

# STATE OF NEW YORK

7526--B

2023-2024 Regular Sessions

## IN ASSEMBLY

May 25, 2023

Introduced by M. of A. MORINELLO -- read once and referred to the Committee on Racing and Wagering -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Racing and Wagering in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the state finance law, in relation to the tribal-state compact revenue account

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

Section 1. Subdivision 3 of section 99-h of the state finance law, as amended by chapter 174 of the laws of 2013, is amended and a new subdivision 4 is added to read as follows:

3. Moneys of the account, following the segregation of appropriations enacted by the legislature, shall be available for purposes including but not limited to: (a) reimbursements or payments to municipal governments that host tribal casinos pursuant to a tribal-state compact for costs incurred in connection with services provided to such casinos or arising as a result thereof, for economic development opportunities and job expansion programs authorized by the executive law; provided, however, that for any gaming facility located in the county of Erie ~~or~~ **Niagara**, the municipal governments hosting the facility shall collectively receive a minimum of twenty-five percent of the negotiated percentage of the net drop from electronic gaming devices the state receives pursuant to the compact, and provided further that for any gaming facility located in the city of Niagara Falls, county of Niagara a minimum of twenty-five percent of the negotiated percentage of the net drop from electronic gaming devices the state receives pursuant to the compact shall be distributed in accordance with subdivision four of this section. and provided further that for any gaming facility located in

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

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1 the county or counties of Cattaraugus, Chautauqua or Allegany, the  
2 municipal governments of the state hosting the facility shall collec-  
3 tively receive a minimum of twenty-five percent of the negotiated  
4 percentage of the net drop from electronic gaming devices the state  
5 receives pursuant to the compact; and provided further that pursuant to  
6 chapter five hundred ninety of the laws of two thousand four, a minimum  
7 of twenty-five percent of the revenues received by the state pursuant to  
8 the state's compact with the St. Regis Mohawk tribe shall be made avail-  
9 able to the counties of Franklin and St. Lawrence, and affected towns in  
10 such counties. Each such county and its affected towns shall receive  
11 fifty percent of the moneys made available by the state; and provided  
12 further that the state shall annually make twenty-five percent of the  
13 negotiated percentage of the net drop from all gaming devices the state  
14 actually receives pursuant to the Oneida Settlement Agreement confirmed  
15 by section eleven of the executive law available to the county of Onei-  
16 da, and a sum of three and one-half million dollars to the county of  
17 Madison. Additionally, the state shall distribute, for a period of nine-  
18 teen and one-quarter years, an additional annual sum of two and one-half  
19 million dollars to the county of Oneida. Additionally, the state shall  
20 distribute the one-time eleven million dollar payment actually received  
21 by the state pursuant to the Oneida Settlement Agreement to the county  
22 of Madison by wire transfer upon receipt of such payment by the state;  
23 and (b) support and services of treatment programs for persons suffering  
24 from gambling addictions. Moneys not segregated for such purposes shall  
25 be transferred to the general fund for the support of government during  
26 the fiscal year in which they are received.

27 4. (a) Monies which are appropriated and received each year by the  
28 state as a portion of the negotiated percentage of the net drop from  
29 electronic gaming devices the state receives in relation to the opera-  
30 tion of a gaming facility in the city of Niagara Falls, county of  
31 Niagara as required under subdivision three of this section, shall be  
32 budgeted and disbursed by the city of Niagara Falls in the following  
33 manner:

34 (i) eighty percent of the total annual amount received shall be avail-  
35 able for expenditure by the city of Niagara Falls for such public  
36 purposes as are determined, by the city, to be necessary and desirable  
37 to accommodate and enhance economic development, neighborhood revitali-  
38 zation, public health and safety, and infrastructure improvement in the  
39 city, shall be deposited into the tribal revenue account of the city and  
40 any and all interest and income derived from the deposit and investment  
41 of such monies shall be deposited into the general operating fund of the  
42 city; provided however, that any amount allocated to the not-for-profit  
43 organization known as the Niagara Falls underground railroad interpre-  
44 tive center created to continue the Niagara Falls Underground Railroad  
45 Heritage Commission's mission to operate an underground railroad museum,  
46 to the extent that its share pursuant to the formula established in  
47 clause four of subparagraph (ii) of this paragraph exceeds one percent,  
48 such amounts shall be distributed from the funds available to the city  
49 for its public purposes pursuant to this paragraph; and

