

# STATE OF NEW YORK

1895

2021-2022 Regular Sessions

## IN ASSEMBLY

January 11, 2021

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

AN ACT to amend the tax law, in relation to video lottery gaming

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

1 Section 1. Paragraph 3 of subdivision a of section 1617-a of the tax  
2 law, as added by section 1 of part SS of chapter 60 of the laws of 2016,  
3 is amended to read as follows:

4 (3) a maximum of [~~two~~] four facilities, one each in the Suffolk region  
5 and the Nassau region, which shall be vendors for all purposes under  
6 this article, neither to exceed one thousand video lottery gaming  
7 devices, established within region three of zone one as defined by  
8 section one thousand three hundred ten of the racing, pari-mutuel wager-  
9 ing and breeding law, one each operated by a corporation established  
10 pursuant to section five hundred two of the racing, pari-mutuel wagering  
11 and breeding law in the Suffolk region and the Nassau region to be  
12 located within a facility authorized pursuant to sections one thousand  
13 eight or one thousand nine of the racing, pari-mutuel wagering and  
14 breeding law, and two facilities in Ulster county, none to exceed five  
15 hundred video lottery gaming devices, each operated by a corporation  
16 established pursuant to section five hundred two of the racing, pari-mu-  
17 tuel wagering and breeding law to be located within a facility author-  
18 ized pursuant to sections one thousand eight or one thousand nine of the  
19 racing, pari-mutuel wagering and breeding law. In respect to the Ulster  
20 county facilities, Catskill off-track betting corporation will be the  
21 gaming operator and a local resolution in support of the facility will  
22 be required. Additionally, in respect to the Ulster county facilities,  
23 the facilities must be destination resort properties with at least one  
24 hundred hotel rooms, have significant resort amenities, be currently  
25 open and operating, and have been in continuous operation for no less  
26 than the past three years; and

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

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§ 2. Clause (D) of subparagraph (ii) of paragraph 1 of subdivision b of section 1612 of the tax law, as amended by section 1 of part EE of chapter 59 of the laws of 2019, is amended to read as follows:

(D) when a video lottery gaming facility is located in either Nassau ~~[ex]~~, Suffolk or Ulster counties and is operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law, at a rate of forty-five percent of the total revenue wagered at the video lottery gaming facility after payout for prizes pursuant to this chapter.

§ 3. Paragraph 2 of subdivision b of section 1612 of the tax law, as amended by section 2 of part S of chapter 39 of the laws of 2019, is amended to read as follows:

2. As consideration for the operation of a video lottery gaming facility, the division, shall cause the investment in the racing industry of a portion of the vendor fee received pursuant to paragraph one of this subdivision in the manner set forth in this subdivision. With the exception of Aqueduct racetrack, a video lottery gaming facility authorized pursuant to paragraph five of subdivision a of section sixteen hundred seventeen-a of this article or a facility in the ~~[county]~~ counties of Nassau ~~[ex]~~, Suffolk or Ulster operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law, each such track shall dedicate a portion of its vendor fees, received pursuant to clause (A), (B), (B-1), (B-2), (C), or (D) of subparagraph (ii) of paragraph one of this subdivision, for the purpose of enhancing purses at such track, in an amount equal to eight and three-quarters percent of the total revenue wagered at the vendor track after pay out for prizes. One percent of the gross purse enhancement amount, as required by this subdivision, shall be paid to the gaming commission to be used exclusively to promote and ensure equine health and safety in New York. Any portion of such funding to the gaming commission unused during a fiscal year shall be returned to the video lottery gaming operators on a pro rata basis in accordance with the amounts originally contributed by each operator and shall be used for the purpose of enhancing purses at such track. One and one-half percent of the gross purse enhancement amount at a thoroughbred track, as required by this subdivision, shall be paid to an account established pursuant to section two hundred twenty-one-a of the racing, pari-mutuel wagering and breeding law to be used exclusively to provide health insurance for jockeys. In addition, with the exception of Aqueduct racetrack, a video lottery gaming facility authorized pursuant to paragraph five of subdivision a of section sixteen hundred seventeen-a of this article or a facility in the ~~[county]~~ counties of Nassau ~~[ex]~~, Suffolk or Ulster operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law, one and one-quarter percent of total revenue wagered at the vendor track after pay out for prizes, received pursuant to clause (A), (B), (B-1), (B-2), (C), or (D) of subparagraph (ii) of paragraph one of this subdivision, shall be distributed to the appropriate breeding fund for the manner of racing conducted by such track.

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

1     § 4. The opening paragraph of subdivision f-1 of section 1612 of the  
2 tax law, as amended by chapter 175 of the laws of 2013, is amended to  
3 read as follows:

4     As consideration for operation of video lottery gaming facility  
5 located in the [~~county~~] counties of Nassau [~~or~~], Suffolk or Ulster and  
6 operated by a corporation established pursuant to section five hundred  
7 two of the racing, pari-mutuel wagering and breeding law, the division  
8 shall cause the investment in the racing industry of the following  
9 percentages of the vendor fee to be deposited or paid as follows:

10    § 5. This act shall take effect immediately.