

RHODE ISLAND

TITLE 3. ALCOHOLIC BEVERAGES

CHAPTER 5. LICENSES GENERALLY

§ 3-5-23 Revocation of license for criminal offenses or disorderly conditions – Action on bond. –

(a) If any licensed person is convicted of violating any of the provisions of this title, or of chapters 6, 10, 34, 40 or 45 of title 11, or §§ 11-2-1, 11-9-13, 11-9-15, 11-11-5, 11-11-6, 11-18-2 – 11-18-4, 11-20-1, 11-20-2, 11-23-4, 11-30-1 – 11-30-11, 11-31-1 or 11-37-2 – 11-37-4, or pleads guilty or nolo contendere to any complaint or indictment under any of these provisions, or if his or her license is revoked, his or her bond shall be put in suit by the town or city treasurer of the city or town where the bond is given, and by due process of law the penal sum of the bond shall be recovered for the use of the town or city.

(b) If any licensed person permits the house or place where he or she is licensed to sell beverages under the provisions of this title to become disorderly as to annoy and disturb the persons inhabiting or residing in the neighborhood, or permits any gambling or unlawful gaming to be carried on in the neighborhood, or permits any of the laws of this state to be violated in the neighborhood, in addition to any punishment or penalties that may be prescribed by statute for that offense, he or she may be summoned before the board, body, or official which issued his or her license and before the department, when he or she and the witnesses for and against him or her may be heard. If it appears to the satisfaction of the board, body, or official hearing the charges that the licensee has violated any of the provisions of this title or has permitted any of the things listed in this section, then the board, body, or official may suspend or revoke the license or enter another order.

(c) In case the license is revoked, the licensed person after the revocation shall cease to have any authority under the license and shall be disqualified from holding any of the licenses provided for in this title for a period of five (5) years following the revocation.

(d) The revocation of a license shall not interfere with or prejudice the right of recovery upon the licensee's bond for the full amount of the bond.

CHAPTER 12. ENFORCEMENT OF TITLE

§ 3-12-1 Duty of sheriffs, constables, and police officers – Action on taxpayer's demand. –

The sheriffs of the several counties and their deputies, and the city and town sergeants, constables, officers, or members of the town or city police, and members of the division of state police, are empowered and it is made their duty to see that the provisions of this title and the rules and regulations made or authorized by the department of business regulation and the division of taxation are enforced within their counties, towns, and cities. It is their special duty to use their utmost efforts to repress and prevent crime by the suppression of unlicensed liquor shops, gambling places, and houses of ill fame, and they shall also do so on the request of any taxpayer of any town or city and may command aid in the execution of the authority conferred. Any officer within the above enumeration who willfully neglects or refuses to perform the duties imposed upon him or her by this section shall be fined not exceeding five hundred dollars (\$500) and be rendered ineligible again to be appointed to this position; provided, that the officer may after investigation, before taking any further action at the request of any taxpayer, demand that the taxpayer requesting him or her to act give a bond to secure to that officer reasonable compensation for his or her services and to protect him or her from all costs and damages that may arise from that action.

TITLE 5. BUSINESSES AND PROFESSIONS

CHAPTER 2. BOWLING ALLEYS, BILLIARD TABLES AND SHOOTING GALLERIES

§ 5-2-10 Licensing of billiard, bagatelle, pool, scippio tables and game rooms. –

No person shall keep a billiard table, bagatelle table, pool table, scippio table, or any table of a similar character, in any saloon, shop, or place of business within this state, or own or keep any billiard, bagatelle, pool, or scippio table, or any table of a similar character, for public use or profit within this state, or operate a pinball or game room without a license from the town council or city council of the town or city where the table is so kept or used, first had and obtained; and the town council or city council may grant or refuse to grant licenses therefor, and the licenses so granted shall continue for a term not exceeding one year. The term "pinball or game room", as used in this section, shall mean any public place, building or room where three (3) or more gaming devices, machines or apparatuses are kept for the use, and entertainment of the public; or any place where the purpose of the business is to maintain three (3) or more machines, which, upon the insertion of a coin, slug, token, plate or disc, may be operated by the public generally for use as a game or amusement whether or not registering a score and whether its operation demands skill or change or both. The definition of game room shall be limited to those places which derive their principal source of income from those machines. Each city or town council may by ordinance prescribe such rules and regulations and may by ordinance determine the number of licenses to be issued as they deem necessary for the operation of pinball or game rooms; provided however, that no game room located within one thousand (1,000) feet of any elementary and/or secondary school in the city of Providence may open before four o'clock (4:00) p.m. on any school day.

TITLE 7. CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS

CHAPTER 14. SUPPRESSION OF CRIMINALLY OPERATED BUSINESSES

§ 7-14-1 Forfeiture of charter and revocation of permit.

– The attorney general is authorized to institute civil proceedings in the superior court to forfeit the charter of any corporation organized under the laws of this state and to revoke the permit authorizing any foreign corporation to carry on business in this state, when:

(1) Any of the corporate officers or any other person controlling the management or operation of the corporation, with the knowledge of the president and a majority of the board of directors or under such circumstances wherein the president and a majority of the directors should have knowledge, is a person engaged in organized gambling, organized traffic in narcotics, organized extortion, organized bribery, organized embezzlement, or organized prostitution, or who is connected directly or indirectly with organizations, syndicates or criminal societies engaging in such; or

(2) A director, officer, employee, agent, or stockholder acting for, through, or on behalf of the corporation has, in conducting the corporation's affairs, purposely engaged in a persistent course of gambling, unlawful traffic in narcotics, extortion, embezzlement, intimidation and coercion, bribery, prostitution, or other criminal conduct with the knowledge of the president and a majority of the board of directors or under circumstances wherein the president and a majority of the directors should have knowledge, with the intent to compel or induce other persons, firms, and corporations to deal with the corporation or to engage in any criminal conduct; and

(3) For the prevention of future illegal conduct of the same character, the public interest requires the charter of the corporation to be forfeited and the corporation to be dissolved or the permit to be revoked.

§ 7-14-2 Enjoining operations of a business.

– The attorney general is authorized to institute civil proceedings in the superior court to enjoin the operation of any business other than a corporation, including a partnership, limited partnership, unincorporated association, joint venture, or sole proprietorship, when:

(1) Any person in control of any such business, who may be a partner in a partnership, a participant in a joint venture, the owner of a sole proprietorship, an employee or agent of the business, or a person who, in fact, exercises control over the operations of the business, has, in conducting its business affairs, purposely engaged in a persistent course of gambling, unlawful traffic in narcotics, extortion, embezzlement, intimidation, bribery, prostitution, crimes against nature, or other illegal conduct with the intent to compel or induce other persons, firms, or corporations to deal with the business or engage in any illegal conduct; and

(2) That for the prevention of future illegal conduct of the same character, the public interest requires the operation of the business to be enjoined.

CHAPTER 15. RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS

§ 7-15-1 Definitions.

(a) "Enterprise" includes any sole proprietorship, partnership, corporation, association, or other legal entity, and any union or group of individuals associated for a particular purpose although not a legal entity.

(b) "Person" includes any individual or entity capable of holding a legal or beneficial interest in property.

(c) "Racketeering activity" means any act or threat involving murder, kidnapping, gambling, arson in the first, second, or third degree, robbery, bribery, extortion, larceny or prostitution, or any dealing in narcotic or dangerous drugs which is chargeable as a crime under state law and punishable by imprisonment for more than one year, or child exploitations for commercial or immoral purposes in violation of § 11-9-1(b) or (c) or 11-9-1.1.

(d) "Unlawful debt" means a debt incurred or contracted in an illegal gambling activity or business or which is unenforceable under state law in whole or in part as to principal or interest because of the law relating to usury.

TITLE 11. CRIMINAL OFFENSES

CHAPTER 9. CHILDREN

§ 11-9-4 Contributing to delinquency.

Every person who knowingly or willfully encourages, aids, contributes to, or in any way causes any child under the age of sixteen (16) years to violate any law of this state, or the ordinances of any town or city in this state, or who knowingly or willfully encourages, aids, contributes to, or in any way causes any child under the age of sixteen (16) years to be guilty of any vicious or immoral conduct, or who, being the parent, parents, legal guardian, or person having the custody or the control of any such child, permits or suffers such child to habitually associate with vicious, immoral, or criminal persons, or to grow up in ignorance, idleness, or crime, or to wander about the streets of any city in the nighttime without being in any lawful business or occupation, or to enter any house of ill fame, policy shop, or place where any gambling is carried on or gaming device is operated, or to enter any place where intoxicating liquors are sold, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding five hundred dollars (\$500) or be imprisoned not exceeding one year.

CHAPTER 11. DISORDERLY CONDUCT

§ 11-11-3 Carrying on business or entertainment in vicinity of religious meeting.

Whenever any religious society shall hold any camp, tent, grove or other out-door meeting, or the society of general six-principle baptists of Rhode Island and Massachusetts shall hold their annual "general meeting," for any purpose connected with the object for which the religious society was organized, no person, without the consent of the religious society or of its proper officers, shall keep in any shop, tent, booth, wagon or carriage or other place, for sale, or expose for sale any spirituous or intoxicating liquors or other drinks or food or merchandise of any kind, or hawk or peddle any above-mentioned liquors or merchandise within one mile of the place of the meeting, nor shall any person engage in gaming, horse racing, or exhibit or offer to exhibit any show or play within the like distance of one mile of a meeting; and every person violating any provision of this section shall be fined not exceeding twenty dollars (\$20.00) nor less than five dollars (\$5.00) or be imprisoned not exceeding thirty (30) days; provided, however, that nothing herein contained shall be so construed as to prevent innkeepers, grocers, or other persons from pursuing their ordinary business at their usual place of doing business, nor to prevent any person from selling victuals in his or her usual place of abode.

CHAPTER 19. GAMBLING AND LOTTERIES

§ 11-19-1 Forms of gambling prohibited.

– Every person who shall, directly or indirectly, set up, put forth, carry on, promote, or draw, publicly or privately, any lottery, chance, game, or device of any nature or kind whatsoever, or by whatsoever name the same may be called, for the purpose of exposing, setting for sale or disposing of any money, houses, lands, merchandise, or articles of value, or shall sell or expose to sale lottery policies, purporting to be governed by the drawing of any public or private lottery, or shall sign or endorse any book, document, or paper whatsoever, for the purpose of enabling others to sell, or expose to sale, lottery policies, except as authorized in this chapter and in title 41 and chapters 61 and 61.2 of title 42, shall be deemed guilty of a felony and shall be imprisoned not exceeding two (2) years or be fined not exceeding two thousand dollars (\$2,000).

§ 11-19-1.1 Lotteries permitted.

– Any state, city, town, ward, or district committee elected pursuant to the provisions of title 17 or certified candidates, but not both, as defined in title 17, shall be allowed to conduct that lottery commonly known as a "twenty (20) week club" or conduct a raffle once within a twelve (12) month period subsequent to notification to the Rhode Island lottery commission. For the purposes of this section a "certified candidate" shall not include any state, city, town, ward, or district committee person.

§ 11-19-2 Unauthorized sale of lottery tickets.

