

STATE OF NEW YORK

4542

2023-2024 Regular Sessions

IN ASSEMBLY

February 16, 2023

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

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to utilizing funds from the capital acquisition fund

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

1 Section 1. Section 509-a of the racing, pari-mutuel wagering and
2 breeding law, as amended by section 1 of part DD of chapter 59 of the
3 laws of 2022, is amended to read as follows:

4 § 509-a. Capital acquisition fund. 1. The corporation may create and
5 establish a capital acquisition fund for the purpose of financing the
6 acquisition, construction or equipping of offices, facilities or prem-
7 ises of the corporation. Such capital acquisition fund shall consist of
8 [~~i~~] a. the amounts specified pursuant to subdivision three-a of
9 section five hundred thirty-two of this chapter; and [~~ii~~] b. contribu-
10 tions from the corporation's pari-mutuel wagering pools, subject to the
11 following limitations:

12 [~~a~~] (i) no contribution shall exceed the amount of one percent of the
13 total pari-mutuel wagering pools for the quarter in which the contribu-
14 tion is made;

15 [~~b~~] (ii) no contribution shall reduce the amount of quarterly net
16 revenues, exclusive of surcharge revenues, to an amount less than fifty
17 percent of such net revenues; and

18 [~~e~~] (iii) the balance of the fund shall not exceed the lesser of one
19 percent of total pari-mutuel wagering pools for the previous twelve
20 months or the undepreciated value of the corporation's offices, facili-
21 ties and premises.

22 2. a. Notwithstanding any other provision of law or regulation to the
23 contrary, from April nineteenth, two thousand twenty-one to March thir-
24 ty-first, two thousand twenty-two, twenty-three percent of the funds,
25 not to exceed two and one-half million dollars, in the Catskill off-

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

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1 track betting corporation's capital acquisition fund and twenty-three
2 percent of the funds, not to exceed four hundred forty thousand dollars,
3 in the Capital off-track betting corporation's capital acquisition fund
4 established pursuant to this section shall also be available to such
5 off-track betting corporation for the purposes of statutory obligations,
6 payroll, and expenditures necessary to accept authorized wagers.

7 b. Notwithstanding any other provision of law or regulation to the
8 contrary, from April first, two thousand twenty-two to March thirty-
9 first, two thousand twenty-three, twenty-three percent of the funds, not
10 to exceed two and one-half million dollars, in the Catskill off-track
11 betting corporation's capital acquisition fund established pursuant to
12 this section, and twenty-three percent of the funds, not to exceed four
13 hundred forty thousand dollars, in the Capital off-track betting corpo-
14 ration's capital acquisition fund established pursuant to this section,
15 shall be available to such off-track betting corporations for the
16 purposes of statutory obligations, payroll, and expenditures necessary
17 to accept authorized wagers.

18 c. Prior to a corporation being able to utilize the funds authorized
19 by paragraph b of this subdivision, the corporation must submit an
20 expenditure plan to the gaming commission for review. Such plan shall
21 include the corporation's outstanding liabilities, projected revenue for
22 the upcoming year, a detailed explanation of how the funds will be used,
23 and any other information determined necessary by the commission. Upon
24 review, the commission will make a determination as to whether access to
25 the funds is needed and warranted.

26 3. The Catskill off-track betting corporation and the Capital off-
27 track betting corporation shall make a report to the governor, speaker
28 of the assembly, temporary president of the senate and the commission
29 detailing the actual use of the funds made available in the capital
30 acquisition fund. Such report shall include, but not be limited to, any
31 impact on employment levels since utilizing the funds, the status of any
32 statutory obligations, an accounting of the use of such funds, and any
33 other information as deemed necessary by the commission. Such report
34 shall be due no later than the last day of the fiscal year in which the
35 monies were spent.

36 4. Notwithstanding any other provision of law or regulation to the
37 contrary, up to five million dollars of the funds in a capital acquisi-
38 tion fund, established pursuant to this section shall be available once
39 per annum to a regional off-track betting corporation for the sole
40 purpose of paying the salaries and benefits of employees and other
41 expenses of such corporation; provided, however, that such regional
42 off-track betting corporation is not utilizing its capital acquisition
43 fund for corporate purposes as provided in section three of part II of
44 chapter fifty-eight of the laws of two thousand twelve, and further
45 provided, that at a time and in a manner to be determined and prescribed
46 by the New York state gaming commission, at least five percent of such
47 amount shall be distributed among the participating counties on the
48 basis of population, as defined as the total population in each partic-
49 ipating county shown by the latest preceding decennial federal census
50 completed and published as a final population count by the United States
51 bureau of the census preceding the commencement of the calendar year in
52 which such distribution is to be made.

53 5. A regional off-track betting corporation that chooses to utilize
54 its capital acquisition fund to offset expenses related to salaries and
55 benefits for the corporation's employees and other expenses as provided
56 in subdivision four of this section shall do so by providing written

1 notification to the New York state gaming commission, at least fifteen
2 days in advance of its decision to utilize monies for corporate
3 purposes.

4 § 2. This act shall take effect immediately.