

# STATE OF NEW YORK

7411--A

2023-2024 Regular Sessions

## IN SENATE

May 23, 2023

Introduced by Sen. ORTT -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- 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; to repeal certain provisions of such law relating thereto and to amend chapter 747 of the laws of 2006, amending the state finance law relating to the tribal-state compact revenue account, in relation to extending the effectiveness thereof

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

Section 1. Subdivision 4 of section 99-h of the state finance law, as amended by section 2 of part QQ of chapter 59 of the laws of 2009 is REPEALED and a new subdivision 4 is added to read as follows:

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

(i) eighty percent of the total annual amount received shall be available for expenditure by the city of Niagara Falls for such public purposes as are determined, by the city, to be necessary and desirable to accommodate and enhance economic development, neighborhood revitalization, public health and safety, and infrastructure improvement in the city, shall be deposited into the tribal revenue account of the city and any and all interest and income derived from the deposit and investment of such monies shall be deposited into the general operating fund of the city; provided however, that any amount allocated to the not-for-profit organization known as the Niagara Falls underground railroad interpre-

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

LBD11229-07-3

tive center created to continue the Niagara Falls Underground Railroad Heritage Commission's mission to operate an underground railroad museum, to the extent that its share pursuant to the formula established in clause four of subparagraph (ii) of this paragraph exceeds one percent, such amounts shall be distributed from the funds available to the city for its public purposes pursuant to this paragraph; and

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

(1) within thirty-five days upon receipt of such funds by such city, five and one-half percent of the total annual amount received in each year, not to exceed seven hundred fifty thousand dollars annually, shall be transferred to Niagara Falls memorial medical center to be used for capital construction projects; and

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

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

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

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

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

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

(b) On or before the first of April, each entity receiving moneys pursuant to subparagraphs (i) and (ii) of paragraph (a) of this subdivision, shall annually submit a report to the governor, temporary president of the senate, speaker of the assembly, minority leader of the senate, minority leader of the assembly, mayor of the city of Niagara Falls and leader of the city council of the city of Niagara Falls. Each

1 such report shall include an accounting of all moneys received by such  
2 entity pursuant to paragraph (a) of this subdivision and the expenditure  
3 of any such moneys.

4 (c) Notwithstanding any other provision of law to the contrary, fail-  
5 ure by the city of Niagara Falls to disburse funds as such city is  
6 required pursuant to clauses one, two, three and four of subparagraph  
7 (ii) of paragraph (a) of this subdivision within thirty-five days of the  
8 actual receipt of the funds or the submission of the subentity expendi-  
9 ture report due by April first of each year, whichever is later, shall  
10 result in an additional payment by the city of Niagara Falls of one-half  
11 percent per week not to exceed eighteen percent of the amount which was  
12 to have been disbursed pursuant to such clauses. Any such additional  
13 payment required to be made by the city shall be disbursed from the  
14 city's share described in subparagraph (i) of paragraph (a) of this  
15 subdivision.

16 (d) In the event that any monies to be distributed pursuant to clauses  
17 one, three and four of subparagraph (ii) of paragraph (a) of this subdivi-  
18 vision cannot, for any reason, be received or utilized, such monies  
19 shall be distributed to the city of Niagara Falls for economic develop-  
20 ment projects within such city.

21 § 2. Section 99-h of the state finance law, as amended by section 1 of  
22 part V of chapter 59 of the laws of 2006, is amended by adding a new  
23 subdivision 4 to read as follows:

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

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

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

50 (1) within thirty-five days upon receipt of such funds by such city,  
51 five and one-half percent of the total annual amount received in each  
52 year, not to exceed seven hundred fifty thousand dollars annually, shall  
53 be transferred to Niagara Falls memorial medical center to be used for  
54 capital construction projects; and

55 (2) within thirty-five days upon receipt of such funds by such city,  
56 five and one-half percent of the total annual amount received in each

1 year, not to exceed seven hundred fifty thousand dollars annually, shall  
2 be transferred to the Niagara Falls city school district for capital  
3 construction projects; and

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

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

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

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

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

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

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

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

6 § 3. Section 2 of chapter 747 of the laws of 2006, amending the state  
7 finance law relating to the tribal-state compact revenue account, as  
8 amended by section 1 of part R of chapter 57 of the laws of 2016, is  
9 amended to read as follows:

10 § 2. This act shall take effect immediately, and shall expire and be  
11 deemed repealed December 31, [~~2023~~] 2030.

12 § 4. This act shall take effect immediately; provided, however, that  
13 the amendments to section 99-h of the state finance law made by section  
14 one of this act shall take effect January 1, 2024; and provided further  
15 that the amendments to section 99-h of the state finance law made by  
16 section one of this act shall be subject to the expiration and reversion  
17 of such section pursuant to section 2 of chapter 747 of the laws of  
18 2006, as amended, when upon such date the provisions of section two of  
19 this act shall take effect.