STATE OF NEW YORK

7013

2021-2022 Regular Sessions

IN SENATE

May 24, 2021

Introduced by Sen. ADDABBO -- (at request of the New York State Gaming Commission) -- 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 making technical changes and establishing the duration of racetrack licenses

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

Section 1. Section 205 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 243 of the laws of 2020, is amended to read as follows:

§ 205. License for running races and steeplechase meetings. Any non-franchised corporation desiring to obtain the benefits of the provisions of section two hundred three of this article, if proposing to conduct a race course or race meeting for running races or steeplechases, may [~~annually~~] apply to the commission for a license to conduct running races and race meetings or steeplechases and steeplechase meetings, as the case may be. If, in the judgment of such commission the public interest, convenience or necessity will be served thereby and a proper case for the issuance of such license is shown consistent with the purposes of this article and the best interest of racing generally, the commission may grant such license, for a term within [~~the~~] three calendar [~~year~~] years, which shall specify [~~the dates and period of time during which, and~~] the place where[~~,~~] the licensee may operate and state that the dates and periods of time during which the licensee may operate are subject to the prior approval of the commission. The fee for such license shall be one hundred dollars for each racing day[~~,~~]. The fee for the first calendar year shall be payable upon issuance of license. The fee for each subsequent year during the license period shall be payable upon application for commission approval of racing dates for such year. In considering an application for a license under this

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

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section, the commission may give consideration to the number of licenses already granted and to the location of the tracks previously licensed. **Each racetrack licensee shall notify the commission of any material changes to its license application that may occur during the term of such license, and the commission may take such action as the commission deems appropriate to address any such material change.** Every such license shall contain a condition that all running races or race meetings conducted thereunder shall be subject to such reasonable rules and regulations from time to time prescribed by the commission, designated as the "rules of racing". Before promulgating such rules of racing or modifying or abrogating any of them, the commission shall give the jockey club, a corporation organized under the laws of the state of New York, an opportunity to submit recommendations relative to such rules for running races and race meetings, and to the national steeplechase and hunt association, a corporation organized under the laws of the state of New York, an opportunity to submit recommendations relative to such rules for steeplechases and steeplechase meetings, and the commission may adopt, to the extent that it deems appropriate, any rules so submitted by either of such corporations or by any other nationally recognized association or corporation that has for its purpose the improvement of the breed.

§ 2. Subdivisions 1, 3, 4 and 5 of section 307 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 243 of the laws of 2020, are amended to read as follows:

1. Any association or corporation desiring to conduct harness race meetings at which pari-mutuel betting shall be permitted may apply [~~annually~~] to the commission for a license so to do. If, in the judgment of the commission the public interest, convenience or necessity will be served thereby and a proper case for the issuance of such license is shown consistent with the purposes of sections two hundred twenty-two through seven hundred five of this chapter and the best interests of racing generally, [~~it~~] **the commission** may grant such license for a term [~~ending not later than the thirty-first day of December next succeeding the granting thereof~~] **within three calendar years**, specifying [~~dates and hours during which and~~] the place where the licensee may operate[~~; provided, however, that~~] **and state that the dates and periods of time during which the licensee may operate are subject to the prior approval of the commission. The commission shall select by lot: two licensees to apply for licenses with a term ending in two thousand twenty-two, after which such licensees may apply for a license with a three-year term; two licensees to apply for licenses with a term ending in two thousand twenty-three, after which such licensees may apply for a license with a three-year term; and two licensees to apply for licenses with a term ending in two thousand twenty-four, after which such licensees may apply for a license with a three-year term. An association or corporation that holds a harness racetrack license and has common direct or indirect ownership with another harness racetrack licensee shall apply for a license with a term ending either in two thousand twenty-two, two thousand twenty-three or two thousand twenty-four, with such term applied for being the same as the term applied for by the licensee with which a direct or indirect ownership is shared.**