50 (ii) the remaining twenty percent of the total annual amount received  
51 shall be allocated for the city of Niagara Falls to be available for  
52 expenditure in the following manner:

53 (1) within thirty-five days upon receipt of such funds by such city,  
54 five and one-half percent of the total annual amount received in each  
55 year, not to exceed seven hundred fifty thousand dollars annually, shall

1 be transferred to Niagara Falls memorial medical center to be used for  
2 capital construction projects; and

3 (2) within thirty-five days upon receipt of such funds by such city,  
4 five and one-half percent of the total annual amount received in each  
5 year, not to exceed seven hundred fifty thousand dollars annually, shall  
6 be transferred to the Niagara Falls city school district for capital  
7 construction projects; and

8 (3) within thirty-five days upon receipt of such funds by such city,  
9 seven percent of the total amount received in each year not to exceed  
10 one million dollars, shall be transferred to the Niagara tourism and  
11 convention center corporation for marketing and tourism promotion in the  
12 county of Niagara including the city of Niagara Falls; and

13 (4) within thirty-five days upon receipt of such funds by such city,  
14 one percent or two hundred thousand dollars, whichever is greater, of  
15 the total annual amount received in each year shall be transferred to  
16 the not-for-profit organization known as the Niagara Falls underground  
17 railroad interpretive center created to continue the Niagara Falls  
18 Underground Railroad Heritage Commission's mission to operate an under-  
19 ground railroad museum, to be used for, but not limited to, development,  
20 capital improvements, acquisition of real property, and acquisition of  
21 personal property within the heritage area in the city of Niagara Falls  
22 as established pursuant to the commission; provided in the event the  
23 distribution available pursuant to this clause exceeds one percent, it  
24 shall be distributed from the moneys available pursuant to subparagraph  
25 (i) of this paragraph; and

26 (5) within thirty-five days upon receipt of such funds by such city,  
27 fifty thousand dollars of the total amount received in each year shall  
28 be transferred to Mount Saint Mary's Neighborhood Health Center; and

29 (6) within thirty-five days upon receipt of such funds by such city,  
30 fifty thousand dollars of the total annual amount received in each year  
31 shall be transferred to the Niagara Falls housing authority established  
32 pursuant to title twelve of article thirteen of the public housing law  
33 for upgrades to their facilities; and

34 (7) all other monies appropriated or received for distribution pursu-  
35 ant to this subdivision after the transfer of money pursuant to this  
36 subparagraph and subparagraph (i) of this paragraph in each year shall  
37 be allocated to the city of Niagara Falls for infrastructure and road  
38 improvement projects.

39 (b) On or before the first of April, each entity receiving moneys  
40 pursuant to subparagraphs (i) and (ii) of paragraph (a) of this subdivi-  
41 sion, shall annually submit a report to the governor, temporary presi-  
42 dent of the senate, speaker of the assembly, minority leader of the  
43 senate, minority leader of the assembly, mayor of the city of Niagara  
44 Falls and leader of the city council of the city of Niagara Falls. Each  
45 such report shall include an accounting of all moneys received by such  
46 entity pursuant to paragraph (a) of this subdivision and the expenditure  
47 of any such moneys.

48 (c) Notwithstanding any other provision of law to the contrary, fail-  
49 ure by the city of Niagara Falls to disburse funds as such city is  
50 required pursuant to clauses one, two, three and four of subparagraph  
51 (ii) of paragraph (a) of this subdivision within thirty-five days of the  
52 actual receipt of the funds or the submission of the subentity expendi-  
53 ture report due by April first of each year, whichever is later, shall  
54 result in an additional payment by the city of Niagara Falls of one-half  
55 percent per week not to exceed eighteen percent of the amount which was  
56 to have been disbursed pursuant to such clauses. Any such additional

1 payment required to be made by the city shall be disbursed from the  
2 city's share described in subparagraph (i) of paragraph (a) of this  
3 subdivision.

4 (d) In the event that any monies to be distributed pursuant to clauses  
5 one, three and four of subparagraph (ii) of paragraph (a) of this subdi-  
6 vision cannot, for any reason, be received or utilized, such monies  
7 shall be distributed to the city of Niagara Falls for economic develop-  
8 ment projects within such city.

9 § 2. This act shall take effect immediately.