



NEW YORK STATE SENATOR

Joseph A. Griffo

Sen. Griffo sends letter to Governor, state budget director following reports del Lago casino faces revenue struggles, seeks bailout

JOSEPH A. GRIFFO March 28, 2018

| ISSUE: **UPSTATE CASINOS GAMING**

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State Sen. Joseph Griffo, R-Rome, and a member of the Senate's Racing, Gaming and Wagering Committee, today sent a letter to Gov. Andrew Cuomo and New York State Division of Budget Director Robert Mujica following reports that the del Lago Casino & Resort in Seneca County is struggling with revenue and is seeking a bailout from the state.

The full text of Sen. Griffo's letter is below:

March 27, 2018

Gov. Andrew Cuomo
State of New York
Albany, NY

Dear Gov. Cuomo,

The purpose of this letter is to outline concerns that I have following reports that the del Lago Casino & Resort in Seneca County is struggling with revenue and is seeking a bailout from New York State.

From the very beginning, I have had concerns with the site selection process and the rapid pace and the proliferation of gaming facilities throughout the state and previously urged the New York State Gaming Commission to reconsider some of the decisions made by the Gaming Facility Location Board that I believed would be economically detrimental to Upstate New York.

The news that del Lago is struggling with revenue is disappointing, concerning and unsettling. When gaming expansion began, New Yorkers were told by the Governor that the new casinos would support tourism, bring more jobs and more revenue to support schools and lower taxes. It now appears that that is not the case and this is another illustration of bad planning, bad siting and bad decision making.

Del Lago is not generating as much revenue as promised and the casino is seeking a bailout with taxpayer money after not meeting its revenue projection in the casino's first year. Del Lago has been a recipient of a number of local tax breaks and economic incentives. It is paying approximately \$43 million in "gaming taxes" annually, already far below the original projections of the payments they were going to make to State Education Aid and their surrounding localities. Now, del Lago wants a tax break somewhere around \$14 million, which is almost a full one-third of the already lower-than-expected amount they are currently paying in taxes to the state and localities.

I do not believe that bailing out this casino with people's hard-earned tax dollars is the appropriate way to go about addressing this issue, especially given the fact that there are other gaming facilities with video lottery terminals who continue to struggle as a result of casino decisions and have not received the same level of support now being requested.

Our state has more pressing needs in areas such as health care, education and infrastructure. It would be inappropriate to devote public revenues to a private casino corporation when the people of New York

were promised after the casino referendum that these casinos would be generating revenue for their local economies and would become economic engines themselves.

I look forward to a response from you.

Sincerely,

*Joseph A. Griffo
State Senate, 47th District*

cc. Robert Mujica, director, New York State Division of Budget

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