

# PROGRAM BILL # 26

## 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:

To provide 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 authorize casino gambling as regulated by the state.

#### 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 we need to confront the reality of gaming in New York State. That reality is that we already have gaming throughout the State. While we do not fully regulate, realize it, or capitalize on it, we have gaming. Native Americans have five casinos in New York, and we have nine racinos at our racetracks. 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 our borders have legalized casino gambling. Our competitor states and provinces get the tourism, revenue, and good jobs that belong here.

It is estimated that over \$1 billion of economic activity can be generated from casino gaming. Passing a constitutional amendment would allow New York to do gaming right.

#### **LEGISLATIVE HISTORY:**

Over the past 40 years, numerous resolutions have been introduced to amend the State Constitution 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 be dependent on the nature of the State's regulation of such gambling.

#### **EFFECTIVE DATE:**

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