

# STATE OF NEW YORK

6039

2025-2026 Regular Sessions

## IN ASSEMBLY

February 26, 2025

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

AN ACT to amend the tax law and the racing, pari-mutuel wagering and breeding law, in relation to the Catskill off-track betting corporation providing licensing and financing to the Monticello racetrack

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

1 Section 1. Paragraph 1 of subdivision a of section 1617-a of the tax  
2 law, as amended by section 1 of part SS of chapter 60 of the laws of  
3 2016, is amended to read as follows:

4 (1) Aqueduct, [~~Monticello,~~] Yonkers, Finger Lakes, and Vernon Downs  
5 racetracks;

6 § 2. Paragraphs 3 and 4 of subdivision a of section 1617-a of the tax  
7 law, paragraph 3 as amended by chapter 811 of the laws of 2022 and para-  
8 graph 4 as added by section 1 of part SS of chapter 60 of the laws of  
9 2016, are amended and a new paragraph 8 is added to read as follows:

10 (3) a maximum of two facilities, which shall be vendors for all  
11 purposes under this article established within region three of zone one  
12 as defined by section one thousand three hundred ten of the racing,  
13 pari-mutuel wagering and breeding law, one each operated by a corpo-  
14 ration established pursuant to section five hundred two of the racing,  
15 pari-mutuel wagering and breeding law in the Suffolk region and the  
16 Nassau region to be located within a facility authorized pursuant to  
17 [~~sections~~] section one thousand eight or one thousand nine of the  
18 racing, pari-mutuel wagering and breeding law, provided however, that in  
19 the Nassau region such facility shall not exceed one thousand video  
20 lottery gaming devices and in the Suffolk region such facility shall not  
21 exceed two thousand video lottery gaming devices; [~~and~~]

22 (4) Aqueduct racetrack, within the lottery terminal facility, pursuant  
23 to an agreement between the corporation established pursuant to section  
24 five hundred two of the racing, pari-mutuel wagering and breeding law in

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

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1 the Nassau region and the operator of video lottery gaming at Aqueduct  
2 racetrack, when such agreement is approved by the gaming commission and  
3 as long as such agreement is in place, and when such agreement is accom-  
4 panied by a detailed spending plan for the corporation established  
5 pursuant to section five hundred two of the racing, pari-mutuel wagering  
6 and breeding law in the Nassau region, which includes a plan for the  
7 timely payment of liabilities due to the franchised corporation, and  
8 when such video lottery devices are hosted by the operator of video  
9 lottery gaming at Aqueduct racetrack on behalf of the corporation estab-  
10 lished pursuant to section five hundred two of the racing, pari-mutuel  
11 wagering and breeding law in the Nassau region in lieu of the develop-  
12 ment of a facility in Nassau county as authorized by paragraph three of  
13 this subdivision [~~a of this section~~]. Such agreement reached by the  
14 parties shall identify the agency principally responsible for funding,  
15 approving or undertaking any actions of such agreement. Provided,  
16 however, nothing in this paragraph shall infringe upon the rights of the  
17 corporation established pursuant to section five hundred two of the  
18 racing, pari-mutuel wagering and breeding law in the Nassau region to  
19 develop a facility pursuant to paragraph three of this subdivision upon  
20 the expiration, termination, or withdrawal of such agreement[-]; and

21 (8) a maximum of three facilities, which shall be vendors for all  
22 purposes under this article, with a total of one thousand one hundred  
23 ten video lottery gaming devices in the county of Broome, Chemung,  
24 Chenango, Delaware, Orange, Rockland, Dutchess, Tompkins, Putnam or  
25 Ulster and to be operated by a corporation established pursuant to  
26 section five hundred two of the racing, pari-mutuel wagering and breed-  
27 ing law, and located within a facility authorized pursuant to section  
28 one thousand eight or one thousand nine of the racing, pari-mutuel  
29 wagering and breeding law.

