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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO AUTHORIZING AN AMENDMENT TO THE NEWPORT GRAND MASTER  
VIDEO LOTTERY TERMINAL CONTRACT AND PARI-MUTUEL LICENSEES

Introduced By: Senators Goodwin, Crowley, and Ciccone

Date Introduced: June 03, 2015

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1            [SECTION 1. Unless otherwise amended by this act, Chapter 151, Article 25 of the Public](#)  
2            [Laws of 2011, Chapter 289 of the Public Laws of 2012 or Chapter 145, Article 13 of the Public](#)  
3            [Laws of 2014, the terms, conditions, provisions and definitions of Chapter 16 of the Public Laws](#)  
4            [of 2010 are hereby incorporated by reference and shall remain in full force and effect.](#)

5            SECTION 2. Chapter 16 of the Public Laws of 2010, entitled "An Act Relating to  
6            Authorizing the First Amendments to the Master Video Lottery Terminal Contracts," as amended,  
7            is hereby further amended as follows: Part B, Section 4(a)(i) is hereby amended to read as  
8            follows:

9            (i) to provide for a Newport Grand Term commencing on the effective date of the  
10           Newport Grand Master Contract and continuing through and including the fifth (5th) anniversary  
11           of such effective date; provided that Newport Grand shall have two (2) successive five (5) years  
12           extension options with the First Extension Term, as defined in the Newport Grand Master  
13           Contract, commencing on November 23, 2010 and the Second Extension Term, commencing on  
14           November 23, 2015. Except as otherwise provided herein in section 4(a)(vii), the exercise of the  
15           option to extend said Master Contract shall be subject to the terms and conditions of section 2.3  
16           of the Newport Grand Master Contract; provided however, section 2.3B of the Newport Grand's  
17           Master Contract shall be amended such that with respect to ~~UTGR's~~ [Newport Grand's](#) exercise of  
18           its option to extend for the Second Extension Term, Newport Grand shall be required to certify to

1 the Division that (i) there are ~~180~~ one hundred (100) full-time equivalent employees at the  
2 Newport Grand facility on the date of the exercise of the option for the Second Extension Term;  
3 and (ii) for the one-year period preceding the date said Second Extension Term option is  
4 exercised, there had been ~~180~~ one hundred (100) full-time equivalent employees on average, as  
5 the term full-time equivalent employee is defined in section 2.3B of the Newport Grand Master  
6 Contract and as confirmed by the Rhode Island department of labor and training. In the event that  
7 Newport Grand is licensed to host video lottery games and table games at a facility relocated to a  
8 location outside the City of Newport and actually offers video lottery games and table games to  
9 patrons at such relocated facility, then Newport Grand shall, no later than the six (6) month  
10 anniversary of all such events occurring, certify to the Division that there are one hundred eighty  
11 (180) full-time equivalent employees at the relocated Newport Grand facility on such date, and in  
12 the event Newport Grand is unable to timely make the foregoing certification, the Newport Grand  
13 Master Contract shall automatically terminate as of the one year anniversary of all such events  
14 occurring.

15 SECTION 3. Authorized Procurement of Fourth Amendment to the Newport Grand  
16 Master Contract. Notwithstanding any provision of the general or Public Laws to the contrary, the  
17 Division is hereby expressly authorized and directed to enter into with Newport Grand a Fourth  
18 Amendment to the Newport Grand Master Contract to make the Newport Grand Master Contract  
19 consistent with the provisions of this act, as follows:

20 (a) To require that Newport Grand, in connection with exercising its option to extend for  
21 the Second Extension Term, certify to the Division that: (i) There are one hundred (100) full-time  
22 equivalent employees at the Newport Grand facility on the date of the exercise of the option for  
23 the Second Extension Term; and (ii) For the one-year period preceding the date said Second  
24 Extension Term option is exercised, there had been one hundred (100) full-time equivalent  
25 employees on average, as the term full-time equivalent employee is defined in section 2.3B of the  
26 Newport Grand Master Contract and as confirmed by the Rhode Island Department of Labor and  
27 Training. In the event that Newport Grand is licensed to host video lottery games and table games  
28 at a facility relocated to a location outside the City of Newport and actually offers video lottery  
29 games and table games to patrons at such relocated facility, then Newport Grand shall, no later  
30 than the six (6) month anniversary of all such events occurring, certify to the Division that there  
31 are one hundred eighty (180) full-time equivalent employees at the relocated Newport Grand  
32 facility on such date, and in the event Newport Grand is unable to timely make the foregoing  
33 certification, the Newport Grand Master Contract shall automatically terminate as of the one year  
34 anniversary of all such events occurring.

