



NEW YORK STATE SENATOR

Robert G. Ortt

Ortt Introduces Legislation to Renew and Amend Casino Funding Formula

ANTOINETTE DELBEL February 23, 2016

| ISSUE: **ECONOMIC DEVELOPMENT JOBS**

ALBANY –Senator Rob Ortt (R,C,I – North Tonawanda) has introduced legislation that would change the state’s funding formula for the Seneca Niagara Casino and allow the host city of Niagara Falls to keep a greater percentage of the net drop from slot machine revenue. The funding formula, known as the 99-h law, which determines the percentage of slot profits municipal governments and the state receive, is set to expire at the end of this year.

The Senator’s amended bill would flip the current casino formula, so that of the negotiated net drop of slot machine revenue, the City of Niagara Falls would receive 75 percent and the state would receive 25 percent. As it stands now, the state receives 75 percent (of the negotiated 25 percent net drop) and the city receives 25 percent to divvy up among the stakeholders.

“The 99-h law was negotiated 10 years ago and since then, gaming competition across New York State has increased causing Seneca Niagara Casino revenue to dip,” **said Senator Ortt.**

“Without adjustments to the formula, stakeholders would receive a smaller piece of the pie over the next several years. And, as the state secures its estimated billion dollar surplus from windfall cash, the time to act is now.”

Senator Ortt first proposed the idea in November when he unveiled his “**Revitalize Niagara Plan**.” In addition, a letter, which can be viewed [here](#), was sent to the governor that same month outlining the plan and proposed amendments to the 99-h law.

If passed, the amended law would set aside 40 percent specifically for economic development and job creation. A nine-member economic development advisory group would be appointed to allocate funds and incentives to current and new businesses in downtown Niagara Falls. The focus would be to create jobs.

“The current formula has failed to develop downtown or create jobs,” **said Senator Ortt**. “By being proactive and appointing an advisory group, we will increase strict accountability to ensure funds are dedicated to economic development, and used transparently, effectively and efficiently.”

Additionally, 41.5 percent would be allocated to current and new entities. Current entities include the following: the Niagara Falls City School District; Niagara Falls Memorial Medical Center; the Niagara Tourism and Convention Corp. (NTCC); the Niagara Frontier Transportation Authority (NFTA); and city programs. New entities would include: the Niagara Falls Housing Authority; the Aquarium of Niagara; Mount St. Mary’s Neighborhood Health Center; and the WNY First Response & Preparedness Center. Money will no longer be allocated for the Niagara Falls Underground Railroad Heritage Area Commission, which was established in 2008.

A breakdown of the percentages for each entity can be viewed [here](#).

RELATED LEGISLATION

2015-S6795

- Introduced
- - In Committee Assembly
 - In Committee Senate
- - On Floor Calendar Assembly
 - On Floor Calendar Senate
- - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
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Relates to the sharing of revenue from gaming devices located within the county of Niagara

February 23, 2016

In Senate Committee **Finance**

Sponsored by **Robert G. Ort**

Do you support this bill?