

# STATE OF NEW YORK

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4617

2019-2020 Regular Sessions

## IN ASSEMBLY

February 4, 2019

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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:

1 Section 1. Subparagraph (iii) of paragraph 1 of subdivision b of  
2 section 1612 of the tax law, as separately amended by chapters 174 and  
3 175 of the laws of 2013, is amended to read as follows:

4 (iii) less an additional vendor's marketing allowance at a rate of ten  
5 percent for the first one hundred million dollars annually and eight  
6 percent thereafter of the total revenue wagered at the vendor track  
7 after payout for prizes to be used by the vendor track for the marketing  
8 and promotion and associated costs of its video lottery gaming oper-  
9 ations and pari-mutuel horse racing operations, as long as any such  
10 costs associated with pari-mutuel horse racing operations simultaneously  
11 encourage increased attendance at such vendor's video lottery gaming  
12 facilities, consistent with the customary manner of marketing comparable  
13 operations in the industry and subject to the overall supervision of the  
14 division; provided, however, that the additional vendor's marketing  
15 allowance shall not exceed eight percent in any year for any operator of  
16 a racetrack located in the county of Westchester or Queens; provided,  
17 however, a vendor track that receives a vendor fee pursuant to clause  
18 (G) of subparagraph (ii) of this paragraph shall not receive the addi-  
19 tional vendor's marketing allowance; provided, however, except for a  
20 vendor track located west of State Route 14 from Sodus Point to the  
21 Pennsylvania border within New York shall continue to receive a market-  
22 ing allowance of ten percent on total revenue wagered at the vendor  
23 track after payout for prizes in excess of one hundred million dollars  
24 annually provided, however, a vendor that receives a vendor fee pursuant  
25 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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1 additional marketing allowance at a rate of ten percent of the total  
2 revenue wagered at the video lottery gaming facility after payout for  
3 prizes. [~~In establishing the vendor fee,~~] A commercial bowling estab-  
4 lishment that is authorized by section sixteen hundred seventeen-a of  
5 this article shall be entitled to a vendor fee of not less than 20.25  
6 percent in the first, second and third years of video lottery gaming at  
7 such commercial bowling establishment, 20.0 percent in the fourth and  
8 fifth years and 17.5 percent in all subsequent years.

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

11 a-1. The division of the lottery is hereby authorized to license,  
12 pursuant to rules and regulations to be promulgated by the division of  
13 the lottery, the operation of video lottery gaming at commercial bowling  
14 establishments that are duly licensed to serve alcoholic beverages, have  
15 segregated areas that prohibit access to persons under twenty-one years  
16 of age, and that are located in a county or counties in which video  
17 lottery gaming has been authorized pursuant to local law. Such rules and  
18 regulations shall provide, as a condition of licensure, that such bowl-  
19 ing establishments to be licensed are certified to be in compliance with  
20 all state and local fire and safety codes, that the division is afforded  
21 adequate space, infrastructure, and amenities consistent with industry  
22 standards for such video lottery gaming operations and to ensure that  
23 persons under twenty-one years of age are prohibited access from such  
24 areas, that employees involved in the operation of video lottery gaming  
25 pursuant to this section are licensed by the racing and wagering board,  
26 and such other terms and conditions of licensure as the division may  
27 establish. Notwithstanding any inconsistent provision of law, video  
28 lottery gaming at a commercial bowling establishment pursuant to this  
29 section shall be deemed an approved activity for such bowling establish-  
30 ment under the relevant city, county, town, or village land use or  
31 zoning ordinances, rules, or regulations. No bowling establishment oper-  
32 ating video lottery gaming pursuant to this section may house such  
33 gaming activity in a structure deemed or approved by the division as  
34 "temporary" for a duration of longer than eighteen months.

35 § 3. This act shall take effect immediately.