1 SECTION 4. Section 41-7-3 of the General Laws in Chapter 41-7 entitled "Jai Alai" is  
2 hereby amended to read as follows:

3 **41-7-3. Regulation of operations -- Licensing.** -- (a) The division of racing and athletics  
4 is hereby authorized to license jai alai in the city of Newport. The operation of a fronton shall be  
5 under the division's supervision. The division is hereby authorized to issue rules and regulations  
6 for the supervision of the operations.

7 (b) Any license granted under the provisions of this chapter shall be subject to the rules  
8 and regulations promulgated by the division and shall be subject to suspension or revocation for  
9 any cause which the division shall deem sufficient after giving the licensee a reasonable  
10 opportunity for a hearing at which he or she shall have the right to be represented by counsel. If  
11 any license is suspended or revoked, the division shall state the reasons for the suspension or  
12 revocation and cause an entry of the reasons to be made on the record books of the division.

13 (c) Commencing July 1, 2003, the division of racing and athletics shall be prohibited to  
14 license jai alai in the city of Newport. Any license having been issued and in effect as of that date  
15 shall be null and void and any licensee shall be prohibited from operating thereunder; provided,  
16 however, that any entity having been issued a license to operate a jai alai fronton prior to July 1,  
17 2003, [and any successor in interest to such entity by reason of acquiring the stock or substantially](#)  
18 [all of the assets of such entity](#), shall be deemed a pari-mutuel licensee as defined in § 42-61.2-1 et  
19 seq., and a licensee as defined in § 41-11-1 et seq.

20 SECTION 5. Section 42-61.2-1 of the General Laws in Chapter 42-61.2 entitled "Video  
21 Lottery Terminal" is hereby amended to read as follows:

22 **42-61.2-1. Definitions.** -- For the purpose of this chapter, the following words shall  
23 mean:

24 (1) "Central communication system" means a system approved by the lottery division,  
25 linking all video lottery machines at a licensee location to provide auditing program information  
26 and any other information determined by the lottery. In addition, the central communications  
27 system must provide all computer hardware and related software necessary for the establishment  
28 and implementation of a comprehensive system as required by the division. The central  
29 communications licensee may provide a maximum of fifty percent (50%) of the video lottery  
30 terminals.

31 (2) "Licensed video lottery retailer" means a pari-mutuel licensee specifically licensed  
32 by the director subject to the approval of the division to become a licensed video lottery retailer.

33 (3) "Net terminal income" means currency placed into a video lottery terminal less  
34 credits redeemed for cash by players.

1 (4) "Pari-mutuel licensee" means an entity licensed and authorized to conduct:

2 (i) Dog racing, pursuant to chapter 3.1 of title 41; and/or

3 (ii) Jai-alai games, pursuant to chapter 7 of title 41.

4 (5) "Technology provider" means any individual, partnership, corporation, or association  
5 that designs, manufactures, installs, maintains, distributes, or supplies video lottery machines or  
6 associated equipment for the sale or use in this state.

7 (6) "Video lottery games" means lottery games played on video lottery terminals  
8 controlled by the lottery division.

9 (7) "Video lottery terminal" means any electronic computerized video game machine  
10 that, upon the insertion of cash or any other representation of value that has been approved by the  
11 division of lotteries, is available to play a video game authorized by the lottery division, and that  
12 uses a video display and microprocessors in which, by chance, the player may receive free games  
13 or credits that can be redeemed for cash. The term does not include a machine that directly  
14 dispenses coins, cash, or tokens.