1-a. Notwithstanding the provisions of subdivision one of this section, any harness racetrack [~~which~~] **that** applies to the commission for permission to make one or more capital improvements may, in connection with such application or before or after such application, also apply to the commission for, and the commission shall, as an

inducement for or in recognition of the making of such capital improvement, grant a capital improvement license, which may be conditioned on the completion of the capital improvement if not yet made, for a period of not more than twenty-five years, but in no event for a period longer than is necessary to amortize any loan for capital improvements and shall specify for each year of the term of said license the minimum number of days on which, and the minimum number of hours on each such day, and the places where said licensee may conduct such harness race meetings at which pari-mutuel betting shall be permitted. Such a capital improvement license shall be issued if in the judgment of the commission the public interest, convenience or necessity will be served thereby and a proper case for the issuance of such a license is shown consistent with the purposes of sections two hundred twenty-two through seven hundred five of this chapter and the best interests of racing generally, and in determining the period and other terms of such capital improvement license, the commission shall be guided by the nature of the capital improvement and the cost thereof. Such capital improvement license shall automatically expire, irrespective of the term thereof, when the loan of funds upon which [~~it~~] **such** has been issued, has been paid off by the licensee. Where a capital improvement license is granted, the commission shall specify annually the dates on which, but not beyond the thirty-first day of December, and hours during which such licensee may operate, at the places and for the full number of days and hours specified in [~~its~~] **such** capital improvement license.

3. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. Each application for renewal of a license shall be deemed to be an application for a new license. The fee for such [~~licenses~~] **license** shall be one hundred dollars for each racing day**. The fee shall be** payable **either annually, quarterly, monthly, or** weekly in installments in advance of each week's racing**, as the commission may direct,** which sums shall be paid into the general fund of the state treasury by the commission. The term "racing week" shall include those days as defined by the rules and regulations of the commission. **Each racetrack licensee shall notify the commission of any material changes to its license application that may occur during the term of the license, and the commission may take such action as the commission deems appropriate to address any such material change.**

4. In considering an application for a license under this section the commission may give consideration to the number of licenses already granted and to the location of the tracks previously licensed. No such license shall be granted to any track [~~which~~] **that** has not conducted pari-mutuel harness racing during at least ten calendar years and [~~which~~] **that** is located within ten miles of a state, county or town fair conducting harness racing for the three consecutive years immediately preceding April second, nineteen hundred fifty-three, which license shall be operative during the racing dates of such fair, unless the association, corporation or society conducting such fair shall affirmatively waive objection to the issuance of such license for dates within such period. No such license shall be granted to any track located within the corporate limits of a city of the first class. No such license shall be granted to any harness horse racetrack located within twenty-five miles of any track already licensed for the same dates and hours except with the consent of the licensee located within such twenty-five mile area.

5. The commission may refuse to grant a license to an association or corporation if [~~it shall determine~~] **the commission determines** that:

a. [~~Any~~] **any** officer, director, member or stockholder of such association or corporation applying for a license, or of any association or corporation that owns stock in or shares in the profits, or participates in the management, of the affairs of such applicant, or that leases to such applicant the track where such applicant will operate has:

(i) been convicted of a crime involving moral turpitude;

(ii) engaged in bookmaking or other forms of illegal gambling;

(iii) been found guilty of any fraud or misrepresentation in connection with racing or breeding;

(iv) been guilty of any violation or attempt to violate any law, rule or regulation of any racing jurisdiction for which suspension from racing might be imposed in such jurisdiction;

(v) violated any rule, regulation or order of the commission; or

b. [~~The~~] **the** experience, character or general fitness of any officer, director or stockholder of any of the aforesaid associations or corporations is such that the participation of such person in harness racing or related activities would be inconsistent with the public interest, convenience or necessity or with the best interests of racing generally; but if the commission determines that the interest of any stockholder referred to in this paragraph or in paragraph a of this subdivision is insufficient in the opinion of the commission to affect adversely the conduct of pari-mutuel harness racing by such association or corporation in accordance with the provisions of this article, the commission may disregard such interest in determining whether or not to grant a license to such association or corporation; or

c. [~~The~~] **the** applicant is not the owner of the track at which it will conduct pari-mutuel harness racing pursuant to the license applied for, or that any person, firm, association or corporation other than the applicant shares, or will share, in the profits of the applicant, other than by dividends as a stockholder, or participates or will participate in the management of the affairs of the applicant.

§ 3. This act shall take effect immediately.