

STATE OF NEW YORK

3564

2023-2024 Regular Sessions

IN SENATE

February 1, 2023

Introduced by Sen. KRUEGER -- 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, the general municipal law and the public authorities law, in relation to a prohibition of certain financial assistance to gaming facilities

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

Section 1. Subdivision 1 of section 1315 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

1. The board shall establish the minimum capital investment for a gaming facility by zone and region. Such capital investment shall not include any financial assistance as defined in section thirteen hundred one of this article from the state, any state or local authority, including without limitation local development corporations, or any political subdivisions of the state. Such investment shall include, but not be limited to, a casino area, at least one hotel and other amenities; and provided further, that the board shall determine whether it will include the purchase or lease price of the land where the gaming facility will be located or any infrastructure designed to support the site including, but not limited to, drainage, utility support, roadways, interchanges, fill and soil or groundwater or surface water contamination issues. The board may consider private capital investment made previous to the effective date of this section, but may, in its discretion, discount a percentage of the investment made. Upon award of a gaming license by the commission, the applicant shall be required to deposit ten percent of the total investment proposed in the application into an interest-bearing account. Monies received from the applicant shall be held in escrow until the final stage of construction, as detailed in the timeline of construction submitted with the licensee's

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

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1 application and approved by the commission, at which time the deposit
2 plus interest earned shall be returned to the applicant to be applied
3 for the final stage. Should the applicant be unable to complete the
4 gaming facility, the deposit shall be forfeited to the state. In place
5 of a cash deposit, the commission may allow for an applicant to secure a
6 deposit bond insuring that ten percent of the proposed capital invest-
7 ment shall be forfeited to the state if the applicant is unable to
8 complete the gaming facility.

9 § 2. Section 1301 of the racing, pari-mutuel wagering and breeding law
10 is amended by adding a new subdivision 18-a to read as follows:

11 18-a. "Financial assistance". Financial assistance means: (a) tax
12 expenditures given as an incentive to recipient businesses, not-for-pro-
13 fit organizations and government entities for economic development
14 purposes;

15 (b) disposition of any publicly owned property for less than fair
16 market value, which shall be determined based on an independent assess-
17 ment accounting for the highest reasonably projected gaming facility
18 revenues;

19 (c) grants or loans awarded by all state and municipal granting bodies
20 and industrial development agencies to businesses, not-for-profit organ-
21 izations and government entities for construction or operation of a
22 gaming facility; and

23 (d) all successor and subsequent development assistance programs and
24 tax expenditures designed to promote large business relocations and
25 expansions.

26 § 3. Section 862 of the general municipal law is amended by adding a
27 new subdivision 3 to read as follows:

28 (3) No financial assistance of the agency shall be provided to any
29 gaming facility authorized pursuant to article thirteen of the racing,
30 pari-mutuel wagering and breeding law.

31 § 4. The public authorities law is amended by adding a new section
32 2879-d to read as follows:

33 § 2879-d. Financial assistance to gaming facilities; prohibition.
34 Every public authority and public benefit corporation shall be prohibit-
35 ed from providing any financial assistance as defined in section thir-
36 teen hundred one of the racing, pari-mutuel wagering and breeding law to
37 any gaming facility authorized pursuant to article thirteen of the
38 racing, pari-mutuel wagering and breeding law. For purposes of this
39 section, "every public authority and public benefit corporation" shall
40 include subsidiaries and local development corporations. Provided
41 further that the provisions of this section do not grant or diminish any
42 power or right to review or approve contracts beyond or from that which
43 the comptroller may have pursuant to his or her authority to supervise
44 the accounts of public authorities.

45 § 5. This act shall take effect immediately.