– Every person not authorized by the Rhode Island state police who shall sell or expose to sale any ticket, or certificate in the nature of a ticket, or share in any ticket or certificate in the nature of a ticket, in any lottery set up within or without this state, shall be fined for every such ticket, certificate or share of such ticket or certificate by that person sold or exposed to sale not exceeding fifty dollars (\$50.00).

§ 11-19-3 Instruments given for lottery tickets void.

– All notes, obligations, securities, or promises whatsoever, given for the purchase of any lottery ticket or certificate, lottery policy, or of any document or paper taken or received for the purpose of enabling others to sell or dispose of lottery tickets or lottery policies, shall be null and void.

§ 11-19-4 Recovery of lottery ticket value by holder.

– The purchaser or receiver of any lottery ticket or certificate in the nature of a lottery ticket, or share in either, not authorized by the Rhode Island state police whether it shall have been paid for in money, or however received, even though by way of gift, for the purpose of enabling the seller or giver to dispose of any article or piece of property, real, personal, or mixed, shall recover back the amount by him or her paid, or the value at which, according to the proof, the ticket or certificate may be reckoned in the transaction, as the case may be, from the person from whom the ticket or policy was purchased or received, in an action of the case for money had and received.

§ 11-19-5 Acts in aid of policy game.

– Whoever not authorized by the Rhode Island state police keeps, sets up, promotes, or is concerned as owner, agent clerk, or in any other manner, in managing any policy-lottery or policy-shop, or writes, prints, sells, transfers, or delivers any ticket, certificate, slip, bill, token, or other device purporting or designed to guarantee or assure to any person, or to entitle any person to a chance of drawing or obtaining any prize or thing of value to be drawn in any lottery, or in the game or device commonly known as policy-lottery, or policy; or for that person or another person writes, prints, sells, or transfers or delivers, or has in his or her possession for the purpose of sale, transfer, or delivery, or in any way aids in selling, exchanging, negotiating, transferring, or delivering, a chance or ticket in any lottery, or in the game or device commonly known as policy-lottery or policy, or any such bill, slip, certificate, token, or other device, or who sells or offers to sell what are commonly called lottery-policies, or who endorses a book or other document, for the purpose of enabling others to sell or offer to sell lottery-policies, or shall receive, register, record, forward or purport or pretend to forward, or undertake to forward, or receive, and agree to forward, to or for a lottery, or to or for any particular lottery, or to any person, within or without this state, any money, thing, or consideration of value, to purchase an interest or share in any lottery, or to obtain or secure for any person what is commonly called a lottery-policy, or a chance of drawing or obtaining any prize or thing of value to be drawn in any lottery, or in the game or device commonly called policy-lottery, or policy, or who shall receive or offer to receive any money, thing, or consideration of value to be forwarded to or for a lottery, or to or for any particular lottery, or to any person to invest in a lottery within or without this state, whether the same actually exists or not, or whether any drawing of the same, or any act to allot any prize or thing of value, takes place or not, or whether there be any such person or not, or whoever shall have in his or her possession, knowingly, any bill, slip, certificate, token, or other device, or article of any kind such as is used in carrying on, promoting, or playing the game commonly known as policy-lottery or policy, shall, upon conviction, be punished by fine not exceeding five hundred dollars (\$500) or imprisonment not exceeding one year, and upon a second conviction of a violation of this section shall be imprisoned for a period not less than one nor more than five (5) years. Provided, however, that the prohibition against possession of such items shall not apply to lottery tickets of any kind if the state of origin of said tickets or devices has legally authorized its issuance or sale.

§ 11-19-6 Possession of policy devices as evidence of knowledge.

– The possession, by any person not authorized by the Rhode Island state police other than a public official in the course of his or her duty, of any bill, slip, certificate, token, or other device, or article of any kind such as is used in carrying on, promoting, or playing the game commonly known as lottery-policy or policy, shall be presumptive evidence of possession of that item knowingly and in violation of § 11-19-5.

§ 11-19-7 Judicial notice of policy methods.

– Any court or magistrate having criminal jurisdiction may take judicial notice of the general methods and character of lotteries, policy-lotteries, of the game called policy, pools, or combination bets, and the buying and selling of pools and registering of bets, not authorized by the Rhode Island state police.

§ 11-19-8 Policy devices as evidence of existence of game.

– In the trial of a complaint or indictment to which it may be relevant any lottery, policy, or pool ticket, certificate, slip, or check, manifold, or other policy or pool book or sheet, or memorandum of any pool or sale of pools, or of a bet or odds, or combination bet, or any other implement, apparatus, materials, or articles of a character commonly employed in or in connection with lotteries, policy-lotteries, or policy, the buying or selling of pools, or registering of bets, or other form of gaming not authorized by the Rhode Island state police shall be prima facie evidence of the existence and unlawful character of a lottery, policy-lottery, or game, pool or pools, bet, game, or hazard, or other form of gaming in which like articles are commonly used, and that the article has relation thereto.

§ 11-19-9 Illegal trading stamps and coupons.

– All schemes and devices whereby any person or corporation shall sell, give, or distribute any stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon, or other similar device to any purchaser of goods, wares, or merchandise, which will entitle the holder of such stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon, or other similar device, on presentation thereof, either singly or in definite numbers, to receive either directly from the vendor or indirectly through any other person or corporation, some indefinite and undescribed article, the nature and value of which are unknown to the purchaser of said goods, wares, and merchandise at the time of the purchase thereof, are hereby declared to partake so much of the nature of a lottery as to be detrimental to the public morals, and are hereby declared to be illegal.

§ 11-19-10 Distribution of illegal stamps or coupons.

– No person or corporation shall sell, give, or distribute any stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon or other similar device, to any purchaser of goods, wares, or merchandise, which will entitle the holder of the stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon, or other similar device, on presentation thereof either, singly or in definite numbers, to receive either directly from the vendor or indirectly through any other person or corporation, some indefinite and undescribed article, the nature and value of which are unknown to the purchaser of said goods, wares, and merchandise at the time of their purchase.

§ 11-19-11 Stamps and coupons as inducement to purchase goods.

– No person or corporation shall, either directly or indirectly, give, sell, or distribute any stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon, or other similar device with the promise, expressed or implied, as an inducement to the purchase of some article of goods, wares, or merchandise, that the holder of the stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon, or other similar device is to receive in return, on presentation, some gift, prize, or gratuity, the nature and value of which are unknown to the purchase of said goods, wares, or merchandise at the time of their purchase, the promise to be fulfilled only upon the presentation of said stamp, trading-stamp, cash discount stamp, amusement stamp, check, coupon, or other similar device, together with such a number of like stamps, trading-stamps, cash discount stamps, amusement stamps, checks, coupons, or other similar devices, as the issuer or redeemer may elect shall be redeemed at any one time.

§ 11-19-12 Penalty for stamp and coupon violations.

– Whoever shall violate any provision of §§ 11-19-9 – 11-19-11, inclusive, shall be guilty of a misdemeanor, and for each such offense shall be punished by a fine of not less than one hundred dollars (\$100) nor more than five hundred dollars (\$500), or by imprisonment for a term not exceeding three (3) months.

§ 11-19-13 Door prizes exempt.

– Nothing in §§ 11-19-1 – 11-19-4, inclusive, or in §§ 11-19-9 – 11-19-11, inclusive, shall be deemed to prohibit or make illegal the annual or semiannual distribution by chance, of prizes, souvenirs, or favors by any club, society, lodge, or association at its dance, dinner, entertainment, or outing where such distribution is purely incidental to such dance, dinner, entertainment or outing or when the entire net proceeds of the dance, dinner, entertainment or outing is devoted to charity, if the club, society, lodge or association has first obtained the written permission for such distribution, in towns, from the town sergeant, in cities, from the police commission or police commissioner, if there is such an official, otherwise from the chief of police of the town or city where such dance, dinner, entertainment or outing is held, and that permitting authority is hereby authorized to grant such permit when he or she is satisfied that such distribution comes within this section.

§ 11-19-14 Bookmaking.

– Except as provided in chapter 4 of title 41, any person who shall engage in pool selling or bookmaking, or shall occupy or keep any room, shed, tenement, tent, or building, or any part thereof, or shall occupy any place upon any public or private grounds within this state, with books, apparatus, or paraphernalia for the purpose of recording or registering bets or wagers or of buying or selling pools, or who shall record or register bets or wagers or sell pools upon the result of any trial or contest of skill, speed or power of endurance of man or beast, or upon the result of any political nomination, appointment, or election, or, being the owner or lessee or occupant of any room, tent, tenement, shed, booth, or building or part thereof, knowingly shall permit it to be used or occupied for any of these purposes, or therein shall keep, exhibit or employ any device or apparatus for the purpose of recording or registering bets or wagers, or the selling of pools, or shall become the custodian or depositary for gain, hire, or reward of any money, property, or thing of value staked, wagered, or pledged or to be wagered or pledged upon the result, or who shall receive, register, record, forward, or purport or pretend to forward to or for any race course, or person, within or without this state, any money, thing, or consideration of value bet or wagered, or money, thing, or consideration of value offered for the purpose of being bet or wagered upon the speed or endurance of any man or beast; or who shall occupy any place or building or part thereof with books, papers, apparatus, or paraphernalia for the purpose of receiving or pretending to receive, or for recording or registering, or for forwarding or pretending or attempting to forward in any manner whatsoever, any money, thing, or consideration of value bet or wagered or to be bet or wagered for any other person, or who shall receive or offer to receive any money, thing, or consideration of value bet or to be bet at any race track within or without this state, or who shall aid, assist or abet in any manner in any of the acts forbidden by this section, shall upon conviction be punished by a fine not exceeding five hundred dollars (\$500) or imprisonment not exceeding one year, and upon a second conviction of a violation of this section shall be imprisoned for a period not less than one nor more than five (5) years.

§ 11-19-14.1 Bookmaking at racetrack or fronton – Entry by convicted bookmakers prohibited.

– (a) Notwithstanding the provisions of § 11-19-14, any person who shall engage in bookmaking activities while on the premises of a racetrack or fronton facility shall be guilty of a felony and, upon conviction, shall be punished by a fine not to exceed one thousand dollars (\$1,000) and/or imprisonment not exceeding five (5) years.

(b) It shall be unlawful for any person who has been convicted of the crime of bookmaking in the state of Rhode Island or other state to enter or visit any racetrack or fronton facility and, upon conviction, such person shall be punished by a fine not to exceed five hundred dollars (\$500) and/or imprisonment not exceeding one (1) year.

§ 11-19-15 Betting on horses.

– Except as provided in chapter 4 of title 41, every person who shall make any bet or lay any wager of any kind upon any horse, to start, run, or trot, shall be fined one hundred dollars (\$100).

§ 11-19-16 Forfeiture of horses used in unlawful race.

– Except as provided in title 41, every person who shall knowingly suffer or permit any horse belonging to him or her or of which he or she has the care and charge to start, run, or trot for any bet or wager shall forfeit the horse starting, running, or trotting to the use of the state.

§ 11-19-17 Invalidity of instruments won in bets on races or fights.

– All bonds, notes, judgments, mortgages, deeds or other securities, as well as promises, given or made for money, lands, houses, or other property, or article or piece of property, real, personal, or mixed, won at any game, or by betting at any race or fight, or for the repayment of money knowingly lent for such gaming or betting, shall be utterly void.

