STATE OF NEW YORK

2034

2017-2018 Regular Sessions

IN ASSEMBLY

January 17, 2017

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

AN ACT to amend the tax law, in relation to video lottery gaming at commercial bowling establishments

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subparagraph (iii) of paragraph 1 of subdivision b of section 1612 of the tax law, as separately amended by chapters 174 and 175 of the laws of 2013, is amended to read as follows:

(iii) less an additional vendor's marketing allowance at a rate of ten percent for the first one hundred million dollars annually and eight percent thereafter of the total revenue wagered at the vendor track after payout for prizes to be used by the vendor track for the marketing and promotion and associated costs of its video lottery gaming operations and pari-mutuel horse racing operations, as long as any such costs associated with pari-mutuel horse racing operations simultaneously encourage increased attendance at such vendor's video lottery gaming facilities, consistent with the customary manner of marketing comparable operations in the industry and subject to the overall supervision of the division; provided, however, that the additional vendor's marketing allowance shall not exceed eight percent in any year for any operator of a racetrack located in the county of Westchester or Queens; provided, however, a vendor track that receives a vendor fee pursuant to clause (G) of subparagraph (ii) of this paragraph shall not receive the additional vendor's marketing allowance; provided, however, except for a vendor track located west of State Route 14 from Sodus Point to the Pennsylvania border within New York shall continue to receive a marketing allowance of ten percent on total revenue wagered at the vendor track after payout for prizes in excess of one hundred million dollars annually provided, however, a vendor that receives a vendor fee pursuant to clause (G-1) of subparagraph (ii) of this paragraph shall receive an

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

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additional marketing allowance at a rate of ten percent of the total revenue wagered at the video lottery gaming facility after payout for prizes. [~~In establishing the vendor fee,~~] A commercial bowling establishment that is authorized by section sixteen hundred seventeen-a of this article shall be entitled to a vendor fee of not less than 20.25 percent in the first, second and third years of video lottery gaming at such commercial bowling establishment, 20.0 percent in the fourth and fifth years and 17.5 percent in all subsequent years.

§ 2. Section 1617-a of the tax law is amended by adding a new subdivision a-1 to read as follows:

a-1. 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 commercial bowling establishments that are duly licensed to serve alcoholic beverages, have segregated areas that prohibit access to persons under twenty-one years of age, and that are located in a county or counties in which video lottery gaming has been authorized pursuant to local law. Such rules and regulations shall provide, as a condition of licensure, that such bowling establishments 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 lottery gaming operations and to ensure that persons under twenty-one years of age are prohibited access from such areas, that 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 commercial bowling establishment pursuant to this section shall be deemed an approved activity for such bowling establishment under the relevant city, county, town, or village land use or zoning ordinances, rules, or regulations. No bowling establishment 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.

§ 3. This act shall take effect immediately.