

1 **2021 NYSAC Fall Seminar**
2 **Standing Committee on Native American Affairs & Gaming**
3 **Resolution #3**

4 **Resolution Calling on the State to Equitably Distribute Gaming Revenue to**
5 **all New York Counties and to Make Whole Counties Impacted by the State’s**
6 **Gaming Revenue Cuts**

7 **WHEREAS**, the enacted 2022 State Budget changed the statewide gaming industry by:
8 1) legalizing mobile sports gaming; and 2) reducing the percentage of gaming revenue
9 collected from casinos to the State thereby reducing the amount on an annual basis
10 distributed to local governments; and

11 **WHEREAS**, these proposed changes directly impact the current local government
12 revenue sharing system; and

13 **WHEREAS**, in addition to these new State created changes, the State and Seneca
14 Nation compact settlements are still stalled, heavily impacting local governments that
15 depend on this revenue that is generated from gaming in Western New York, while
16 revenue generated from Saint Regis Mohawk Tribe gaming in Northern New York has
17 not been distributed to counties since the last quarter of 2019; and

18 **WHEREAS**, the State’s gaming revenue sharing system brings hundreds of millions of
19 dollars to local governments and has become crucial support of funding needed to
20 operate local government services; and

21 **WHEREAS**, any disruption to this sharing system directly impacts a local
22 government’s ability to provide these crucial services; and

23 **WHEREAS**, the mobile sports gaming system did not allow for a revenue sharing
24 system with local governments or for gaming system government partners such as OTB
25 and racetracks, yet this system has the potential to pull gaming from more traditional
26 forms that do share revenue with counties; and

27 **WHEREAS**, the 2022 State Budget lowered the tax levels paid by commercial casinos
28 in order to help their business viability in the market; and

29 **WHEREAS**, this lowering of State tax percent may be of benefit to the casinos and
30 therefore good for their long-term health, which is good for both these businesses and
31 the communities by which they reside; and

32 **WHEREAS**, however, because local governments are dependent on the State tax rate
33 for shared gaming revenue, any decrease made by the State in their \$212 billion overall
34 budget cannot coincide with a loss to such local government; and

1 **WHEREAS**, any annual local government decrease caused by State changes to the
2 gaming taxing rate must be met by the State to support local government services; and

3 **WHEREAS**, NYSAC thanks and supports the State for adding \$7 million to local
4 governments in recognition of this fact and to offset the change in the 2022 State
5 Budget; and

6 **WHEREAS**, New York State has not been receptive to the resolution of these upstate
7 county needs by easing the financial burden created by the State's failure to resolve the
8 issue; and

9 **WHEREAS**, however, this \$7 million was one-time funding, while the tax cut is
10 permanent; and

11 **WHEREAS**, a new governor, Governor Hochul with a fresh perspective which is
12 informed with a deep understanding of upstate issues offers an opportunity to move the
13 issue to completion.

14 **NOW, THEREFORE, BE IT RESOLVED**, the New York State Association of
15 Counties (NYSAC) calls on the State to make a permanent annual appropriation to offset
16 any local funding decrease that results from the State's private casino tax reduction; and

17 **BE IT FURTHER RESOLVED**, mobile sports betting should also allow for system
18 operation and revenue sharing that meets local needs, including the creation and
19 retention of local jobs and shared revenue with local governments in order to meet the
20 increased government service needs that comes with such proposals; and

21 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties
22 of New York State encouraging member counties to enact a similar resolution; and

23 **BE IT FURTHER RESOLVED**, that NYSAC shall forward copies of this resolution to
24 Governor Kathy Hochul, the New York State Legislature and all others deemed
25 necessary and proper.