§ 11-19-18 Keeping of gambling places or devices – Acting as dealer, banker, or lookout.

– Every person who shall keep or suffer to be kept any building, room, booth, shed, tent, arbor, or any other place, or any automobile, bus, coach, van, truck, trainer, railway or railroad car, or any other vehicle in any city or town of this state, or in any vessel, boat, or raft upon any of the waters of Narragansett bay, to be used or occupied for the purpose of gambling, or playing at any game or games of chance of any kind whatsoever, for money or other valuable consideration, or shall keep, exhibit, or suffer to be kept or exhibited upon premises or in a vehicle belonging to that person under his or her control, any cards, dice, table, bowls, wheel of fortune, shuffleboard, or billiard table, or any device, implement, or apparatus whatsoever to be used in gambling or playing at any game or games of chance for money or other valuable consideration, or who shall be guilty of dealing faro, or banking for others to deal faro, or acting as lookout, gamekeeper, or assistant for the game of faro or any other banking game where money or property is dependent on the result, shall be taken and held to be a common gambler and shall be imprisoned not exceeding two (2) years or be fined not exceeding five thousand dollars (\$5,000) nor less than five hundred dollars (\$500).

§ 11-19-19 Revocation of license of gambling place.

– If a person in violation of § 11-19-18 be a tavernkeeper, innholder, retailer, or keeper of any other house or place of public resort which is licensed, that license shall in addition be declared null and void by the court in which he or she shall be convicted.

§ 11-19-20 Inducing others to visit gambling place.

– Every person who shall, on any pretext whatsoever, invite, entice, persuade, or induce any other person to visit any house, room, or other place kept for the purpose of gambling, with the intent that that other person shall at such place engage in gambling or playing at any game of chance, for money or other valuable consideration, shall be fined not less than five hundred dollars (\$500) and be imprisoned one year.

§ 11-19-21 Frequenting gambling place.

– Every person who shall frequent any gambling house or place where gaming is practiced or carried on, not in the performance of official duty and not being the landlord of that place entering to view the premises, shall be imprisoned not exceeding thirty (30) days

§ 11-19-22 Renting for gambling purposes.

– Every person who shall let or knowingly permit to be occupied any house, shop, or place belonging to or under the control of that person, to be used as a gambling house or place where gambling is carried on, or as a place where pools are sold, shall be fined not exceeding five hundred dollars (\$500).

§ 11-19-23 Lease voided by gambling.

– Every lease of any house, shop, or place used as a gambling house or place where gaming is practiced or carried on, or where pools are bought or sold, shall be void, and no notice to the occupant other than a demand for the possession of the premises, shall be necessary to eject the occupant.

§ 11-19-24 Search warrants and forfeitures of gambling apparatus.

– (a) Search warrants to search for and seize gambling implements, apparatus, paraphernalia, slips, tickets, and other property and devices kept, possessed or used in violation of any of the provisions of this chapter, or as a means of committing a violation of this chapter may be issued as provided by law in chapter 5 of title 12; and all implements, apparatus, paraphernalia, slips, tickets, or other gambling apparatus or devices found by any officer in executing a search warrant or which shall be produced and brought into court shall be forfeited to the state, and further proceedings shall be had thereon for their forfeiture as is prescribed by law in chapter 21 of title 12 and upon entry of final judgment of forfeiture shall be destroyed by order of the court.

(2) In addition, those items of personal property other than gambling apparatus and devices, including, but not limited to motor vehicles and money or negotiable instruments which were kept, possessed, or used in violation of any of the provisions of this chapter and which have a monetary value may be seized and forfeited, and further proceedings shall be had for their forfeiture as is prescribed by law in chapter 21 of title 12 and the further provisions of this section; provided, however, that no property or money used by any person shall be forfeited under the provisions of this chapter unless it shall appear that the owner of the property or money had knowledge, actual or constructive, and was a consenting party to the alleged illegal act.

(b) Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the law enforcement agency making the seizure and whenever property or money is forfeited under this chapter it shall be utilized as follows:

(1) Where the seized property is a vessel, vehicle, aircraft, or other personal property, it may be retained and used by the law enforcement agency that seized the property where the use of the property is reasonably related to the law enforcement duties of the seizing agency. If the seized property is a motor vehicle which is inappropriate for use by law enforcement agency due to style, size or color, the seizing agency shall be allowed to apply the proceeds of sale or the trade in value of the vehicle towards the purchase of an appropriate vehicle for use for activities reasonably related to law enforcement duties.

(2) The law enforcement agency may sell any forfeited property which is not required by this chapter to be destroyed and which is not harmful to the public. The proceeds from such sale are to be distributed in accordance with subsection (3).

(3) As to the proceeds from the sale of seized property as referred to above in subsection (b) (2) and as to personal property referred to in subsection (a) of this section, the distribution shall be as follows:

(A) All proceeds of the forfeiture of real or personal property shall be distributed as follows:

(i) Twenty percent (20%) of the proceeds shall be provided to the attorney general's department to be used to further law enforcement activities pursuant to this chapter including, but not limited to, investigations, prosecutions, and the administration of this chapter.

(ii) Eighty percent (80%) of the proceeds shall be divided among the state and local law enforcement agencies proportionately based upon their contribution to the investigation of the criminal activity related to the asset being forfeited.

(B) The law enforcement agencies involved in the investigation with the assistance of the attorney general shall by agreement determine the respective proportionate share to be received by each agency. If the agencies are unable to reach agreement, application shall be made by one or more of the agencies involved to the presiding justice of the superior court, who shall determine the respective proportionate share attributable to each law enforcement agency. The proceeds from all forfeitures shall be held by the general treasurer in a separate account until such time as an allocation is determined by agreement of the agencies or by the presiding justice. It shall be the duty and responsibility of the general treasurer to disburse the allocated funds from the separate account to the respective law enforcement agencies.

§ 11-19-25 [Repealed.]. –

§ 11-19-26 Destruction of apparatus seized.

– Upon final judgment of forfeiture of implements or apparatus pursuant to § 11-19-24, either in the original or appellate court, or upon forfeiture of the recognizance given by the claimant to prosecute his or her appeal according to law, the court shall order in writing those implements and apparatus to be destroyed by any officer authorized to serve the criminal process of the court, which officer shall make return of his or her doings upon the order to the court as in other cases.

§ 11-19-27 [Repealed.]. –

§ 11-19-28 Fees for seizure and removal of gambling apparatus.

– In addition to the fees allowed by law, the officer who shall make service of any warrant for the seizure of any gambling implements or apparatus under the provisions of this chapter shall be allowed the sum of one dollar (\$1.00), and for the removing of any gambling implements or apparatus so seized to a place of safety, one dollar (\$1.00) and all necessary expenses incurred in removal, which fees shall be included in the bill of costs and taxed by the court.

§ 11-19-29 [Repealed.]. –

§ 11-19-30 Definitions.

– The following definitions within this chapter shall apply:

- (a) "Charitable organization" means any benevolent, educational, philanthropic, humane, patriotic, social service, civic, fraternal, police, labor, religious, eleemosynary person, and/or persons holding themselves out to be a charitable organization.
- (b) "Charitable purpose" means any benevolent, educational, humane, patriotic, social service, civic, fraternal, police, labor, religious, or eleemosynary purpose, provided that no part of the net earnings inures to the benefit of any private shareholder or individual.
- (c) "Department" means the division of state police unless otherwise described.
- (d) "Director" means the superintendent of state police or the director's designee.
- (e) "Permitted game of chance" means the game commonly known as "Bingo" or "Beano" or substantially the same game under any other name, or a raffle or lottery or that lottery commonly known as a "twenty (20) week club".

§ 11-19-30.1 – 11-19-30.3. [Repealed.]. –

§ 11-19-31 Registration of charitable organizations.

- (a) No charitable organization which intends to conduct a permitted game of chance within the state of Rhode Island shall conduct a game unless it shall file a registration statement with the department upon prescribed forms and receives a certificate of approval.
- (b) In addition, in order to obtain a renewal of registration, charitable organizations shall file the statements required by this chapter prior to June 1st of each year.

(c) It shall be the duty of the president, chair, or principal officer of a charitable organization to file the statements required under this chapter. These statements shall be sworn to and shall contain the following information:

- (1) The name of the organization and the purpose for which it was organized.
 - (2) The principal address of the organization and the address of any offices in this state. If the organization does not maintain an office, the name and address of the person having custody of its financial records.
 - (3) The place where and the date when the organization was legally established and the form of its organization.
 - (4) The names and addresses of the officers, directors, and/or trustees of the organization and the names and addresses of officers, staff, and/or members who receive a salary or any other form of compensation, the source of which is the proceeds from the permitted games of chance subject to subsection (a)(9).
 - (5) A copy of the annual financial statement of the organization audited by an independent public accountant licensed by the state of Rhode Island for the organization's immediately preceding fiscal year, or a copy of a financial statement covering, in a consolidated report, complete information as to all the preceding year's fund-raising from the above-mentioned games showing kind and amount of funds raised, costs and expenses incidental thereto, and allocation or disbursements of funds raised.
 - (6) The general purpose or purposes for which the proceeds from the game shall be used.
 - (7) The name or names under which it intends to conduct the game.
 - (8) The names of the individuals or officers of the organization who will have final responsibility for the custody of the proceeds from the game.
 - (9) A listing of the names, addresses and the compensation of all individuals, directors, officers, agents, servants, and/or employees of the organization who receive compensation, commission, or other remuneration, directly or indirectly from, the gross receipts of such games, in excess of seven hundred fifty dollars (\$750) annually.
 - (10) The names of the individuals or officers of the organization responsible for the final distribution of the proceeds. The director or the director's designee shall examine each initial application of charitable organizations for the right to conduct the above-mentioned games and each renewal application of charitable organizations for the right to conduct such games and if found to be in conformity with the requirements of this chapter and all relevant rules and regulations it shall be approved for registration.
- (d) The registration forms and any other documents prescribed by the department shall be signed by an authorized officer, an independent public accountant, and by the chief fiscal officer of the charitable organization and shall be verified under oath.
- (e) The department shall make or cause to be made such investigation of any applicant as it shall deem necessary. As a result of its investigation and action, the department shall certify to the local police department or local licensing authority its approval or disapproval of the application. No applicant shall be approved if one or more of the following facts is found to exist:
- (1) That one or more of the statements in the application are not true;
 - (2) That the applicant is or has engaged in a fraudulent transaction or enterprise;
 - (3) That the game would be a fraud upon the public;
 - (4) That game expenses during any of the three (3) years immediately preceding the date of application have exceeded twenty-five percent (25%) of the total gross money or gross receipts raised or received by reason of the games. In the event special facts or circumstances are presented showing that expenses higher than twenty-five percent (25%) were not unreasonable, the department, pursuant to rule and regulation, has the discretion to allow the higher expenses;
 - (5) That the expected cost of conducting such games for the specific year for which the application will exceed twenty-five percent (25%) of the total gross money or receipts to be raised or received by reason of the games; or
 - (6) That the activities to be financed will be incompatible with the health, safety or welfare of the state of Rhode Island.

