

2016 Annual Report
New York State Senate Committee on
Racing, Gaming and Wagering



Senator John J. Bonacic, Chairman

**Senator Joseph P. Addabbo, Jr., Ranking
Minority Member**

January 4, 2017

Senator John Flanagan
Temporary President and Majority Leader
Room 330, State Capitol Building
Albany, NY 12247

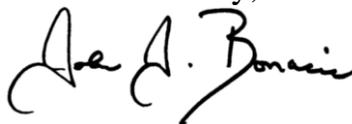
Dear Majority Leader Flanagan:

As Chairman of the New York State Senate Committee on Racing, Gaming and Wagering, I am pleased to present to you the Committee's 2016 Annual Report.

The attached report details the New York State Senate Racing, Gaming and Wagering Committee's activities over the past year. I would like to thank the Ranking Minority Member, Senator Joseph Addabbo, for his hard work and attentiveness to this committee. I would also like to thank the members of the committee for their participation and commitment.

I look forward to working with the members of New York State Senate's Committee on Racing, Gaming and Wagering to ensure that we continue to move in a positive, productive direction in 2017.

Sincerely,

A handwritten signature in black ink that reads "John J. Bonacic". The signature is written in a cursive style with a large, stylized initial "J".

JOHN J. BONACIC
State Senator

Committee Members

Senator John J. Bonacic, Chairman
Senator Joseph P. Addabbo, Jr., Ranking Minority Member

Senator Phil Boyle
Senator David Carlucci
Senator Leroy Comrie
Senator Joseph A. Griffo
Senator George Latimer
Senator Kathleen A. Marchione
Senator Michael F. Nozzolio
Senator Michael H. Ranzenhofer
Senator James Sanders, Jr.

Committee Staff

Andrew Winchell, Committee Director
David Previte, Majority Counsel
Karen Smeaton, Senate Finance Committee

Racing, Gaming and Wagering Budget Items for State Fiscal Year 2016-2017

The Legislature adopted a budget of \$113.5 million for the Gaming Commission.

The Legislature concurred with the Executive proposal for a one year extension of the deadline to receive approval for and to complete, capital projects through the Video Lottery Gaming vendor's capital award program.

The Legislature concurred with the Executive proposal to extend the pari-mutuel tax rates for simulcasting out of state races for one year.

The Legislature concurred with the Executive proposal to extend the current vendor fee rates for a vendor track in Sullivan county until April 1, 2017.

The Legislature concurred with the Executive proposal to streamline the reimbursement process for harness track judges and starters.

The Legislature concurred with the Executive's proposal to extend the blended rate to a Video Lottery facility in zone two, region six (Finger Lakes Gaming and Racetrack).

The Legislature concurred with the Executive proposal to make technical amendments to the Upstate Gaming Economic Development Act of 2013.

The Legislature modified the Executive's proposal to reduce certain purse amounts paid from the Video Lottery Terminals (VLT), and increase certain regulatory fees.

The Legislature added a provision to allow the Jockey organization to purchase health insurance coverage from outside the American Health Benefit Exchange Program under certain circumstances.

The Legislature added a provision to allow the Jockey Injury Compensation Fund, Inc. to utilize up to \$2 million of reserve funds to cover workers' compensation costs.

The Legislature added a provision to allow Nassau Off-Track Betting Corporation to contract with an existing video lottery facility to operate their 1000 VLT's.

The Legislature denies the Executive's proposal to remove certain location requirements for equine testing.

Summary of Racing, Gaming and Wagering Committee Action on Bills

Total bills referred to the Committee in 2016	46
Total bills reported from Committee in 2016	21
Total number of bills reported by Committee that passed the Senate	18
Total number of bills reported by Committee that became law in 2016	3
Total number of bills reported by Committee that were vetoed in 2016	4

**Bills Reported by Racing, Gaming and Wagering Committee that were
Enacted Into Law in 2016**

Chapter 255 of the laws of 2016 – S.6550-A Bonacic/ A.9125 Pretlow

This bill extends, for one year, the provisions of Chapter 473 of the laws of 2010 relating to the operations of the New York State Thoroughbred Breeding and Development Fund, until October 28, 2017. These provisions include: the requirement that payments to the fund be made on a quarterly basis; the authorization that sixty-five percent (65%) of revenue can be allotted to breeder awards; the authorization that six percent (6%) of revenue can be used for promoting the breeding and raising of thoroughbred horses; and the authorization that five percent (5%) of revenue can be used for administrative costs.

Chapter 291 of the laws of 2016 – S.6684 Bonacic/ A.9270 Pretlow

This bill extends, for one year, the authorization for the New York State Thoroughbred Horsemen's Association to receive an additional 1.0% of purse monies collected from the race meetings at Aqueduct, Saratoga, and Belmont racetracks, until August 31, 2017.

Chapter 434 of the laws of 2016 – S.6790 Gallivan/ A.9606 Schimminger

This bill increases the single prize limit for charitable raffles from \$100,000 to \$300,000 and the aggregate limit from \$2 million to \$3 million.

**Bills Reported by Racing, Gaming and Wagering Committee that were
Vetoed by the Governor in 2016**

Veto Number 238 of 2016 – S.5541-B Bonacic/ A.7731-B Pretlow

This bill proposed to authorize the New York Jockey Injury Compensation Fund, Inc., upon the approval of the Gaming Commission to seek to self-insure for workers' compensation coverage and to expand the its coverage mandate to include all licensed employees of licensed trainers.

Veto Number 258 of 2016 – S.7640-A/ A.10249-A Schimminger

This bill proposed to authorize charitable organizations to accept payment for raffle tickets via credit or debit card and authorize the sale of raffle tickets via the internet.

Veto Number 273 of 2016 – S.4413 Ortt/ A.3939 Ceretto

This bill proposed to allow individuals who are sixteen or seventeen years old to assist in the conduct of charitable bingo games.

Veto Number 302 of 2016 – S.4237-A Gallivan/ A.10510 Peoples-Stokes

This bill proposed to extend the distance which a VLT facility may be from a class III Native American Casino and receive a preferential vendor fee from 15 to 40 miles.

**Other Items of Interest to the Racing, Gaming and Wagering Committee in
2016**

On August 30, 2016 the Gaming Commission officially awarded a license to operate a casino gaming facility to Tioga Downs which opened on December 2, 2016.

As of the end of 2016 legislation to transition control of the New York Racing Association from the publicly controlled reorganization board to private control (S.7918-A Bonacic/ A.10429 Woerner) had been sent to the Governor for his review. The term of the publicly controlled reorganization board had been previously extended an additional year by Part C of Chapter 73 of the Laws of 2016 (S.8159 Flanagan/ A.10741 Rules (Farrell)).