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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2008

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT

Introduced By: Senators Moura, Goodwin, and Maselli

Date Introduced: January 02, 2008

Referred To: Senate Constitutional & Regulatory Issues

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 42-61.2-6 and 42-61.2-7 of the General Laws in Chapter 42-61.2
2 entitled "Video Lottery Terminal" are hereby amended to read as follows:

3 **42-61.2-6. When games may be played.** – (a) Video lottery games authorized by this
4 chapter may be played at the licensed video lottery retailer's facilities with the approval of the
5 lottery commission even if that facility is not conducting a pari-mutuel event.

6 (b) Upon the effective date of this section, the facilities known as "Twin River" in
7 Lincoln, Rhode Island, and "Newport Grand" in Newport, Rhode Island, are directed to maintain
8 and operate all video lottery games which said facilities are authorized to conduct on a twenty-
9 four (24) hour basis, on weekends and federally recognized holidays. For purposes of operating
10 these additional hour on weekends, the facility shall open at its regularly scheduled time on
11 Friday, and then remain open through to its regular closing time on Sunday evening, except that if
12 the federal holiday is recognized on a Monday, the facility shall remain open through to that
13 Monday and close at the normal closing time on Monday. For purposes of operating these
14 additional hours on federally recognized holidays, the facility shall open at its regular time on the
15 day preceding the holiday, and then remain open through to what would be its regular closing
16 time on the holiday. It shall be the duty of the pari-mutuel licensees operating the respective
17 facilities, under the supervision of the division of state lottery, to account for the amount of funds
18 generated during and by these additional hours of operation.

19 **42-61.2-7. Division of revenue.** -- (a) Notwithstanding the provisions of section 42-61-

1 15, the allocation of net terminal income derived from video lottery games is as follows:

2 (1) For deposit in the general fund and to the state lottery division fund for
3 administrative purposes: Net terminal income not otherwise disbursed in accordance with
4 subdivisions (a)(1) -- (a)(6) and (a)(8) herein;

5 (i) Nineteen one hundredths of one percent (0.19%) up to a maximum of twenty million
6 dollars (\$20,000,000) shall be equally allocated to the distressed communities as defined in
7 section 45-13-12 provided that no eligible community shall receive more than twenty-five percent
8 (25%) of that community's currently enacted municipal budget as its share under this specific
9 subsection. Distributions made under this specific subsection are supplemental to all other
10 distributions made under any portion of general laws section 45-13-12.

11 (ii) Five one hundredths of one percent (0.05%) up to a maximum of five million dollars
12 (\$5,000,000) shall be appropriated to property tax relief to fully fund the provisions of section 44-
13 33-2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum
14 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit
15 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be
16 less than the prior fiscal year.

17 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund section 44-34.1-
18 1, entitled "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum
19 amount to the nearest two hundred fifty dollar (\$250) increment within the allocation. In no event
20 shall the exemption in any fiscal year be less than the prior fiscal year.

21 (iv) Ten one hundredths of one percent (0.10%) to a maximum of ten million dollars
22 (\$10,000,000) for supplemental distribution to communities not included in paragraph (a)(1)(i)
23 above distributed proportionately on the basis of general revenue sharing distributed for that
24 fiscal year.

25 (2) To the licensed video lottery retailer:

26 (a) (i) Prior to the effective date of the NGJA Master Contract, Newport Jai Ali twenty-
27 six percent (26%) minus three hundred eighty four thousand nine hundred ninety-six dollars
28 (\$384,996);

29 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video
30 lottery retailer who is a party to the NGJA Master Contract, all sums due and payable under said
31 Master Contract minus three hundred eighty four thousand nine hundred ninety-six dollars
32 (\$384,996).

33 (b) (i) Prior to the effective date of the UTGR Master Contract, to the present licensed
34 video lottery retailer at Lincoln Park which is not a party to the UTGR Master Contract, twenty-

1 eight and eighty-five one hundredths percent (28.85%) minus seven hundred sixty-seven
2 thousand six hundred eighty-seven dollars (\$767,687);

3 (ii) On and after the effective date of the UTGR Master Contract, to the licensed video
4 lottery retailer who is a party to the UTGR Master Contract, all sums due and payable under said
5 Master Contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars
6 (\$767,687).

7 (3) (i) To the technology providers who are not a party to the GTECH Master Contract
8 as set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net
9 terminal income of the provider's terminals;

10 (ii) To contractors who are a party to the Master Contract as set forth and referenced in
11 Public Law 2003, Chapter 32, all sums due and payable under said Master Contract;

12 (iii) Notwithstanding paragraphs (i) and (ii) above, there shall be subtracted
13 proportionately from the payments to technology providers the sum of six hundred twenty-eight
14 thousand seven hundred thirty-seven dollars (\$628,737);

15 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal
16 income of authorized machines at Newport Grand and to the town of Lincoln one and twenty-six
17 hundredths (1.26%) of net terminal income of authorized machines at Lincoln Park; and

18 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net
19 terminal income of authorized machines at Lincoln Park up to a maximum of ten million dollars
20 (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the account of a
21 Tribal Development Fund to be used for the purpose of encouraging and promoting: home
22 ownership and improvement, elderly housing, adult vocational training; health and social
23 services; childcare; natural resource protection; and economic development consistent with state
24 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility
25 in which the Narragansett Indians are entitled to any payments or other incentives; and provided
26 further, any monies distributed hereunder shall not be used for, or spent on previously contracted
27 debts.

28 (6) Unclaimed prizes and credits shall remit to the general fund of the state;

29 (7) Payments into the state's general fund specified in subdivisions (a)(1) and (a)(6) shall
30 be made on an estimated monthly basis. Payment shall be made on the tenth day following the
31 close of the month except for the last month when payment shall be on the last business day.

32 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO STATE AFFAIRS AND GOVERNMENT

1 This act would require the operation of video lottery games on a twenty-four hour basis at
2 the Twin River and Newport Grand facilities.

3 This act would take effect upon passage.

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