§ 11-19-32 Operation of bingo games.

– Any charitable organization approved by the department may promote, carry on or conduct the game of bingo provided as follows:

- (1) The game is conducted by members of the organization.

- (2) No person in the actual or constructive management and control of the game receives any compensation for services connected to the game or receives any compensation from the gross receipts of the game.
- (3) The entire net receipts of the game are applied solely to the charitable purposes of the organization. All expenses deducted from gross receipts must be reasonable and related to the actual conduct of the game.
- (4) The total amount of all expenses deducted from the gross receipts shall not exceed twenty-five percent (25%) of the total annual gross receipts raised through bingo, not including monies raised through the sale of pull-tab lottery tickets.
- (5) The total prizes, in the form of cash and/or retail merchandise including prizes from winner-take-all games, which are offered or awarded do not exceed the sum of four thousand two hundred fifty dollars (\$4,250) in any one night; provided, however, that if said games are conducted in a nonsmoking facility, the total prizes, in the form of cash and/or retail merchandise including prizes from winner-take-all games, which are offered or awarded do not exceed the sum of six thousand fifty dollars (\$6,050) in any one night.
- (6) The game is carried on or conducted not more than twice in any period of one calendar week under a license issued pursuant to the provisions of § 11-19-37.
- (7) That there be only one sponsor for each date of the proposed game and that the game shall be conducted only on the premises affiliated with the organization in conformance with rules and regulations.
- (8) That any building in which a game is played or conducted shall be used no more than three (3) times in any calendar week for conducting a game, and provided further, that no annex or subdivision of any building shall be permitted to be used to conduct a game in an attempt to increase the number of times the building may be used for bingo purposes.
- (9) The organization shall keep and maintain financial records relating to the game in accordance with rules and regulations and have the records available for inspection upon demand.
- (10) Payment of a prize in excess of two hundred fifty dollars (\$250) shall be made by check.
- (11) "Winner-take-all" games are prohibited, with the exception that each organization shall be permitted to play one optional "winner-take-all" game per night.
- (12) No person under the age of eighteen (18) years shall be permitted to play the game.
For the purposes of this section, a nonsmoking facility shall mean a facility wherein smoking is prohibited at all times, irrespective of the activity being conducted within the facility.
- (13) Notwithstanding any regulation to the contrary, any approved charitable organization conducting a lawful game of bingo pursuant to the provisions of this section shall be permitted to advertise their game in print media. As used herein, the term "advertise" shall mean an advertisement or announcement in print media containing the date, time, and place of said game, the charitable organization sponsoring and/or benefiting from said game, and whether said game shall provide for a bonus building/prize pool and the total amount of the prize pool as set forth in subsection (14) herein.
- (14) The game may provide for a bonus building/prize pool which would start at five hundred dollars (\$500) and increase at one hundred dollar (\$100) increments each week until it reaches a maximum amount of one thousand dollars (\$1000).
- (15) Game workers may be compensated with a non-monetary gift, valued at not more than twenty-five dollars (\$25.00) per quarter and/or a total of one hundred dollars (\$100) per year. Beverages and food provided without charge to volunteer workers at the game of bingo shall not be considered to be compensation for purposes of the subsection.

§ 11-19-32.1 Senior citizens housing – Bingo allowed.

- (a) Notwithstanding any other provision of this chapter to the contrary, any organization of senior citizens may promote, carry on or conduct within their own senior citizens housing project, a bingo game, with total daily prizes not to exceed four hundred dollars (\$400). The game shall be for recreational purposes and shall be open only to senior citizens who are residents of the housing project where the game is held. Bingo games shall be limited to three (3) days per calendar week and shall be operated and managed solely by residents of the housing projects.
- (b) Except that in the City of Woonsocket, residents' and their guests' admission to a bingo game shall only be by admission ticket which may be purchased only by a resident. Each resident shall be allowed to purchase one ticket for a guest. The guest ticket must clearly indicate that the holder is a guest and must be purchased at least three (3) hours prior to the start of the bingo game.

§ 11-19-33 Bingo games – Announcement of prizes.

– Prior to each drawing or contest conducted in any game of "bingo" or "beano" as provided in this chapter, the sponsor shall announce or cause to be announced openly and clearly, so as to provide the participants with a clear understanding of the amount to be paid as a prize for each individual drawing or contest in any game of "bingo" or "beano" as provided herein.

§ 11-19-34 Use of name of charitable organization to conduct permitted games of chance.

– A charitable organization, within the provisions of § 11-19-30 or 11-19-31, shall not allow or permit any individual, partnership, corporation, or any other entity to utilize the name of the charitable organization for the purpose of conducting or promoting bingo or other permitted games of chance.

§ 11-19-34.1 Senior citizens housing – Raffles allowed.

– Notwithstanding any other provision of this chapter to the contrary, any organization of senior citizens may promote, carry on, or conduct within their own senior citizens housing project, a lottery, commonly known as a raffle, with total prizes not to exceed five hundred dollars (\$500). Raffles shall be for recreational purposes and shall be open only to senior citizens who are residents of the housing project where the game is held. Raffles shall be limited to three (3) times per year and shall be operated and managed solely by residents of the housing projects.

§ 11-19-35 Pull-tab lottery tickets.

– (a) The Rhode Island lottery commission is hereby empowered to sell and regulate the sale of pull-tab lottery tickets to religious, fraternal, civic, educational, veterans', or charitable organizations. The commission shall determine, consistent with this section, those organizations that are authorized to sell such pull-tab lottery tickets and shall insure that the pull tab lottery tickets to be distributed are secured for the purposes under which they are to be sold in terms of concealing the result of the tickets until such time as they are sold to the general public. Consistent with this section, those organizations authorized to sell the tickets are authorized to retain net profits as shall have been provided for by the commission.

(b) Notwithstanding any other section of the general laws to the contrary, said pull-tab lottery tickets authorized by this section are hereby declared to be legal.

§ 11-19-36 Organizations permitted to conduct other permitted games of chance.

– Any charitable organization may promote, carry on, or conduct any permitted game of chance authorized by the division of state police in connection with which prizes or prize monies are offered or awarded, provided as follows:

(1) The game is conducted by members of the organization.

(2) No person in the actual or constructive management and control of the game receives any compensation for services connected to the game.

(3) The entire net receipts of the game, including the charges for admission to and participation in the game, are applied solely to the bona fide charitable purposes of the organization.

(4) That the organization be granted a license issued pursuant to the provisions of § 11-19-37.

(5) That the provisions of this section shall not apply to that lottery commonly known as a "twenty-week club" or a raffle conducted by a charitable organization.

§ 11-19-37 Issuance of licenses.

– Any charitable organization within the provisions of §§ 11-19-30 and/or 11-19-31 may be granted a license to conduct the game of bingo or other permitted game of chance authorized by the department.

(1) *Bingo*. A license for the game of bingo shall be obtained as follows:

- (A) The charitable organization shall annually apply for approval to the department pursuant to § 11-19-31 and shall pay to the department an application fee of five dollars (\$5.00).
- (B) Upon the receipt of notification of approval from the department the charitable organization shall apply to the local licensing authorities upon forms furnished and pay the local licensing fee, if any;
- (C) The local licensing authority shall issue the license. A copy of the license shall be forwarded to the department by the local licensing authority;
- (D) The local licensing authority shall issue the license for a specific date or dates or a specific day or days during each calendar week;
- (E) Within seven (7) calendar days of the completion of every game of bingo, the charitable organization shall file a financial report, upon forms furnished by the department with the department and with the local licensing authority if it so requires.
- (2) *Other permitted games of chance.* (A) The charitable organization shall apply for approval to the department pursuant to this section and shall pay to the department an application fee of five dollars (\$5.00).
- (B) Upon the receipt of a notification of approval from the department, the charitable organization shall apply to the local licensing authority upon forms furnished by the department and pay the local licensing fee, if any;
- (C) The local licensing authority shall issue the license. A copy of the license shall be forwarded to the department by the local licensing authority;
- (D) The local licensing authority shall issue the license for a specific date or specific day or days;
- (E) The application for the local license shall be made at least thirty (30) days prior to the date or day for which the license is issued;
- (F) Within thirty (30) calendar days of the completion of the permitted game of chance, the charitable organization shall file a financial report upon forms furnished by the department, with the department.

§ 11-19-38 Change of information.

– If, subsequent to approval by the department pursuant to § 11-19-31, there is a change in any information furnished by the organization to the department, the organization shall so inform the department within seven (7) days of the change. Failure to inform the department within seven (7) days will result in the automatic suspension of approval for a period of three (3) months.

§ 11-19-39 Enforcement and penalties.

– (a) If any charitable organization fails to file any registration application or statement, report, or other information required to be filed by the department under this chapter, or otherwise violates the provisions of this chapter, the department shall notify the delinquent charitable organization, by mailing a notice, certified mail, with return receipt requested, to its last known address. If the required registration application or statement, annual report or other information is not filed or if the existing violation is not discontinued within ten (10) days after the formal notification or receipt of such notice the department may cancel, suspend the registration of such or refuse to accept a delinquent report from the charitable organization.

(b) The department, upon its own motion or upon complaint of any person, may, if it has reasonable ground to suspect a violation, investigate any charitable organization, to determine whether it has violated the provisions of this chapter or has filed any application or other information required under this chapter which contains false or misleading statements. If the department finds that any application or other information contains false or misleading statements, or that a registrant under this chapter has violated its provisions, the registration may be suspended or cancelled. Any person whose registration is suspended or cancelled may, within fifteen (15) days from the date of written notification of such suspension or cancellation request, in writing, a hearing before the department, which hearing shall be held within thirty (30) days from the date of the request. Any person who has exhausted all administrative remedies available within the department in accordance with the administrative procedures act (chapter 35 of title 42) and who is aggrieved by a final decision of the department is entitled to judicial review in accordance with the provisions of the administrative procedures act (chapter 35 of title 42).

(c) The certificate of approval of any charitable organization which knowingly makes a false or misleading statement in any registration application or statement, report, or other information required to be filed by the department or this chapter shall be revoked.

(d) In addition to the foregoing, any person who willfully and knowingly violates any provisions of this chapter, or who shall willfully and knowingly give false or incorrect information to the department in filing statements or reports required by this chapter, whether the report or statement is verified or not shall be guilty of a misdemeanor, and, upon conviction, shall be sentenced for the first offense to pay a fine of not more than one thousand dollars (\$1,000) or undergo imprisonment for not more than one year, or both, and for the second and any subsequent offense to pay a fine of not more than five thousand dollars (\$5,000) or to undergo imprisonment for not more than five (5) years, or both.