15 (8) "Casino gaming" means any and all table and casino-style games played with cards,  
16 dice, or equipment, for money, credit, or any representative of value; including, but not limited to,  
17 roulette, blackjack, big six, craps, poker, baccarat, paigow, any banking or percentage game, or  
18 any other game of device included within the definition of Class III gaming as that term is  
19 defined in Section 2703(8) of Title 25 of the United States Code and that is approved by the state  
20 through the division of state lottery.

21 (9) "Net table game revenue" means win from table games minus counterfeit currency.

22 (10) "Rake" means a set fee or percentage of cash and chips representing cash wagered  
23 in the playing of a nonbanking table game assessed by a table games retailer for providing the  
24 services of a dealer, gaming table or location, to allow the play of any nonbanking table game.

25 (11) "Table game" or "Table gaming" means that type of casino gaming in which table  
26 games are played for cash or chips representing cash, or any other representation of value that has  
27 been approved by the division of lotteries, using cards, dice, or equipment and conducted by one  
28 or more live persons.

29 (12) "Table game retailer" means a retailer authorized to conduct table gaming pursuant  
30 to §§ 42-61.2-2.1 and 42-61.2-2.2.

31 (13) "Credit facilitator" means any employee of Twin River approved in writing by the  
32 division whose responsibility is to, among other things, review applications for credit by players,  
33 verify information on credit applications, grant, deny and suspend credit, establish credit limits,  
34 increase and decrease credit limits, and maintain credit files, all in accordance with this chapter

1 and rules and regulations approved by the division.

2 (14) "Newport Grand" means Newport Grand, LLC, a Rhode Island limited liability  
3 company, successor to Newport Grand Jai Alai, LLC, and each permitted successor to and  
4 assignee of Newport Grand, LLC under the Newport Grand Master Contract, provided it is a pari-  
5 mutuel licensee as defined in § 42-61.2-1 et seq.; provided, however, where the context indicates  
6 that the term is referring to the physical facility, then it shall mean the gaming and entertainment  
7 facility located at 150 Admiral Kalbfus Road, Newport, Rhode Island.

8 (15) "Newport Grand Marketing Year" means each fiscal year of the state or a portion  
9 thereof between November 23, 2010 and the termination date of the Newport Grand Master  
10 Contract.

11 (16) "Newport Grand Master Contract" means that certain master video lottery terminal  
12 contract made as of November 23, 2005 by and between the Division of Lotteries of the Rhode  
13 Island Department of Administration and Newport Grand, as amended and extended from time to  
14 time as authorized therein and/or as such Newport Grand Master Contract may be assigned as  
15 permitted therein.

16 SECTION 6. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video  
17 Lottery Terminal" is hereby amended to read as follows:

18 **42-61.2-7. Division of revenue. [Contingent effective date; see note.] --** (a)  
19 Notwithstanding the provisions of § 42-61-15, the allocation of net, terminal income derived from  
20 video lottery games is as follows:

21 (1) For deposit in the general fund and to the state lottery division fund for  
22 administrative purposes: Net, terminal income not otherwise disbursed in accordance with  
23 subdivisions (a)(2) -- (a)(6) inclusive;

24 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one  
25 percent (0.19%), up to a maximum of twenty million dollars (\$20,000,000), shall be equally  
26 allocated to the distressed communities as defined in § 45-13-12 provided that no eligible  
27 community shall receive more than twenty-five percent (25%) of that community's currently  
28 enacted municipal budget as its share under this specific subsection. Distributions made under  
29 this specific subsection are supplemental to all other distributions made under any portion of  
30 general laws § 45-13-12. For the fiscal year ending June 30, 2008, distributions by community  
31 shall be identical to the distributions made in the fiscal year ending June 30, 2007, and shall be  
32 made from general appropriations. For the fiscal year ending June 30, 2009, the total state  
33 distribution shall be the same total amount distributed in the fiscal year ending June 30, 2008, and  
34 shall be made from general appropriations. For the fiscal year ending June 30, 2010, the total

1 state distribution shall be the same total amount distributed in the fiscal year ending June 30,  
2 2009, and shall be made from general appropriations, provided, however, that seven hundred  
3 eighty-four thousand four hundred fifty-eight dollars (\$784,458) of the total appropriation shall  
4 be distributed equally to each qualifying distressed community. For each of the fiscal years  
5 ending June 30, 2011, June 30, 2012, and June 30, 2013, seven hundred eighty-four thousand four  
6 hundred fifty-eight dollars (\$784,458) of the total appropriation shall be distributed equally to  
7 each qualifying distressed community.