30 § 3. Paragraph 2 of subdivision b of section 1612 of the tax law, as  
31 amended by section 2 of part S of chapter 39 of the laws of 2019, is  
32 amended to read as follows:

33 2. As consideration for the operation of a video lottery gaming facil-  
34 ity, the division, shall cause the investment in the racing industry of  
35 a portion of the vendor fee received pursuant to paragraph one of this  
36 subdivision in the manner set forth in this subdivision. With the  
37 exception of Aqueduct racetrack, a video lottery gaming facility author-  
38 ized pursuant to paragraph five of subdivision a of section sixteen  
39 hundred seventeen-a of this article or a facility in the county of  
40 Nassau or Suffolk operated by a corporation established pursuant to  
41 section five hundred two of the racing, pari-mutuel wagering and breed-  
42 ing law, each such track shall dedicate a portion of its vendor fees,  
43 received pursuant to clause (A), (B), (B-1), (B-2), (C), or (D) of  
44 subparagraph (ii) of paragraph one of this subdivision, for the purpose  
45 of enhancing purses at such track, in an amount equal to eight and  
46 three-quarters percent of the total revenue wagered at the vendor track  
47 after pay out for prizes. Any video lottery gaming facility in the  
48 Catskill region, as defined in section five hundred nineteen of the  
49 racing, pari-mutuel wagering and breeding law and to be operated by a  
50 corporation established pursuant to section five hundred two of the  
51 racing, pari-mutuel wagering and breeding law, shall dedicate a portion  
52 of its vendor fee for the purpose of enhancing purses at Monticello  
53 racetrack in an amount equal to eight and three-quarters percent of the  
54 total revenue wagered at the facility after pay out for prizes. One  
55 percent of the gross purse enhancement amount, as required by this  
56 subdivision, shall be paid to the gaming commission to be used exclu-

1 sively to promote and ensure equine health and safety in New York. Any  
2 portion of such funding to the gaming commission unused during a fiscal  
3 year shall be returned to the video lottery gaming operators on a pro  
4 rata basis in accordance with the amounts originally contributed by each  
5 operator and shall be used for the purpose of enhancing purses at such  
6 track. One and one-half percent of the gross purse enhancement amount at  
7 a thoroughbred track, as required by this subdivision, shall be paid to  
8 an account established pursuant to section two hundred twenty-one-a of  
9 the racing, pari-mutuel wagering and breeding law to be used exclusively  
10 to provide health insurance for jockeys. In addition, with the exception  
11 of Aqueduct racetrack, a video lottery gaming facility authorized pursu-  
12 ant to paragraph five of subdivision a of section sixteen hundred seven-  
13 teen-a of this article or a facility in the county of Nassau or Suffolk  
14 operated by a corporation established pursuant to section five hundred  
15 two of the racing, pari-mutuel wagering and breeding law, one and one-  
16 quarter percent of total revenue wagered at the vendor track after pay  
17 out for prizes, received pursuant to clause (A), (B), (B-1), (B-2), (C),  
18 or (D) of subparagraph (ii) of paragraph one of this subdivision, shall  
19 be distributed to the appropriate breeding fund for the manner of racing  
20 conducted by such track.

21 Provided, further, that as additional consideration for the operation  
22 of video lottery gaming facilities, the Catskill regional off-track  
23 betting corporation shall maintain the same number of race dates at  
24 Monticello racetrack being conducted at the time it receives a license  
25 to conduct harness race meetings at such racetrack.

26 Provided, further, that nothing in this paragraph shall prevent each  
27 track from entering into an agreement, not to exceed five years, with  
28 the organization authorized to represent its horsemen to increase or  
29 decrease the portion of its vendor fee dedicated to enhancing purses at  
30 such track during the years of participation by such track, or to race  
31 fewer dates than required herein.

32 § 4. Section 1612 of the tax law is amended by adding a new subdivi-  
33 sion i to read as follows:

34 i. As consideration for operation of a video lottery gaming facility  
35 located in the counties of Broome, Chemung, Chenango, Delaware, Orange,  
36 Rockland, Dutchess, Tompkins, Putnam, or Ulster, and operated by a  
37 corporation established pursuant to section five hundred two of the  
38 racing, pari-mutuel wagering and breeding law, the division shall cause  
39 the vendor's fee to be distributed as follows after the pay out of  
40 racing support payments: (1) twenty percent shall be transferred to the  
41 county in which the vendor facility is located; and (2) the remainder  
42 shall be used for payment of the costs of the corporation's functions  
43 pursuant to section five hundred sixteen of the racing, pari-mutuel  
44 wagering and breeding law, and the net revenue remaining after payment  
45 of such costs shall be divided among the participating counties listed  
46 in this paragraph on the basis of population as defined in paragraph b  
47 of subdivision two of section five hundred sixteen of the racing, pari-  
48 mutuel wagering and breeding law.