(e) Whenever the attorney general shall have reason to believe or the attorney general has been advised by the director (who shall have given due notice and full hearing to the charitable organization) that the charitable organization is operating in violation of the provision of this chapter or has knowingly and willfully made any false statements in any initial or any renewal application or in any other information required to be filed by this chapter or whenever a charitable organization has failed to file a registration statement required by this chapter, or whenever there is employed or is about to be employed by a charitable organization any device, scheme, or artifice to defraud or to obtain money or property by means of any false pretense, representation, or promise, or whenever the officers or representatives of any charitable organization failed after notice to produce any records of such organization, or whenever the funds raised by the game are not devoted or will not be devoted to the charitable purposes of the charitable organization, in addition to all other actions authorized by law, the attorney general of the state of Rhode Island may bring an action in the name of the state of Rhode Island against such charitable organization and its officers, or any other person who has violated this chapter to enjoin such charitable organization or person from continuing such violation or doing any acts in furtherance thereof, and for such other relief as the court deems appropriate. The court may make such additional orders and/or judgments as may be necessary to restore to any person in interest any monies or property, real or personal, which may have been acquired by means of any practice in this chapter declared to be unlawful. The department may refuse to grant an initial application to conduct a game, may refuse to renew an application, and may revoke a registration of any charitable organization which knowingly makes a false statement in any initial registration application or renewal application or statement, annual report, or other information required to be filed by the department or the chapter.

§ 11-19-40 Rules and regulations.

– (a) The director shall adopt and issue rules and regulations as may be necessary to carry out the provisions of §§ 11-19-30 – 11-19-40. Such rules and regulations shall be promulgated in accordance with chapter 35 of title 42.

(b) In promulgating such rules and regulations, the director shall, in addition to the standards set forth in other provisions of this chapter, be guided by the following standards setting forth conduct, conditions and activity deemed undesirable:

- (1) Fraud: The practice of any fraud or deception upon a participant in a permitted game of chance;
- (2) Unsafe premises: The conduct of permitted games of chance in, at or upon premises which may be unsafe due to fire hazard or other such conditions;
- (3) Charitable funds: To assure that all the funds raised through bingo and permitted charitable games are maintained and expended for bona fide charitable purposes;
- (4) Advertising: That advertising for all permitted games of chance and bingo is conducted in accordance with rules and regulations.

(c) The director may promulgate less stringent regulations for those charitable organizations that do not intend to run any such permitted games more than once in any consecutive six-month period, and also for those charitable organizations where the prize for any such permitted game will not exceed three hundred dollars (\$300).

§ 11-19-41 Police regulation of bingo and permitted games of chance.

– The division of state police shall have the power and authority to license, regulate, supervise and exercise general control over the operation of bingo and permitted games of chance including, but not limited to, the conduct of such permitted games of chance, the distribution of prizes, and the use and licensing of equipment specifically designed to be utilized to conduct bingo and permitted games of chance, as well as the licensing of persons, firms, corporations in the business of the sale and rental of equipment concerning bingo and permitted games of chance. The Rhode Island state police shall have the power and authority to investigate as to the direct or indirect ownership or control of any licenses and to revoke or suspend any license for just cause after hearing.

§ 11-19-42 Forfeiture of charter rights and privileges.

– (a) Upon conviction for a violation of this chapter or upon revocation of a certificate of approval, the attorney general may apply to the superior court:

(1) For the forfeiture of any charter rights, franchise privileges or powers of the corporation held by the convicted person under the laws of this state;

(2) For dissolution, if the person is a corporation or limited partnership organized under the laws of this state; or

(3) For the suspension of the privilege to exist within this state.

(b) The court, after giving due consideration to the public interest and to relevant competitive and economic circumstances, may grant as much of the requested relief as is deemed appropriate. A dissolution shall be conducted in accordance with the procedures specified by law for either voluntary or judicial dissolution of the particular type of corporation, association, firm, or partnership.

(c) If any corporation, association, partnership, or limited partnership shall be dissolved or have its privilege to exist in this state suspended or revoked as provided in subsection (a) of this section, no assignee, transferee, or successor-in-interest of such corporation, association, partnership, or limited partnership shall be permitted to incorporate or to transact business in this state without first applying to the court for and receiving an order permitting incorporation or transaction of business. No order shall be granted unless the applicant proves to the satisfaction of the court that it will conduct its affairs in accordance with all applicable laws.

§ 11-19-43 Acts of officers, directors, representatives, or agents acting within the scope of their authority.

– (a) A corporation, association, firm, partnership, or limited partnership is liable for the acts of its officers, directors, representatives, or agents acting within the scope of their authority. Proof of the acts of any such officer, director, representative, or agent shall be received as prima facie proof of the acts of the corporation, association, firm, partnership, or limited partnership itself.

(b) When a corporation, association, firm, partnership, or limited partnership violates this chapter, the violation shall be deemed to be that of the individual directors, members, officers, managers, employees, or agents of the corporation, association, firm, partnership, or limited partnership who knowingly authorized, ordered, aided, abetted, or advised in the acts or omissions constituting in whole or in part the violation, whether the individuals acted on their own behalf and for their own benefit, or for the corporation, association, firm, partnership, or limited partnership and in their representative capacity. The individuals, in their capacity as individuals, are subject to the provisions of this chapter and may be joined, if subject to personal jurisdiction, as additional parties defendant in the proceedings against the corporation, association, partnership, or limited partnership.

§ 11-19-44 Remedies cumulative.

– The remedies provided in this chapter are cumulative of each other and of existing powers and remedies inherent in the court.

§ 11-19-45 Severability.

– If any section of this chapter or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the remainder of the chapter and the application of such section to other persons or circumstances shall not be affected. The invalidity or unconstitutionality of any section or sections or part of any section or sections of this chapter shall not affect the validity of the remainder of this chapter and to this end the sections of this chapter are severable.

CHAPTER 30. NUISANCES

§ 11-30-1 Definitions.

– For the purpose of this chapter and chapter 1 of title 10, the terms "nuisance or common nuisance," "person," or "place" are defined as follows:

(1) "Nuisance" or "common nuisance" shall mean and include any place as above defined in or upon which lewdness, assignation, or prostitution is conducted, permitted, continued, or exists, and the personal property used in conducting or maintaining any such place for any such purpose, and all buildings, places, or tenements used as houses of ill fame, for illegal gaming, or where intemperate, idle, dissolute, noisy, or disorderly persons are in the habit of resorting;

(2) "Person" shall include any individual, corporation, association, partnership, trustee, lessee, agent, or assignee; and

(3) "Place" shall include any building, structure, or tenement, or any separate part or portion thereof, or the ground itself.

CHAPTER 51. ORGANIZED CRIMINAL GAMBLING

§ 11-51-1 Definitions.

– (a) An organized criminal gambling business as used in this chapter means a gambling business which involves three (3) or more persons who conduct, finance, manage, supervise, direct, operate, or own all or part of the business and which has been or remains in substantially continuous operation for a period in excess of fifteen (15) days, or which has conducted operations on at least two (2) days in each of two (2) consecutive weeks, or which has a combined gross revenue of at least one thousand dollars (\$1,000) in any single day, or which has entered into a total of at least one hundred (100) gambling transactions in any single day.

(b) Gambling includes but is not limited to pool-selling, bookmaking, maintaining slot-machines, roulette wheels or dice tables, and conducting lotteries, policy, bolita, or numbers games or selling chances therein.

(c) Organized criminal gambling business shall not refer to betting specifically authorized by chapter 4 of title 41 or any act in amendment of that chapter, nor to any form of gambling otherwise licensed or permitted by specific statutory enactment.

§ 11-51-2 Organized criminal gambling business.

– Whoever shall conduct, finance, manage, supervise, direct or own all or part of an organized criminal gambling business, as hereinafter in this chapter defined shall be imprisoned for not more than five (5) years and fined not more than ten thousand dollars (\$10,000).

TITLE 14. DELINQUENT AND DEPENDENT CHILDREN

CHAPTER 1. PROCEEDINGS IN FAMILY COURT

§ 14-1-4 Idleness or frequenting of disreputable places.

– Every child who has completed sixteen (16) years of life and has not completed eighteen (18) years of life, and who habitually spends his or her time in idleness without just and sufficient reason or cause, or in frequenting poolrooms, places where intoxicating liquors are sold, gambling places, or houses of ill repute, shall be deemed guilty of a misdemeanor; and upon conviction shall be sentenced to pay a fine not exceeding five hundred dollars (\$500), or shall be imprisoned not exceeding one year.

TITLE 17. ELECTIONS

CHAPTER 25.1. GAMBLING REFERENDA

§ 17-25.1-1 Registration of political action committees – Limits on financial contributions.

– (a) Any "political action committee", as defined in chapter 25 of title 17, advocating the approval or rejection of any gambling questions, shall, in addition to the requirements of chapter 25 of title 17, register with the secretary of state by submitting upon the appropriate form its name, and the names and addresses of the chairperson and its treasurer who shall be eligible voters in the referendum election in question. A "gambling question" shall be defined as any referendum that relates to a proposal to institute gambling in any form.

(b) No individual, partnership, committee, association, corporation, or any other organization shall contribute to any political action committee in excess of one thousand dollars (\$1,000) in aggregate for advocating the approval or rejection of any gambling question.

TITLE 19. FINANCIAL INSTITUTIONS

CHAPTER 26. PAWNBROKERS

§ 19-26-12 Acceptance of pawns from incompetents, wastrels, or thieves.

– (a) No pawnbroker shall receive in pledge or mortgage or by way of sale, either absolutely or with an agreement to sell back, any goods, note, bill, check, assignment or order for money or other property, or any article, thing, or property of any description, from any person, after receiving from any one of the officers mentioned in § 19-26-5, or the parent or guardian of any minor or person of unsound mind, written notice that the person is a minor or is of unsound mind; or neglects all lawful business; or habitually frequents houses of ill fame, gaming houses, or tippling houses; or by drinking, gaming, idleness, or debauchery of any kind squanders his or her earnings or wastes his or her estate; or is likely to bring self or family to want or to render self or family a public charge; or is a known thief or suspected of thievery.

(b) No pawnbroker shall knowingly receive any pawn from any person under eighteen (18) years of age, or from any person in a visible state of intoxication from liquors, drugs, or narcotics.

(c) Any pawnbroker violating any provision of this section shall be fined not exceeding five hundred dollars (\$500), and the pawnbroker's license shall become void.

TITLE 23. HEALTH AND SAFETY

CHAPTER 19.1. HAZARDOUS WASTE MANAGEMENT

§ 23-19.1-10 Permits – Issuance – Renewal – Revocation – Exempted activities.

– (a) After the taking effect of rules and regulations required to be promulgated under this chapter, no person shall construct, substantially alter, or operate any hazardous waste management facility, nor shall any person store, transport, treat, or dispose of any hazardous waste, except as exempted by this section,

without first obtaining a permit from the director for the facility or activity, nor shall any person accept or deliver hazardous waste from or to any person who does not possess a permit from the director for hazardous waste management, without the prior approval of the director, provided however that this section shall not be construed to require permits for the generation of hazardous waste.

(b) Permits issued under this section shall be issued pursuant to rules and regulations promulgated by the director under the authority of § 23-19.1-6. Prior to issuing a hazardous waste management facility permit, the director shall issue public notice in a newspaper of general circulation in the area affected and shall notify all persons requesting the notification in writing, all property owners within five hundred feet (500') of the perimeter of the site of the facility by mail directed to the last known address, and the city or town in which the hazardous waste management facility is located and shall hold a public hearing. The permits shall be issued only under conditions of proof of financial responsibility, posting of surety bonds, evidence of adequate liability insurance, and/or such other conditions as the director by regulation may require.