8 (ii) Five one hundredths of one percent (0.05%), up to a maximum of five million dollars  
9 (\$5,000,000), shall be appropriated to property tax relief to fully fund the provisions of § 44-33-  
10 2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum  
11 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit  
12 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be  
13 less than the prior fiscal year.

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

18 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent  
19 (0.10%), to a maximum of ten million dollars (\$10,000,000), for supplemental distribution to  
20 communities not included in subsection (a)(1)(i) above distributed proportionately on the basis of  
21 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008,  
22 distributions by community shall be identical to the distributions made in the fiscal year ending  
23 June 30, 2007, and shall be made from general appropriations. For the fiscal year ending June 30,  
24 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010, and thereafter,  
25 funding shall be determined by appropriation.

26 (2) To the licensed, video-lottery retailer:

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

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

34 (iii) [\(A\)](#) Effective July 1, 2013, the rate of net, terminal income payable to Newport

1 Grand, ~~LLC~~ under the Newport Grand ~~master contract~~ Master Contract shall increase by two and  
2 one quarter ~~percent~~ (2.25%) percentage points- (i.e., x% plus 2.25 percentage points equals (x +  
3 2.25)%, where "x%" is the current rate of net terminal income payable to Newport Grand). The  
4 dollar amount of additional net terminal income paid to Newport Grand with respect to any  
5 Newport Grand Marketing Year as a result of such increase in rate shall be referred to as  
6 "Additional Newport Grand Marketing NTI."

7 (B) The excess, if any, of Newport Grand's marketing expenditures with respect to a  
8 Newport Grand Marketing Year over one million four hundred thousand dollars (\$1,400,000)  
9 shall be referred to as the "Newport Grand Marketing Incremental Spend." Beginning with the  
10 Newport Grand Marketing Year that starts on July 1, 2015, after the end of each Newport Grand  
11 Marketing Year, Newport Grand shall pay to the Division the amount, if any, by which the  
12 Additional Newport Grand Marketing NTI for such Newport Grand Marketing Year exceeds the  
13 Newport Grand Marketing Incremental Spend for such Newport Grand Marketing Year; provided  
14 however, that Newport Grand's liability to the Division hereunder with respect to any Newport  
15 Grand Marketing Year shall never exceed the Additional Newport Grand Marketing NTI paid to  
16 Newport Grand with respect to such Newport Grand Marketing Year.

17 (C) The increase ~~herein~~ in rate of net terminal income payable to Newport Grand  
18 provided for in subsection (a)(2)(a)(iii)(A) and the provisions of subsection (a)(2)(a)(iii)(B) shall  
19 sunset and expire on June 30, ~~2015~~ 2017, and the rate in effect as of June 30, 2013, shall be  
20 reinstated.

21 (b) (i) Prior to the effective date of the UTGR master contract, to the present licensed,  
22 video-lottery retailer at Lincoln Park, which is not a party to the UTGR, master contract, twenty-  
23 eight and eighty-five one hundredths percent (28.85%), minus seven hundred sixty-seven  
24 thousand six hundred eighty-seven dollars (\$767,687);

25 (ii) On and after the effective date of the UTGR master contract, to the licensed, video-  
26 lottery retailer that is a party to the UTGR master contract, all sums due and payable under said  
27 master contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars  
28 (\$767,687).

