



NEW YORK STATE SENATOR

George M. Borrello

## Senator George Borrello Introduces Bill to Require Comptroller Review of Tribal-State Compacts

GEORGE M. BORRELLO June 1, 2023

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ALBANY – As negotiations on a new gaming compact continue between New York State and the Seneca Nation, Senator George Borrello has introduced **legislation** that would enhance the integrity of the process by authorizing the New York State Comptroller to review any tribal-state compact and recommend approval or needed changes.

Senator Borrello cited the need for this change by pointing to current negotiations between the Seneca Nation and the Hochul administration. He noted that although the Governor has recused herself from compact negotiations because of the conflict of interest presented by her husband's position with a company in competition with the Seneca Nation, she is still the only official that can approve the contract.

“The partnership between the Seneca Nation and New York's Executive Branch has been strained for several years, largely over disagreements concerning revenue from Seneca casinos. Those tensions, combined with the Governor's institutional role in the process which makes full recusal difficult, underscore the importance of a full and impartial review by the State Comptroller,” said Senator Borrello. “There is too much at stake, not only for the Senecas but for the state, to allow the process to be compromised by politics and conflict. This is a common-sense proposal that would improve the process and help ensure a fair outcome.”

The original Seneca Nation Compact was authorized in 2002. The agreement cleared the way for the development of three Seneca casinos in Western New York. The Seneca Niagara Casino opened in 2002, followed by the Salamanca location in 2004 and the Buffalo location in 2007. Terms of the compact included the Seneca Nation paying 25 percent, which is approximately \$100 million a year, of the slot and video lottery machine revenues to the state, with a portion of that directed to each casino's host city. In return, the compact grants the Nation exclusive rights to operate Class III casinos in Western New York.

The casinos and their related businesses have an estimated \$1 billion annual economic impact on Western New York and provide more than 6,000 jobs.

“The Seneca Nation territories and residents are within the 57<sup>th</sup> District which makes this issue a priority for me. They are friends and neighbors to me and other district residents, so

the delays and challenges they are encountering in the negotiating process are a significant concern," said Senator Borrello. "Their world-class gaming facilities have transformed the economy of Western New York and they have been good partners to the state. They deserve a fair and equitable compact and my bill would help advance that goal."

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