(2) No permit shall be approved by the director, unless the director finds that the applicant, in any prior performance record in the collection, transportation, treatment, storage, or disposal of hazardous or solid waste, has exhibited sufficient reliability, expertise, and competency to operate the hazardous waste management facility, given the potential for harm to human health and the environment which could result from the irresponsible operation thereof, or if no prior record exists, that the applicant is likely to exhibit that reliability, expertise and competence.

(3) No permit shall be approved by the director if any person shown to have a beneficial interest in the business of the applicant or the permittee other than an equity interest or debt liability by the investigation thereof, has been convicted or has pled nolo contendere and received an actual or suspended sentence with such plan, of any of the following crimes under the laws of Rhode Island or the equivalent thereof under the laws of any other jurisdiction:

- (i) Murder;
- (ii) Kidnapping;
- (iii) Gambling;
- (iv) Robbery;
- (v) Bribery;
- (vi) Extortion;
- (vii) Criminal usury;
- (viii) Arson;
- (ix) Burglary;
- (x) Theft and related crimes;
- (xi) Forgery and fraudulent practices;
- (xii) Fraud in the offering, sale or purchase of securities;
- (xiii) Alteration of motor vehicle identification numbers;
- (xiv) Unlawful manufacture, purchase, use or transfer of firearms;
- (xv) Unlawful possession or use of destructive devices or explosives;
- (xvi) Racketeering;
- (xvii) Perjury or false swearing;
- (xviii) Any purposeful knowing, willful or reckless violation of the criminal provision of any federal or state environmental protection laws, rules and regulations;
- (xix) Assault constituting a felony.

(4) Notwithstanding the provisions above, no applicant shall be denied a permit on the basis of a conviction of any individual shown to have a beneficial interest in the business of the applicant or the permittee other than an equity interest or debt liability by the investigation thereof, for any of the offenses enumerated above if the person has affirmatively demonstrated by clear and convincing evidence his rehabilitation. In determining whether an applicant has affirmatively demonstrated rehabilitation, the director shall request a recommendation thereon from the attorney general, and shall consider the following factors:

- (i) The nature and responsibilities of the position which a convicted individual would hold;
- (ii) The nature and seriousness of the offense;
- (iii) The circumstances under which the offense occurred;
- (iv) The date of the offense;
- (v) The age of the individual when the offense was committed;
- (vi) Whether the offense was an isolated or repeated incident;
- (vii) Any social conditions which may have contributed to the offense;

(viii) Any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of persons who have or have had the applicant under their supervision.

(5) No permit shall be approved by the director if the attorney general determines that there is a reasonable suspicion to believe that a person shown to have a beneficial interest in the business of the applicant or the permittee other than an equity interest or debt liability by the investigation thereof, does not possess a reputation for good character, honesty and integrity, and that person or the applicant fails by clear and convincing evidence, to establish his or her reputation for good character, honesty, and integrity.

(6) No permit shall be approved by the director with respect to the approval of an initial permit, if there are current prosecutions or pending charges in any jurisdiction against any person shown to have a beneficial interest in the business of the applicant or the permittee other than an equity interest or debt liability by the investigation, for any of the offenses enumerated above; provided, however, that at the request of the applicant or the person charged, the director shall defer decision upon such application during the pendency of such charge.

(7) No permit shall be approved by the director if any person shown to have a beneficial interest in the business of the applicant or the permittee other than an equity interest or debt liability by the investigation thereof, has pursued economic gain in an occupational manner or context which is in violation of the criminal or civil public policies of this state. For the purposes of this section, "occupational manner or context" means the systematic planning, administration, management, or execution of an activity for financial gain.

(8) No permit shall be approved by the director if the applicant in its application or any other materials supplied to the director or the attorney general shall supply information which is untrue or misleading as to a material fact pertaining to the disqualification criteria set out above.

(9) Any applicant who is denied an initial permit pursuant to this section shall, upon written request transmitted to the director within thirty (30) days of the denial, be afforded the opportunity for a hearing. Any permittee who receives a notice of intent to revoke or refuse to renew a permit shall have fifteen (15) days from the receipt of the notice to transmit to the director a request for a hearing.

(10) Notwithstanding the disqualification of any applicant or permittee the director may issue or renew a license if the applicant or permittee severs the interest of or affiliation with the person who would otherwise cause that disqualification.

(ii) Where the disqualifying individual is the owner of an equity interest or interest in the debt liability of the permittee or applicant, he or she must completely divest himself or herself of that interest. Where immediate sale of the interest would work an economic hardship on the individual, the permittee or applicant, the director may, in his or her discretion, allow for divestiture over a period of time not to exceed one year.

(iii) Arrangements such as blind trusts will be acceptable only as part of a divestiture arrangement under which the trustee is obliged to sell the disqualifying individual's interest within a period not to exceed two (2) years.

(iv) Before the director will issue or renew a permit to an applicant or permittee which has severed a disqualifying individual, the applicant or permittee must submit to the director an affidavit, sworn to by the chief executive officer, attesting to the severance of the disqualifying individual and describing the terms, circumstances and conditions of the severance. Any instruments pertaining to that severance (such as a trust agreement) shall be submitted with the affidavit.

(11) The director will not issue a permit to any person who has had an application denied, or a license revoked, for any of the reasons set forth for a period of five (5) years following such denial or revocation. A person that is a business concern shall be considered as the same person if the management structure of the concern includes the person or persons that were the cause of the original disqualification.

(c) Permits for hazardous waste transporters shall be issued for a period not to exceed one year. Permits for hazardous waste management facilities shall be issued subject to such terms and conditions, including duration of the permit, as the director may require, and subject to suspension, revocation, modification, or amendment as provided in subsection (e). The director shall review each permit at least every five years and shall notify each hazardous waste management facility, in writing, when the permit review has been completed. Any changes in permit conditions shall be included in the notification.

(d) In any proceeding for issuance or renewal of a permit required under this section, the burden of proving that the operation of the facility for which a permit is sought complies with the rules and regulations under § 23-19.1-6(a) shall be on the applicant for the permit.

(e) Any permit issued under this section may be suspended, revoked, modified, or amended by the director at any time upon a showing, after notice and hearing, that the permittee failed in the application or during the permit issuance process to discharge fully all relevant facts, or the permittee's misrepresentation of any relevant facts at anytime, or that there has been a conviction or plea as described in subsection (b)(2), that the permittee has failed to comply with the provisions of this chapter, rules and regulations promulgated by the director pursuant to this chapter, or the terms and conditions of the permit, a change in ownership or operational control of a permitted hazardous waste facility, or upon a showing, after notice and hearing, that the continued operation of the permitted facility constitutes a threat to the health and safety of the public or to the environment. In any administrative proceeding for revocation of a permit under the provisions of this section the permittee has the burden of demonstrating compliance with all lawful requirements and regulations for the retention of the permit and that continued operation under the permit will not constitute a threat to public health, safety, or the environment. In any proceeding for revocation, suspension, modification, or amendment of a permit pursuant to this subsection, the director will provide the affected party with the opportunity for an adequate hearing and with written notice of the intent of the director to revoke the permit and the reasons for the revocation.

(2) The following are causes for modification but not revocation and reissuance of permits, and the following may be causes for revocation and reissuance as well as modification when the permittee requests or agrees:

(i) There are material and substantial alterations or additions to the permitted facility or activity which occurred after the permit issuance which justify the application of permit conditions that are different or absent in the existing permit;

(ii) Permits may be modified during their terms only if the director has received information that was not available at the time of permit issuance and would have justified the application of different permit conditions at the time of issuance. This shall include any information indicating the cumulative effects on the environment are unacceptable;

(iii) The rules or regulations on which the permit was based have been changed by promulgation of amended rules or regulations or by judicial decision after the permit was issued.

(iv) The director determines good cause exists for modification of a compliance schedule, such as an act of God, strike, flood, or materials shortage or other events over which the permittee has little or no control and for which there is no reasonably available remedy.

(3) In addition to any other cause set forth in this chapter, any permit may be revoked by the director for any of the following causes:

(i) Fraud, deceit, or misrepresentation in securing the permit, or in the conduct of the permitted activity;

(ii) Offering, conferring, or agreeing to confer any benefit to induce any other person to violate the provisions of the Rhode Island "Hazardous Management Act" or of any other law relating to the collection, transportation, treatment, storage, or disposal of solid waste or hazardous waste, or of any rule or regulation adopted pursuant thereto;

(iii) Coercion of a customer by violence or economic reprisal or the threat thereof to utilize the services of any permittee;

(iv) Preventing, without authorization of the director, any permittee from disposing of solid waste or hazardous waste at a licensed treatment, storage or disposal facility. In any proceeding for revocation, suspension, modification, or amendment of a permit pursuant to this subsection, the director will provide the affected party with the opportunity for an adequate hearing and with written notice of the intent of the director to revoke the permit and the reasons for the revocation.

(f) The following activities do not require a permit under this chapter, but are subject to the portions of this chapter and rules and regulations adopted thereunder that do not apply to permits:

(1) Storage, treatment, or disposal of those quantities of certain hazardous wastes that the director determines by regulation do not pose a threat to the public health, safety, and environment;

(2) Transport of any hazardous waste on the premises where it is generated or onto contiguous property owned by the generator thereof; and

(3) Temporary storage or resource recovery, including regeneration or reclamation of material or energy, of hazardous wastes at the site of generation, which temporary storage or resource recovery is conducted by the generator thereof.

(g) In addition to any other requirements imposed by this section, no permit or renewal of a permit for a facility that is a commercial landfill shall be approved by the director unless the applicant provides evidence of either (1) bonding; and/or (2) a catastrophe fund, both to be in an amount and for a length of time as the director shall determine to be necessary to protect the general public's health and welfare from any potential complications arising from the landfill. The director's determination as to the amount and length of time for said bond and/or catastrophe fund shall be final. The applicant's evidence of the bonding and/or catastrophe fund shall be available for public inspection at the department.

TITLE 35. PUBLIC FINANCE

CHAPTER 4. STATE FUNDS

§ 35-4-27 Indirect cost recoveries on restricted receipt accounts.

– Indirect cost recoveries of seven percent (7%) of cash receipts shall be transferred from all restricted receipt accounts, to be recorded as general revenues in the general fund. However, there shall be no transfer from cash receipts with restrictions received exclusively from contributions from non-profit charitable organizations. These indirect cost recoveries shall be applied to all accounts, unless prohibited by federal law or regulation, court order, or court settlement. The following restricted receipt accounts shall not be subject to the provisions of this section:

SEE THE BOOK FOR THE PROPER TABLE.

TITLE 41. SPORTS, RACING AND ATHLETICS

CHAPTER 3. HORSE RACING

§ 41-3-1 License required for racing.

– No person, association, or corporation shall hold or conduct any meeting within the state where horse racing shall be permitted for any stake, purse, or reward, except such person, association, or corporation as shall be licensed by the division of racing and athletics as provided in this chapter, and after an affirmative vote of the qualified electors as provided in chapter 9 of this title.

§ 41-3-2 Town election on establishment of track.

– Before a horse racing track shall be established in any town or city, the approval of the question as is required by chapter 9 of this title shall be necessary, and if consent be thus given, all further regulations shall rest with the division of racing and athletics.

§ 41-3-3 Classes of licenses.