29 (3) (i) To the technology providers that are not a party to the GTECH Master Contract as  
30 set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net, terminal  
31 income of the provider's terminals; in addition thereto, technology providers that provide  
32 premium or licensed proprietary content or those games that have unique characteristics, such as  
33 3D graphics; unique math/game play features; or merchandising elements to video lottery  
34 terminals; may receive incremental compensation, either in the form of a daily fee or as an

1 increased percentage, if all of the following criteria are met:

2 (A) A licensed, video-lottery retailer has requested the placement of premium or licensed  
3 proprietary content at its licensed, video-lottery facility;

4 (B) The division of lottery has determined in its sole discretion that the request is likely  
5 to increase net, terminal income or is otherwise important to preserve or enhance the  
6 competitiveness of the licensed, video-lottery retailer;

7 (C) After approval of the request by the division of lottery, the total number of premium  
8 or licensed, propriety-content video-lottery terminals does not exceed ten percent (10%) of the  
9 total number of video-lottery terminals authorized at the respective licensed, video-lottery  
10 retailer; and

11 (D) All incremental costs are shared between the division and the respective licensed,  
12 video-lottery retailer based upon their proportionate allocation of net terminal income. The  
13 division of lottery is hereby authorized to amend agreements with the licensed, video-lottery  
14 retailers, or the technology providers, as applicable, to effect the intent herein.

15 (ii) To contractors that are a party to the master contract as set forth and referenced in  
16 Public Law 2003, Chapter 32, all sums due and payable under said master contract; and

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

20 (4) (A) To the city of Newport one and one hundredth percent (1.01%) of net terminal  
21 income of authorized machines at Newport Grand, except that:

22 (i) Effective November 9, 2009 until June 30, 2013, the allocation shall be one and two  
23 tenths percent (1.2%) of net terminal income of authorized machines at Newport Grand for each  
24 week the facility operates video lottery games on a twenty-four-hour (24) basis for all eligible  
25 hours authorized; and

26 (ii) Effective July 1, 2015, provided that both:

27 (I) The referendum measure authorizing casino gaming at Newport Grand is approved  
28 statewide and by the city of Newport at the statewide general election to be held in November of  
29 2014; and

30 (II) The proposed amendment to the Rhode Island Constitution requiring that prior to a  
31 change in location where casino gaming is permitted in any city or town, there must be a  
32 referendum in said city or town and approval by the majority of those electors voting in said  
33 referendum on said proposed change in location in said city or town, is approved statewide at the  
34 statewide general election to be held in November of 2014, then then the allocation shall be one



1 and forty-five hundredths percent (1.45%) of net terminal income of authorized video lottery  
2 terminals at Newport Grand.

3 (iii) If, effective July 1, 2015, the conditions established in subsections (4)(A)(ii)(I and  
4 II) are met, and the following conditions in subsections (4)(A)(iii)(I through III) are met:

5 (I) ~~NGJA~~ [Newport Grand](#) or its successor has made an investment of no less than forty  
6 million dollars (\$40,000,000) exclusive of acquisition costs within three (3) years, and a  
7 certificate of completion and final approval from the city building inspector has been issued for  
8 the facility upgraded through this investment; and

9 (II) The number of video lottery terminals in operation is no fewer than those in  
10 operation as of January 1, 2014; and

11 (III) Table gaming has commenced in Newport;

12 Then in such event the allocation shall be the greater of one million dollars (\$1,000,000),  
13 or one and forty-five hundredths percent (1.45%) of net terminal income of authorized video  
14 lottery terminals at Newport Grand, except that for six (6) consecutive, full-fiscal years  
15 immediately thereafter, the allocation shall be the greater of one million five hundred thousand  
16 dollars (\$1,500,000), or one and forty-five hundredths percent (1.45%) of net-terminal income of  
17 authorized video lottery terminals at Newport Grand. Such minimum distribution shall be  
18 distributed in twelve (12) equal payments during the fiscal year.

19 (B) To the town of Lincoln one and twenty-six hundredths percent (1.26%) of net  
20 terminal income of authorized machines at Twin River except that;

21 (i) Effective November 9, 2009 until June 30, 2013, the allocation shall be one and forty-  
22 five hundredths percent (1.45%) of net terminal income of authorized machines at Twin River for  
23 each week video lottery games are offered on a twenty-four-hour (24) basis for all eligible hours  
24 authorized; and

25 (ii) Effective July 1, 2013, provided that the referendum measure authorized by Article  
26 25, Chapter 151, Section 4 of the Public Laws of 2011 is approved statewide and in the Town of  
27 Lincoln, the allocation shall be one and forty-five hundredths percent (1.45%) of net terminal  
28 income of authorized video lottery terminals at Twin River; and

