STATE OF NEW YORK

4746

2023-2024 Regular Sessions

IN ASSEMBLY

February 23, 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 payments by off-track betting corporations to regional licensed harness tracks

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

Section 1. Clause (E) of subparagraph 5 of paragraph b of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008 and item (ii) as amended by chapter 243 of the laws of 2020, is amended to read as follows:

(E) [~~On~~] During the first one hundred twenty days in any calendar year when a franchised corporation is not conducting a race meeting [~~and when a licensed harness track is neither accepting wagers nor displaying the signal from an in-state thoroughbred corporation or association or an out-of-state thoroughbred track~~]:

(i) [~~Such~~] A licensed regional harness track shall receive in lieu of any other payments on wagers placed at off-track betting facilities outside the special betting district on races conducted by an in-state thoroughbred racing corporation, two and eight-tenths percent on regular and multiple bets during a regional meeting and one and nine-tenths percent of such bets if there is no regional meeting and four and eight-tenths percent on exotic bets on days on which there is a regional meeting and three and four-tenths percent of such bets if there is no regional meeting.

(ii) [~~Such~~] A licensed regional harness track shall receive [~~one and one-half~~] three-quarters of one percent on total regional handle on races conducted at out-of-state or out-of-country thoroughbred tracks.

(iii) In those regions in which there is more than one licensed regional harness track, [~~if no track is accepting wagers or displaying the live simulcast signal from the out-of-state track,~~] the total sum

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

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shall be divided among the tracks in proportion to the ratio the wagers placed on races conducted by each track bears to the corporation's total in-region harness handle. [~~If one or more tracks are accepting wagers or displaying the live simulcast signal, the total amount shall be divided among those tracks not accepting wagers or displaying the simulcast signal for an out-of-state track or in-state thoroughbred corporation or association.~~]

§ 2. Clause (F) of subparagraph 6 of paragraph b of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008 and item (ii) as amended by chapter 243 of the laws of 2020, is amended to read as follows:

(F) [~~On~~] **During the first one hundred twenty** days **in any calendar year** when a franchised corporation is not conducting a race meeting [~~and when a licensed harness track is neither accepting wagers nor displaying the signal from an in-state thoroughbred corporation or association or an out-of-state thoroughbred track~~]:

(i) [~~Such~~] **A** licensed regional harness track shall receive in lieu of any other payments on wagers placed at off-track betting facilities outside the special betting district on races conducted by an in-state thoroughbred racing corporation, two and eight-tenths percent on regular and multiple bets during a regional meeting and one and nine-tenths percent of such bets if there is no regional meeting and four and eight-tenths percent on exotic bets on days on which there is a regional meeting and three and four-tenths percent of such bets if there is no regional meeting.

(ii) [~~Such~~] **A** licensed regional harness track shall receive [~~one and one-half~~] **three-quarters of one** percent on total regional handle on races conducted at out-of-state or out-of-country thoroughbred tracks.

(iii) In those regions in which there is more than one licensed regional harness track, [~~if no track is accepting wagers or displaying the live simulcast signal from the out-of-state track,~~] the total sum shall be divided among the tracks in proportion to the ratio the wagers placed on races conducted by each track bears to the corporation's total in-region harness handle. [~~If one or more tracks are accepting wagers or displaying the live simulcast signal, the total amount shall be divided among those tracks not accepting wagers or displaying the simulcast signal for an out-of-state track or in-state thoroughbred corporation.~~]

§ 3. Subdivision 2 of section 1017 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 174 of the laws of 2013 and paragraph a as amended by chapter 243 of the laws of 2020, is amended to read as follows:

2. a. Maintenance of effort. Any off-track betting corporation that engages in accepting wagers on the simulcasts of thoroughbred races from out-of-state or out-of-country as permitted under subdivision one of this section shall submit to the commission, for its approval, a schedule of payments to be made in any year or portion thereof, that such off-track corporation engages in nighttime thoroughbred simulcasting. In order to be approved by the commission, the payment schedule shall be identical to the actual payments and distributions of such payments to tracks and purses made by such off-track corporation pursuant to the provisions of section one thousand fifteen of this article during the year two thousand two, as derived from out-of-state harness races displayed after 6:00 P.M. If approved by the commission, such scheduled payments shall be made from revenues derived from any simulcasting conducted pursuant to this section and section one thousand fifteen of this article. **Notwithstanding any inconsistent provision of this para-**

graph: (i) for purposes of calculating the payments to be made pursuant to this paragraph for calendar year two thousand twenty-three, the amount otherwise payable, if any, by an off-track betting corporation to a regional harness track shall be reduced in proportion to the reduction, if any, in the number of racing programs conducted by the regional harness track during two thousand twenty-three compared with the number of racing programs conducted by such track during the two thousand twelve base calendar year; and (ii) no off-track betting corporation shall have any further payment obligation pursuant to this paragraph with respect to calendar years commencing on or after January first, two thousand twenty-four.

b. Additional payments. During each calendar year, to the extent, and at such time in the event, that aggregate statewide wagering handle after 7:30 P.M. on out-of-state and out-of-country thoroughbred races exceeds one hundred million dollars, each off-track betting corporation conducting such simulcasting shall pay to its regional harness track or tracks, an amount equal to [~~two percent~~] the following percentage of its proportionate share of such excess handle: for calendar years through two thousand twenty-three, two percent; for calendar year two thousand twenty-four, one and one-half percent; for calendar year two thousand twenty-five, one percent; and for calendar year two thousand twenty-six, one-half of one percent. There shall be no further additional payment obligation pursuant to this paragraph for calendar years commencing on or after January first, two thousand twenty-six. In any region where there are two or more regional harness tracks, such [~~two percent~~] payment amount shall be divided between or among the tracks in a proportion equal to the proportion of handle on live harness races conducted at such tracks during the preceding calendar year. Fifty percent of the sum received by each track pursuant to this paragraph shall be used exclusively for increasing purses, stakes and prizes at that regional harness track. For the purpose of determining whether such aggregate statewide handle exceeds one hundred million dollars, all wagering on such thoroughbred races accepted by licensed multi-jurisdictional account wagering providers from customers within New York state shall be excluded.

§ 4. This act shall take effect immediately.