– The division of racing and athletics shall be empowered to license race meets under the following classes:

- (1) Class A. Horse running races, so-called.
- (2) Class B. Competitive harness horse races which are run in connection with the grand circuit, so-called.
- (3) Class C. Competitive harness horse races which are not run in connection with the grand circuit, so-called.
- (4) Class D. Competitive horse races where there is no wagering.
- (5) Class E. Harness racing by any incorporated association duly authorized to maintain agricultural exhibits.

§ 41-3-4 Application for license – Action by division.

– Any person, association, or corporation desiring to conduct horse racing within this state shall apply to the division of racing and athletics for a license on forms provided by the division. The application shall specify the days on which horse racing is to be conducted, the location of the horse racing, and such other information as may be required by the division. The division may also require any person, association, or corporation to give information as to financial standing and credit. The division shall have the right to reject any applications for a license for any cause which it may deem sufficient, and the action of the division both as to the license and the date or award shall be final, subject to the right of appeal provided by chapter 2 of this title. The division shall, as far as practicable, avoid conflicts in the dates assigned or awarded for horse racing in the state.

§ 41-3-5 Award of dates for Class A racing.

– The application for a Class A license shall be filed on or before the fifteenth day of February in any year and the division of racing and athletics having considered the applications, shall on or before the first day of April in any year, assign or award all dates for racing within the state for the current year; provided, however, that the division in its discretion, may receive applications at a later date and may change the assignment or award if in its judgment the change is found necessary, but prior to making the change it shall print a public notice in the newspapers and shall give the party aggrieved by the change an opportunity to be heard.

§ 41-3-6 Renewal of Class A licenses.

– Class A licenses when granted shall be renewable at the option of the licensee for a period of ten (10) years, provided the licensee complies with the provisions of this chapter and chapter 4 of this title.

§ 41-3-7 Rebate of license fees.

– If by any reason or cause beyond the control of and through no fault or neglect of any licensee and while the licensee is not in default, it should become impossible or impracticable to conduct horse racing upon any day or days licensed by the division of racing and athletics, at the request of the licensee and upon sworn statements, submitted in writing by the licensee, the division may rebate all or part of the license fee.

§ 41-3-8 Licensing of owners, trainers, jockeys, and other personnel.

– The division at its discretion shall license owners, trainers, jockeys, starters, exercise boys, hotwalkers, grooms, and all other stable personnel as well as pari-mutuel employees, concessioners and vendors, security personnel, licensees, employees, pari-mutuel totalizator companies and its employees, and all employees of race track management.

§ 41-3-8.1 Licensing of concessioners, vendors, pari-mutuel totalizator companies, and employees.

– (a) All persons, firms, partnerships, associations, or corporations desiring to operate any concession allied to any horse racing track, shall apply for a license to the division of racing and athletics, on such forms and in such a manner as prescribed by regulations of the division. The division, by regulation, shall establish other occupational licensing for all employees of the concessions, all pari-mutuel employees, and all persons employed in any other capacity by the race track management, and for other persons engaged in racing activities at any horse racing track.

(b) All persons, firms, associations, or corporations employed by the management of a horse racing track in providing pari-mutuel totalizator computer services for pari-mutuel computations, shall apply for a license to the division of racing and athletics upon such forms and in such manner as prescribed by regulations of

the division. All employees of the pari-mutuel totalizator computer companies shall be licensed by the division on forms prescribed by regulations of the division.

(c) In determining whether to grant a license pursuant to this section, the division may require the applicant to submit information as to: financial standing and credit; moral character; criminal record, if any; previous employment; corporate, partnership or association affiliations; ownership of personal assets; and such other information as it deems pertinent to the issuance of the license. The division may reject for good cause an application for a license, and it may suspend or revoke for good cause any license issued by it after a hearing held in accordance with chapter 35 of title 42, and subject to further appeal procedures provided by § 41-2-3.

(d) The issuance of a license and the payment of annual fees shall be in accordance with the following schedule:

(1) Concessionaire and vendors \$100.00

(2) Occupational license:

Owners 5.00

Trainers 5.00

Jockeys 5.00

Apprentice jockeys 5.00

Authorized agents 5.00

Starters 5.00

Stable employees 5.00

Assumed names 10.00

Colors 5.00

(3) Vendors and concessionaries' employees 5.00

(4) Pari-mutuel employees 5.00

(5) Employees of race track management 5.00

(6) Pari-mutuel totalizator company 100.00

(7) Pari-mutuel totalizator company employees 5.00

(e) All individual applicants for licensing under this section shall be fingerprinted, and upon obtaining the license, shall wear upon his or her outer apparel a photo identification badge, issued or authorized by the division of racing and athletics under rules and regulations promulgated by the division.

§ 41-3-9 Rules as to betting and track operation – Deputies.

– The division of racing and athletics may make rules and regulations governing the operation of the tracks and stables. The division may make rules regulating betting at the horse racing events. The division may, at its discretion, appoint deputies, not exceeding twenty-two (22), to perform such duties as the rules and regulations of the division may require.

§ 41-3-9.1 Admittance in stable enclosure.

– (a) No person shall enter the stable enclosure of a licensee of thoroughbred horses kept for a racing meeting without first obtaining the proper photo identification or permission in writing from the designated track security authority.

(b) Any person violating this section shall be guilty of a misdemeanor punishable by a fine up to one hundred dollars (\$100) or a jail sentence of up to thirty (30) days or both for the first offense, and the second and subsequent offense shall be punishable by a fine up to two hundred (\$200) dollars or up to ninety (90) days in jail or both.

(c) This section shall not apply to any police officer or firefighter in the exercise of his or her lawful duty.

§ 41-3-10 Accounting methods.

– The division of racing and athletics shall have the power to require that the books and financial or other statements of any person, corporation, or association licensed under the provisions of this chapter shall be kept in any manner which to the division may seem best, and the division shall also be authorized to visit,

to investigate, and to place expert accountants and such other persons as it may deem necessary, in the offices, tracks, or places of business of any person, corporation, or association, for the purpose of satisfying itself that the division's rules and regulations are strictly complied with.

§ 41-3-11 Employees of licensees.

– The division of racing and athletics may at any time for cause require the removal of any employee or official employed by any licensee hereunder.

§ 41-3-12 Compelling production of records.

– The division of racing and athletics shall have power to compel the production of any and all books, memoranda, or documents showing the receipts and disbursements of any person, corporation, or association licensed under the provisions of this chapter to conduct race meetings.

§ 41-3-13 Witnesses before division.

– The division of racing and athletics shall have power to summon witnesses before it and to administer oaths or affirmations to the witnesses whenever, in the judgment of the division, it may be necessary for the effectual discharge of its duties; and any person failing to appear before the division at the time and place specified in answer to the summons, or refusing to testify, shall be guilty of a misdemeanor and, upon conviction in a court of competent jurisdiction, shall be punished by a fine of not more than five hundred dollars (\$500) or by a sentence to the adult correctional institutions for not more than six (6) months, or by a sentence to both a fine and imprisonment, in the judgment of the court. False swearing on the part of any witnesses shall be deemed perjury, and shall be punished as perjury.

§ 41-3-14 Suspension or revocation of license.

– Any license granted under the provisions of this chapter shall be subject to the rules and regulations set forth by the division of racing and athletics, and shall be subject to suspension or revocation for any cause which the division shall deem sufficient, after giving the licensee a reasonable opportunity for a hearing at which he or she shall have the right to be represented by counsel. If any license is suspended or revoked, the division shall state the reasons for the suspension or revocation and cause an entry of the reasons to be made on the record books of the division.

§ 41-3-15 Penalty for unauthorized racing.

– Any person aiding or abetting in the conduct of any meeting within this state at which racing of horses shall be permitted for any stake, purse, or reward, except in accordance with a license duly issued and unsuspended or unrevoked by the division of racing and athletics, shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine of not more than five hundred dollars (\$500) for each day of the unauthorized meeting or by imprisonment for not exceeding six (6) months, or both a fine and imprisonment, in the discretion of the court.

§ 41-3-16 Municipal taxation of tracks.

– No fee, tax, or other emolument shall be exacted by any city or town for the use of track or events conducted thereon under the provisions of this chapter, and the right to establish any fees, taxes, or other emoluments shall rest with the division of racing and athletics in accordance with law; provided, however, that nothing in this chapter or chapter 4 of this title contained shall be construed to prevent any city or town from assessing and collecting taxes upon the real and personal property used by or in connection with any racing track.

§ 41-3-17 Ejection of undesirable persons – Rights of licensee.

– Any licensee under this chapter shall have the right to refuse admission to and to eject from the enclosure of any pari-mutuel facility where a pari-mutuel meeting licensed under the provisions of this chapter, is being held, any person or persons whose presence within the enclosure is, in the sole judgment of the licensee, its agents, or servants, undesirable

§ 41-3-18 Penalty for refusing to leave.

– Any person or persons within the enclosure deemed undesirable by the licensee, its agents, or servants or who has been ordered to leave or who has been previously ejected, shall, upon refusal to leave, be guilty of a misdemeanor, and upon conviction thereof, be punished by a fine of not more than one hundred dollars (\$100) or imprisoned not more than one year or both.

§ 41-3-19 Severability.

– The invalidity of any sections or parts of any section or sections of this chapter or chapter 4 of this title shall not affect the validity of the remainder of the chapters.

§ 41-3-20 Majority of directors of licensee to be residents.

– The majority of the membership of the board of directors of any corporation licensed to hold or conduct any meeting within the state where horse racing shall be permitted for any stake, purse, or reward, shall be residents of the state.

§ 41-3-21 Chemical test.

– There shall be administered to the first three (3) finishers and to the last finisher of every horse race, the appropriate chemical test authorized by the division of racing and athletics.

CHAPTER 3.1. DOG RACING IN BURRILLVILLE, LINCOLN, AND WEST GREENWICH

§ 41-3.1-1 Operation of dog racing facilities.

– Any person desiring to operate a facility for the exhibition of the sport called dog racing in the towns of Burrillville, Lincoln, and West Greenwich, may do so upon the compliance with the terms and provisions of this chapter and pursuant to the provisions of chapter 9 of this title.

§ 41-3.1-2 "Sports facilities" defined.

– The words "sports facilities" as used in this chapter, means a building or enclosure in which dog racing is conducted.

§ 41-3.1-3 Regulation of operations.

– (a) The division of racing and athletics is hereby authorized to license dog racing in the towns of Burrillville, Lincoln, and West Greenwich. The operation of a dog track shall be under the division's

supervision. The division is hereby authorized to issue rules and regulations for the supervision of the operations, and the regulations are to be issued prior to commencement of licensing hearings.

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

§ 41-3.1-4 Powers and duties of racing and athletics division.