49 § 5. Section 301 of the racing, pari-mutuel wagering and breeding law  
50 is amended by adding a new subdivision 6 to read as follows:

51 6. The board shall have the power to issue licenses to the Catskill  
52 regional off-track betting corporation or to a subsidiary of said corpo-  
53 ration for the purpose of conducting harness race meetings at Monticello  
54 racetrack and to make capital improvements to said track, provided that  
55 such corporation meets the terms and conditions for licensure as  
56 provided under this article. Notwithstanding the provisions of articles

1 five and five-A of this chapter, said corporation shall be deemed to be  
2 a harness racing corporation with respect to pari-mutuel wagering  
3 conducted at said track pursuant to this chapter, except that net reven-  
4 ues derived from such pari-mutuel wagering shall be distributed among  
5 the counties that participate in such corporation on the basis of popu-  
6 lation, as defined as the total population in each participating county  
7 shown by the latest preceding decennial federal census of the calendar  
8 year in which such distribution is to be made.

9 § 6. The opening paragraph of subdivision 1 of section 527 of the  
10 racing, pari-mutuel wagering and breeding law, as amended by chapter 243  
11 of the laws of 2020, is amended to read as follows:

12 The disposition of the retained commission from pools resulting from  
13 regular, multiple or exotic bets, as the case may be, whether placed on  
14 races run within a region or outside a region, conducted by racing  
15 corporations, harness racing associations or corporations, quarter horse  
16 racing associations or corporations or races run outside the state shall  
17 be governed by the tables in paragraphs a and b of this subdivision. The  
18 rate denominated "state tax" shall represent the rate of a reasonable  
19 tax imposed upon the retained commission for the privilege of conducting  
20 off-track pari-mutuel betting, which tax is hereby levied and shall be  
21 payable in the manner set forth in this section. Each off-track betting  
22 corporation shall pay to the commission as a regulatory fee, which fee  
23 is hereby levied, six-tenths of one percent of the total daily pools of  
24 such corporation. Each corporation shall also pay twenty percent of the  
25 breaks derived from bets on harness races and fifty percent of the  
26 breaks derived from bets on all other races to the agriculture and New  
27 York State horse breeding and development fund and to the thoroughbred  
28 breeding and development fund, the total of such payments to be appor-  
29 tioned fifty percent to each such fund. For the purposes of this  
30 section, the New York city, Suffolk, Nassau, and the Catskill regions  
31 shall constitute a single region and any thoroughbred track located  
32 within the Capital District region shall be deemed to be within such  
33 single region. A "regional meeting" shall refer to either harness or  
34 thoroughbred meetings, or both, except that a franchised corporation  
35 shall not be a regional track for the purpose of receiving distributions  
36 from bets on thoroughbred races conducted by a thoroughbred track in the  
37 Catskill region conducting a mixed meeting. With the exception of a  
38 harness racing association or corporation first licensed to conduct  
39 pari-mutuel wagering at a track located in Tioga, Saratoga, Sullivan or  
40 Westchester county after January first, two thousand five, racing corpo-  
41 rations first licensed to conduct pari-mutuel racing after January  
42 first, nineteen hundred eighty-six or a harness racing association or  
43 corporation first licensed to conduct pari-mutuel wagering at a track  
44 located in Genesee County after January first, two thousand five, and  
45 quarter horse tracks shall not be "regional tracks"; if there is more  
46 than one harness track within a region, such tracks shall evenly divide  
47 payments made pursuant to the tables in paragraphs a and b of this  
48 subdivision when neither track is running. In the event a track elects  
49 to reduce its retained percentage from any or all of its pari-mutuel  
50 pools, the payments to the track holding the race and the regional track  
51 required by paragraphs a and b of this subdivision shall be reduced in  
52 proportion to such reduction. Nothing in this section shall be construed  
53 to authorize the conduct of off-track betting contrary to the provisions  
54 of section five hundred twenty-three of this article.

55 § 7. This act shall take effect on the thirtieth day after it shall  
56 have become a law.