTRACTOR AND SUBCONTRACTOR SHALL HAVE GRADUATED AT LEAST ONE APPRENTICE IN THE LAST THREE YEARS AND SHALL HAVE AT LEAST ONE APPRENTICE CURRENTLY ENROLLED IN SUCH TRAINING PROGRAM. ADDITIONALLY IT MUST BE DEMONSTRATED THAT THE PROGRAM HAS MADE SIGNIFICANT EFFORTS TO ATTRACT AND RETAIN MINORITY APPRENTICES, AS DETERMINED BY AFFIRMATIVE ACTION GOALS ESTABLISHED FOR SUCH PROGRAMS BY THE DEPARTMENT OF LABOR.

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

S 99-V. REAL PROPERTY TAX REDUCTION ACCOUNT. 1. THERE IS HEREBY ESTABLISHED IN THE CUSTODY OF THE COMPTROLLER AN ACCOUNT TO BE KNOWN AS THE "REAL PROPERTY TAX REDUCTION ACCOUNT."

2. SUCH ACCOUNT SHALL CONSIST OF MONEYS TRANSFERRED THERETO FROM THE STATE REVENUE FUND CREATED PURSUANT TO SECTION THIRTEEN HUNDRED SIX OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW.

3. ALL PAYMENT OF MONEYS FROM THE REAL PROPERTY TAX REDUCTION ACCOUNT SHALL BE MADE ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER.

4. SUCH MONIES SHALL BE DEVOTED TWENTY PERCENT TO THE HOST COMMUNITY AS DETERMINED BY THE STATE GAMING COMMISSION AND EIGHTY PERCENT TO COUNTIES ACROSS THE STATE.

S 4. The state finance law is amended by adding a new section 99-w to read as follows:

S 99-W. BELMONT REVITALIZATION ACCOUNT. 1. THERE IS HEREBY ESTABLISHED IN THE CUSTODY OF THE STATE COMPTROLLER AN ACCOUNT TO BE KNOWN AS THE "BELMONT REVITALIZATION ACCOUNT."

2. SUCH ACCOUNT SHALL CONSIST OF ALL AMOUNTS PAYABLE UNDER SUBDIVISION TWO OF SECTION THIRTEEN HUNDRED THREE OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW.

3. THE FUNDS IN THE ACCOUNT SHALL BE UTILIZED AS DETERMINED BY RESOLUTION OF A BOARD COMPRISED OF THE MAJORITY LEADER OF THE NASSAU COUNTY LEGISLATURE, OR HIS OR HER DESIGNEE, THE MINORITY LEADER OF THE NASSAU COUNTY LEGISLATURE, OR HIS OR HER DESIGNEE, AND THE COUNTY EXECUTIVE OF THE COUNTY OF NASSAU, OR HIS OR HER DESIGNEE.

4. ALL PAYMENTS OF MONEYS FROM THE BELMONT REVITALIZATION ACCOUNT SHALL BE MADE ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER.

5. SUCH RESOLUTION SHALL SPECIFY THE PROPOSED ECONOMIC DEVELOPMENT PURPOSE OF THE FUNDS, WHICH MAY BE UTILIZED FOR THE ECONOMIC REVITALIZATION OF NASSAU COUNTY, ASSOCIATED WITH THE HIGHEST AND BEST USE OF THE BELMONT RACETRACK, ANCILLARY PROPERTIES, AND THE SURROUNDING COMMUNITIES. PERMISSIBLE EXPENDITURES MAY BE FOR CAPITAL CONSTRUCTION COSTS, OR LOCAL AID IN SUPPORT OF A PLAN OF DEVELOPMENT LOCATED WITHIN THE COUNTY.

S 5. The tax law is amended by adding a new section 1617-c to read as follows:

S 1617-C. EXPANSION OF VIDEO LOTTERY TERMINALS. NOT LATER THAN JULY FIRST, TWO THOUSAND FOURTEEN, THE COMMISSION SHALL ISSUE AN INTERIM REPORT AND BY DECEMBER FIRST, TWO THOUSAND FOURTEEN A FINAL REPORT RECOMMENDING WHETHER OR NOT VIDEO LOTTERY TERMINALS SHOULD BE EXPANDED WITHIN THE STATE. PARTICULAR CONSIDERATION SHOULD BE GIVEN TO THE IMPACT OF SUCH AN EXPANSION BASED ON POTENTIAL LOCATIONS OF CASINO GAMBLING FACILITIES WITH RESPECT TO EXISTING VIDEO LOTTERY GAMING OPERATIONS AS WELL AS AT SITES NOT AUTHORIZED TO HAVE CASINO GAMBLING FACILITIES AND MAKING A RECOMMENDATION TO THE LEGISLATURE ON LEVELS OF TAXATION ASSOCIATED WITH VIDEO LOTTERY TERMINALS AT EXISTING AND PROPOSED NEW VIDEO LOTTERY GAMING FACILITIES.

