

PROGRAM BILL # 30

GOVERNOR'S PROGRAM BILL 2012

MEMORANDUM

CONCURRENT RESOLUTION OF THE SENATE AND ASSEMBLY

Proposing an amendment to subdivision 1 of section 9 of article 1 of the constitution, in relation to casino gambling in the state

Purpose:

Provides for the authorization of commercial casino gambling in New York State.

Summary of provisions:

Article 1, Section 9 of the State Constitution would be amended to allow no more than seven casinos as authorized and prescribed by the legislature.

Existing Law:

Article 1, Section 9 of the State Constitution generally proscribes all gambling except for four exceptions. These four exceptions are: (1) pari-mutuel wagering on horse racing; (2) State lotteries; (3) bingo conducted by certain charitable, non-profit and religious organizations; and (4) games of chance conducted by these same charitable, non-profit, and religious organizations.

Justification:

Casino gaming has significant potential to be a major economic engine for New York State and the fact is that gaming already exists throughout the State but the State is unable to fully capitalize on it. Native Americans have five casinos and there are nine racinos at the racetracks in New York State. In fact, New York State now has more than 29,000 electronic gambling machines – more than Atlantic City, and more than any state in the Northeast or Midwest.

New York State is also surrounded by gambling. States and Canadian provinces just across the State's borders have legalized casino gambling and they are the beneficiaries of the tourism, revenue, and good jobs that could be in New York.

It is estimated that over \$1 billion of economic activity can be generated from casino gaming and passing a Constitutional amendment would allow New York to maximize opportunities. Limiting casino gambling to between three and eight facilities guarantees there will not be an excessive proliferation of casinos within New York State.

Legislative History:

Over the past 40 years, numerous resolutions have been introduced to amend the Constitution in New York State to authorize commercial casino gambling. None of these proposals have achieved the required second passage by the legislature and have never been subject to a vote of the electorate. In 2011, Assembly Bill No. 3293/Senate Bill No. 3326, Assembly Bill No. 3605/Senate Bill No. 3327, and Assembly Bill No. 6753 were introduced to authorize casino gambling. None of the bills were acted on.

Budget Implications:

There are no immediate budget implications since the Constitutional amendment cannot go into effect until January 1, 2014. Future budget implications would depend on the enabling legislation that would accompany passage of the amendment.

Effective Date:

Constitutional amendments require the passage of a concurrent resolution by two separately elected Legislatures and subsequent approval by the voters. As a result, the amendment could not take effect until January 1, 2014.