

STATE OF NEW YORK

4647

2017-2018 Regular Sessions

IN ASSEMBLY

February 3, 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 in the counties of Suffolk and Nassau; and to repeal certain provisions of such law relating thereto

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

1 Section 1. Paragraph 4 of subdivision a of section 1617-a of the tax
2 law is REPEALED.
3 § 2. Clause (G-1) of subparagraph (ii) of paragraph 1 of subdivision b
4 of section 1612 of the tax law is REPEALED.
5 § 3. Subparagraph (iii) of paragraph 1 of subdivision b of section
6 1612 of the tax law, as separately amended by chapters 174 and 175 of
7 the laws of 2013, is amended to read as follows:
8 (iii) less an additional vendor's marketing allowance at a rate of ten
9 percent for the first one hundred million dollars annually and eight
10 percent thereafter of the total revenue wagered at the vendor track
11 after payout for prizes to be used by the vendor track for the marketing
12 and promotion and associated costs of its video lottery gaming oper-
13 ations and pari-mutuel horse racing operations, as long as any such
14 costs associated with pari-mutuel horse racing operations simultaneously
15 encourage increased attendance at such vendor's video lottery gaming
16 facilities, consistent with the customary manner of marketing comparable
17 operations in the industry and subject to the overall supervision of the
18 division; provided, however, that the additional vendor's marketing
19 allowance shall not exceed eight percent in any year for any operator of
20 a racetrack located in the county of Westchester or Queens; provided,
21 however, a vendor track that receives a vendor fee pursuant to clause
22 (G) of subparagraph (ii) of this paragraph shall not receive the addi-
23 tional vendor's marketing allowance; provided, however, except for a
24 vendor track located west of State Route 14 from Sodus Point to the

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

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1 Pennsylvania border within New York shall continue to receive a market-
2 ing allowance of ten percent on total revenue wagered at the vendor
3 track after payout for prizes in excess of one hundred million dollars
4 annually ~~[provided, however, a vendor that receives a vendor fee pursu-~~
5 ~~ant to clause (G-1) of subparagraph (ii) of this paragraph shall receive~~
6 ~~an additional marketing allowance at a rate of ten percent of the total~~
7 ~~revenue wagered at the video lottery gaming facility after payout for~~
8 ~~prizes. In establishing the vendor fee,].~~

9 § 4. Paragraph 2 of subdivision b of section 1612 of the tax law, as
10 amended by section 1 of part 00 of chapter 59 of the laws of 2014, is
11 amended to read as follows:

12 2. As consideration for the operation of a video lottery gaming facil-
13 ity, the division, shall cause the investment in the racing industry of
14 a portion of the vendor fee received pursuant to paragraph one of this
15 subdivision in the manner set forth in this subdivision. With the
16 exception of Aqueduct racetrack ~~[or a facility in the county of Nassau~~
17 ~~or Suffolk operated by a corporation established pursuant to section~~
18 ~~five hundred two of the racing, pari-mutuel wagering and breeding law]~~,
19 each such track shall dedicate a portion of its vendor fees, received
20 pursuant to clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph
21 (ii) of paragraph one of this subdivision, for the purpose of enhancing
22 purses at such track, in an amount equal to eight and three-quarters
23 percent of the total revenue wagered at the vendor track after pay out
24 for prizes. One percent of the gross purse enhancement amount, as
25 required by this subdivision, shall be paid to the gaming commission to
26 be used exclusively to promote and ensure equine health and safety in
27 New York. Any portion of such funding to the gaming commission unused
28 during a fiscal year shall be returned to the video lottery gaming oper-
29 ators on a pro rata basis in accordance with the amounts originally
30 contributed by each operator and shall be used for the purpose of
31 enhancing purses at such track. One and one-half percent of the gross
32 purse enhancement amount at a thoroughbred track, as required by this
33 subdivision, shall be paid to an account established pursuant to section
34 two hundred twenty-one-a of the racing, pari-mutuel wagering and breed-
35 ing law to be used exclusively to provide health insurance for jockeys.
36 In addition, with the exception of Aqueduct racetrack or a facility in
37 the county of Nassau or Suffolk operated by a corporation established
38 pursuant to section five hundred two of the racing, pari-mutuel wagering
39 and breeding law, one and one-quarter percent of total revenue wagered
40 at the vendor track after pay out for prizes, received pursuant to
41 clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph (ii) of
42 paragraph one of this subdivision, shall be distributed to the appropri-
43 ate breeding fund for the manner of racing conducted by such track.

44 Provided, further, that nothing in this paragraph shall prevent each
45 track from entering into an agreement, not to exceed five years, with
46 the organization authorized to represent its horsemen to increase or
47 decrease the portion of its vendor fee dedicated to enhancing purses at
48 such track during the years of participation by such track, or to race
49 fewer dates than required herein.

50 § 5. Subdivision f-1 of section 1612 of the tax law is REPEALED.

51 § 6. This act shall take effect immediately.