29 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net  
30 terminal income of authorized machines at Lincoln Park, up to a maximum of ten million dollars  
31 (\$10,000,000) per year, that shall be paid to the Narragansett Indian Tribe for the account of a  
32 Tribal Development Fund to be used for the purpose of encouraging and promoting: home  
33 ownership and improvement; elderly housing; adult vocational training; health and social  
34 services; childcare; natural resource protection; and economic development consistent with state

1 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility  
2 in which the Narragansett Indians are entitled to any payments or other incentives; and provided  
3 further, any monies distributed hereunder shall not be used for, or spent on, previously contracted  
4 debts; and

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

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

9 (b) Notwithstanding the above, the amounts payable by the division to UTGR related to  
10 the marketing program shall be paid on a frequency agreed by the division, but no less frequently  
11 than annually.

12 (c) Notwithstanding anything in this chapter 61.2 of this title to the contrary, the director  
13 is authorized to fund the marketing program as described above in regard to the first amendment  
14 to the UTGR master contract.

15 (d) Notwithstanding the above, the amounts payable by the division to Newport Grand  
16 related to the marketing program shall be paid on a frequency agreed by the division, but no less  
17 frequently than annually.

18 (e) Notwithstanding anything in this chapter 61.2 of this title to the contrary, the director  
19 is authorized to fund the marketing program as described above in regard to the first amendment  
20 to the Newport Grand master contract.

21 (f) Notwithstanding the provisions of § 42-61-15, the allocation of net, table-game  
22 revenue derived from table-games at Twin River is as follows:

23 (1) For deposit into the state lottery fund for administrative purposes and then the  
24 balance remaining into the general fund:

25 (i) Sixteen percent (16%) of net, table-game revenue, except as provided in § 42-61.2-  
26 7(f)(1)(ii);

27 (ii) An additional two percent (2%) of net, table-game revenue generated at Twin River  
28 shall be allocated starting from the commencement of table games activities by such table-game  
29 retailer and ending, with respect to such table-game retailer, on the first date that such table-game  
30 retailer's net terminal income for a full state fiscal year is less than such table-game retailer's net  
31 terminal income for the prior state fiscal year, at which point this additional allocation to the state  
32 shall no longer apply to such table-game retailer.

33 (2) To UTGR, net, table-game revenue not otherwise disbursed pursuant to above  
34 subsection (f)(1); provided, however, on the first date that such table-game retailer's net terminal

1 income for a full state fiscal year is less than such table-game retailer's net terminal income for  
2 the prior state fiscal year, as set forth in subsection (f)(1)(ii) above, one percent (1%) of this net,  
3 table-game revenue shall be allocated to the town of Lincoln for four (4), consecutive state fiscal  
4 years.

5 (g) Notwithstanding the provisions of § 42-61-15, the allocation of net, table-game  
6 revenue derived from table games at Newport Grand is as follows:

7 (1) For deposit into the state lottery fund for administrative purposes and then the  
8 balance remaining into the general fund: eighteen percent (18%) of net, table-game revenue.

9 (2) [Deleted by P.L. 2014, ch. 436, § 1].

10 SECTION 7. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO AUTHORIZING AN AMENDMENT TO THE NEWPORT GRAND MASTER  
VIDEO LOTTERY TERMINAL CONTRACT AND PARI-MUTUEL LICENSEES

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1           This act would: (a) Change the provisions in chapter 16 of the public laws of 2010 by  
2 reducing the number of full-time equivalent employees that Newport Grand must certify it  
3 employs and would authorize the Division of Lotteries to enter into an amendment to the Master  
4 Contract to change such requirement; (b) Extend the sunset date on the 2.25% increase in net  
5 terminal income payable to Newport Grand to June 30, 2017; and (c) Provide that any successor  
6 in interest to an entity that had been issued a license to operate a jai alai fronton prior to July 1,  
7 2003 shall be deemed a pari-mutuel licensee as defined in § 42-61.2-1.

8           This act would take effect upon passage.

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