S 6. Subdivision a of section 1617-a of the tax law, as amended by section 2 of part O-1 of chapter 57 of the laws of 2009, is amended to read as follows:

a. The division of the lottery is hereby authorized to license, pursuant to rules and regulations to be promulgated by the division of the lottery, the operation of video lottery gaming at (1) Aqueduct, Monticello, Yonkers, Finger Lakes, and Vernon Downs racetracks, or at any other racetrack licensed pursuant to article three of the racing, pari-mutuel wagering and breeding law that are located in a county or counties in which video lottery gaming has been authorized pursuant to local law, excluding the licensed racetrack commonly referred to in article three of the racing, pari-mutuel wagering and breeding law as the "New York state exposition" held in Onondaga county and the racetracks of the non-profit racing association known as Belmont Park racetrack and the Saratoga thoroughbred racetrack; AND (2) AT ONE REGIONAL OFF-TRACK BETTING CORPORATION FACILITY LICENSED PURSUANT TO SECTION ONE THOUSAND EIGHT OR ONE THOUSAND NINE OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW WITHIN ANY REGIONAL CORPORATION DEFINED IN ARTICLE FIVE OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW, IN WHICH NO PARTICIPATING COUNTY CONTAINS EITHER A THOROUGHBRED OR STANDARDBRED RACETRACK LICENSED TO OPERATE VIDEO LOTTERY GAMING BY THE STATE GAMING COMMISSION. THE REGIONAL CORPORATION SHALL BE DEEMED A "VENDOR" FOR ALL PURPOSES UNDER THIS ARTICLE. Such rules and regulations shall provide, as a condition of licensure, that racetracks to be licensed are certified to be in compliance with all state and local fire and safety codes, that the division is afforded adequate space, infrastructure, and amenities consistent with industry standards for such video gaming operations as found at racetracks in other states, that racetrack employees involved in the operation of video lottery gaming pursuant to this section are licensed by the racing and wagering board, and such other terms and

conditions of licensure as the division may establish. Notwithstanding any inconsistent provision of law, video lottery gaming at a racetrack pursuant to this section shall be deemed an approved activity for such racetrack under the relevant city, county, town, or village land use or zoning ordinances, rules, or regulations. No entity licensed by the division operating video lottery gaming pursuant to this section may house such gaming activity in a structure deemed or approved by the division as "temporary" for a duration of longer than eighteen-months. Nothing in this section shall prohibit the division from licensing an entity to operate video lottery gaming at an existing racetrack as authorized in this subdivision whether or not a different entity is licensed to conduct horse racing and pari-mutuel wagering at such racetrack pursuant to article two or three of the racing, pari-mutuel wagering and breeding law.

The division, in consultation with the [racing and wagering board] STATE GAMING COMMISSION, shall establish standards for approval of the temporary and permanent physical layout and construction of any facility or building devoted to a video lottery gaming operation. In reviewing such application for the construction or reconstruction of facilities related or devoted to the operation or housing of video lottery gaming operations, the division, in consultation with the racing and wagering board, shall ensure that such facility:

(1) possesses superior consumer amenities and conveniences to encourage and attract the patronage of tourists and other visitors from across the region, state, and nation.

(2) has adequate motor vehicle parking facilities to satisfy patron requirements.

(3) has a physical layout and location that facilitates access to and from the horse racing track portion of such facility to encourage patronage of live horse racing events that are conducted at such track.

S 7. Paragraphs (b) and (c) of subdivision 1 of section 169 of the executive law, as amended by section 9 of part A of chapter 60 of the laws of 2012, are amended to read as follows:

(b) commissioner of labor, chairman of public service commission, commissioner of taxation and finance, superintendent of financial services, commissioner of criminal justice services, [and] commissioner of parks, recreation and historic preservation AND CHAIR OF THE GAMING COMMISSION;

(c) commissioner of agriculture and markets, commissioner of alcoholism and substance abuse services, adjutant general, commissioner and president of state civil service commission, commissioner of economic development, chair of the energy research and development authority, president of higher education services corporation, commissioner of motor vehicles, member-chair of board of parole, chair of public employment relations board, secretary of state, commissioner of alcoholism and substance abuse services, executive director of the housing finance agency, commissioner of housing and community renewal, executive director of state insurance fund, commissioner-chair of state liquor authority, chair of the workers' compensation board AND COMMISSIONERS OF THE GAMING COMMISSION;

S 8. Subdivisions 3, 4 and 5 of section 102 of the racing, pari-mutuel wagering and breeding law, as added by section 1 of part A of chapter 60 of the laws of 2012, are amended to read as follows:

3. A member shall be designated as chair of the commission by the governor to serve in such capacity at the pleasure of the governor or until his or her term as commission member expires, whichever first

occurs. The members shall be appointed for terms of [five] NINE years; provided, however, that initial appointments to the commission shall be for terms as follows:

(a) one member appointed by the governor shall serve for a [one] SIX year term, one member appointed by the governor shall serve for a [two] SEVEN year term, one member appointed by the governor shall serve for a [three] EIGHT year term, [one member] TWO MEMBERS appointed by the governor shall EACH serve for a [four] NINE year term, [one member appointed by the governor shall serve for a five year term]; and

(b) each of the members appointed by the governor upon the recommendation of the temporary president of the senate and upon the recommendation of the speaker of the assembly shall serve for a [four] NINE year term.

4. The members shall[, when performing the work of the commission, be compensated at a rate of three hundred dollars per day, together with an allowance] BE REIMBURSED for actual and necessary expenses incurred in the discharge of their duties FOR TRAVEL AND OTHER EXPENSES.

5. The members of the commission shall not hold any other [public] office or [public] employment for which they shall receive compensation[, other than necessary travel or other expenses incurred in the performance of the duties of such office or employment. Members may engage in private employment or in a profession or business, provided, however, such employment does not interfere or conflict with the performance or proper discharge of his or her duties].

S 9. This act shall take effect immediately; provided that section six of this act shall take effect on the first of January next succeeding the date on which it shall have become a law provided, however that section six of this act shall not take effect until gambling facilities are authorized by amendment to subdivision 1 of section 9 of article 1 of the state constitution; and provided, further, that any license issued under article 13 of the racing, pari-mutuel wagering and breeding law, as added by section one of this act, shall not take effect until gambling facilities are authorized by amendment to subdivision 1 of section 9 of article 1 of the state constitution.