– In addition to the other powers conferred upon the division, the division of racing and athletics shall carry out the provisions of this chapter, and to that end, the division may:

- (1) Personally or by agent, supervise and check the making of pari-mutuel pools and wages and the distribution therefrom;
- (2) Fix and set the dates within which any dog track may be operated; provided, however, there shall be at least one hundred twenty-five (125) days annually of the operation; and
- (3) Require any applicant for a permit to operate a dog track to file an application under oath setting forth:
 - (i) The full name of the person, firm, corporation, or association, and if a corporation, the name of the state under which it is incorporated, as well as the names of the officers and directors of the corporation, and their places of residence, or if an association, the name and residence of the members of the association;
 - (ii) The exact location where it is desired to operate a dog track;
 - (iii) Whether or not the dog track is owned or leased, and if leased, the name, residence, and address of the owners or lessees, or if the owner or lessee be a corporation, the name and address of the officers and directors thereof;
 - (iv) A statement of the assets and liabilities of the person, firm, corporation, or association making application for the permit;
 - (v) Such other information as the division may require.

§ 41-3.1-5 Wages and pari-mutuel pools permitted within enclosure of dog track.

– The pari-mutuel system, so called, or other form of betting system authorized by this chapter, shall not be used or permitted at any location other than the race track at which the dog racing event is licensed to be conducted.

§ 41-3.1-5.1 Sale or purchase of twin-double tickets.

– The sale or purchase of twin-double tickets or attempting to aid or abet in the sale or purchase of twin-double tickets through solicitation of patrons attending, other than through pari-mutuel machines, is prohibited. Any person violating the provisions of this section shall be denied admission to all dog tracks in the state and may be prosecuted. Persons convicted of violating the provisions of this chapter shall be punishable by a fine of not more than five hundred dollars (\$500) or by imprisonment for up to one year or both.

§ 41-3.1-6 Tax on betting and licensee's commission.

– (a) The commission of a licensee on pari-mutuel pools and wagers shall be eighteen percent (18%) of the amount contributed thereto.

(2) After deducting the commission and the "breaks," hereafter defined, a pari-mutuel pool shall be redistributed to the contributors. The licensee conducting such events pursuant to this chapter shall pay a tax to the state of five and one half percent (5.5%) of the amounts contributed to the mutuel pool. The licensee shall pay a tax of one half of one percent (.5%) of the pool to each city or town in which any

portion of the racing facility, including parking areas, storage areas, buildings, and entrances or exits to or from property being used in conjunction with the operation of dog racing, is located.

(b) Redistribution of funds otherwise distributable to the contributors to the pari-mutuel pools shall be a sum equal to the next lowest multiple of ten (10).

(c) No distribution of a pari-mutuel pool shall be made of the odd cents of any sum otherwise distributable, which odd cents shall be known as the "breaks".

(d) The "breaks" shall be known as the difference between the amount contributed to a pari-mutuel pool and the total of the commission of the licensee and the sums actually redistributed to the contributors.

(e) No person or corporation shall directly or indirectly purchase pari-mutuel tickets or participate in the purchase of any part of a pari-mutuel pool for another for hire or for any gratuity, and no person shall purchase any part of a pari-mutuel pool, through another, wherein he or she gives or pays directly or indirectly the other person anything of value, and any person violating this section shall be fined the sum of five hundred dollars (\$500) for each violation

§ 41-3.1-7 Distribution of funds.

– All money mentioned in this chapter derived from taxes on wagers and pari-mutuel pools shall be disbursed by the state treasurer pursuant to chapter 4 of this title. Except as is inconsistent therewith the provisions of chapters 3 and 4 of this title shall apply to the sport of dog racing.

§ 41-3.1-8 Tax on breaks – Distribution.

– (a) A tax is hereby levied upon every pari-mutuel pool conducted at the dog track, equal to fifty percent (50%) of the "breaks" as defined in § 41-3.1-6(d).

(b) It shall be the duty of every dog track licensee to pay unto the state treasurer the tax hereby levied and the licensee shall be liable therefor.

§ 41-3.1-9 Severability.

– If any provisions of this chapter or the application thereof to any person or circumstances is held invalid, the invalidity shall not effect other provisions or applications, and to this end the provisions of this chapter are severable.

§ 41-3.1-10 Chemical test.

– There shall be administered to the first finisher, and to one other randomly selected finisher, of every dog race, the appropriate chemical test authorized by the division of racing athletics. The department of health shall conduct the testing; and is hereby authorized to establish by rule and regulation a reasonable fee structure and procedures required for the chemical testing. The operator of the dog racing facility and the Department of Health shall pay for one test each in every dog race. The costs of such test shall be assessed equally to the operator and the department. All money collected shall be deposited as general revenues.

CHAPTER 4. MUTUAL BETTING AND LICENSE FEES

§ 41-4-1 Meets at which betting authorized – Types of mutuels.

– (a) The division of racing and athletics may permit at racing events, licensed under the provisions of chapter 3 of this title betting under pari-mutuel system, so-called, or auction mutuel system, so-called, except as otherwise provided in this chapter.

(b) Events run under Class A shall be conducted under the pari-mutuel system only.

(c) Events run under Classes B, C, and E shall be conducted under the pari-mutuel or auction mutuel system as the division may determine.

§ 41-4-2 Betting only at track – Minors prohibited.

– The pari-mutuel system, so-called, or other form of betting system authorized by this chapter, shall not be used or permitted at any location other than the race track at which the horse racing event is licensed to be conducted. No licensee shall knowingly permit any minor to be a patron of the pari-mutuel system or other betting system authorized by this chapter.

§ 41-4-3 Tax on pari-mutuel betting.

– (a) Each licensee conducting racing events under the pari-mutuel system shall pay to the state, and there is hereby imposed:

- (1) A tax at the rate of three percent (3%) of the total money wagered on so-called straight (win, place, or show) wagering on the events; and
- (2) A tax at the rate of six percent (6%) of the total money wagered on so-called exotic or multiple forms of wagering on the events; and
- (3) A tax equal to one-half (1/2) of the breakage to the dime resulting from the wagering.

(b) Each licensee conducting harness horse racing events under the pari-mutuel system shall pay to the state, and there is hereby imposed:

- (1) A tax at the rate of five and one half percent (5.5%) of so much of the total amount of money wagered daily on such events as does not exceed four hundred thousand dollars (\$400,000); six and three quarters percent (6.75%) of so much thereof as exceeds four hundred thousand dollars (\$400,000), but does not exceed four hundred and fifty thousand dollars (\$450,000); seven and one quarter percent (7.25%) of so much thereof as exceeds four hundred and fifty thousand dollars (\$450,000), but does not exceed five hundred thousand dollars (\$500,000); and ten percent (10%) of so much of the total amount of money wagered on such events as exceeds five hundred thousand dollars (\$500,000),
- (2) A tax equal to one half (1/2) of the breakage to the dime resulting from the wagering.

(c) Each licensee conducting dog racing events under the pari-mutuel system shall pay to the state, and there is hereby imposed, a tax on such events at the rate of:

- (1) Five and one half percent (5.5%) of the first one hundred and fifty thousand dollars (\$150,000) of money wagered daily; plus nine percent (9%) on amounts wagered from one hundred and fifty thousand dollars (\$150,000) to two hundred and fifty thousand dollars (\$250,000); plus ten and one quarter percent (10.25%) on amounts wagered from two hundred and fifty thousand dollars (\$250,000) to three hundred and seventy-five thousand dollars (\$375,000); plus ten and three quarters percent (10.75%) on amounts wagered over three hundred and seventy-five thousand dollars (\$375,000); and
- (2) One half (1/2) of the breakage to the dime resulting from the wagering

§ 41-4-4 Licensee's commission under pari-mutuel system.

– (a) Each licensee under the pari-mutuel system may retain as the licensee's commission:

- (1) Not to exceed sixteen percent (16%) of the total amount of money wagered on so called straight (win, place, or show) wagering on events; and
- (2) Not to exceed eighteen percent (18%) of the total amount of money wagered on so called exotic or multiple forms of wagering on such events, and one half (1/2) of the breakage to the dime resulting from the wagering.

(b) Each licensee conducting a harness horse racing meeting under the pari mutuel system may retain as the licensee's commission:

- (1) Not to exceed eleven and one half percent (11.5%) of so much of the total amount of money wagered daily on such events as does not exceed four hundred thousand dollars (\$400,000); ten and one quarter percent (10.25%) of so much thereof as exceeds four hundred thousand dollars (\$400,000), but does not exceed four hundred and fifty thousand dollars (\$450,000); nine and three quarters percent (9.75%) of so much thereof as exceeds four hundred and fifty thousand dollars (\$450,000), but does not exceed five hundred thousand dollars (\$500,000); and seven percent (7%) of so much of the total amount of money wagered on such events as exceeds five hundred thousand dollars (\$500,000); and

(2) One half (1/2) of the breakage to the dime resulting from the wagering.

(c) Each licensee conducting dog racing events under the pari-mutuel system may retain as the licensee's commission an amount not to exceed:

(1) Eleven and one-half percent (11.5%) of the first one hundred and fifty thousand dollars (\$150,000) of money wagered daily; plus eight percent (8%) on amounts wagered from one hundred and fifty thousand dollars (\$150,000) to two hundred and fifty thousand dollars (\$250,000); plus six and three quarters percent (6.75%) on amounts wagered from two hundred and fifty thousand dollars (\$250,000) to three hundred and seventy-five thousand dollars (\$375,000); plus six and one quarter percent (6.25%) on amounts wagered over three hundred and seventy-five thousand dollars (\$375,000); and

(2) One half (1/2) of the breakage to the dime resulting from the wagering

§ 41-4-4.1 Support of racing division activities – Tax.

– (a) Notwithstanding the provisions of § 41-4-3 or § 41-3.1-6 each licensee conducting racing events under the pari-mutuel system shall collect an additional five percent (5%) of all money wagered on the multiple pools at racing tracks. Multiple pools shall be defined as all forms of wagering other than win, place, and show. This five percent (5%) tax shall be over and above the schedule of taxes as set forth in § 41-4-3, and shall be distributed as follows:

(1) One and one half percent (1.5%) shall be paid to the department of business regulation and these proceeds shall be deposited as general revenue;

(2) Effective January 1, 1990, one half of one percent (.5%) shall be paid to owners of dog kennels who are under contract with a licensee who shall distribute funds to the owners of dog kennels in a manner consistent with the generally accepted distribution of dog kennel owners' purses subject to an annual audit by the auditor general or his or her designee.

(3) One and one half percent (1.5%) shall be paid to the licensee provided that there is at least three hundred and forty (340) scheduled performances during the calendar year.

(4) One and one half percent (1.5%) shall be paid to the state and revert to the general fund.

(b) Notwithstanding the provisions of § 41-3.1-6 each licensee conducting racing events under the pari-mutuel system shall collect an additional four percent (4%) of all moneys wagered on so called straight (win, place, or show) wagering. This four percent (4%) tax shall be over and above the schedule of taxes as set forth in § 41-3.1-6, and shall be distributed as follows:

(1) One percent (1%) shall be paid to the town of Lincoln; and

(2) One percent (1%) shall be paid to owners of dog kennels who are under contract with a licensee who shall distribute funds to the owners of dog kennels in a manner consistent with the generally accepted distribution of dog kennel owners' purses subject to an annual audit by the auditor general or his or her designee.

(3) Two percent (2%) shall be paid to the state and revert to the general fund.

§ 41-4-5 Taxes and license fees under auction mutuel system.

– If events are conducted under the auction mutuel system the following taxes and license fees are hereby imposed:

(1) As to Class B events, a tax of two percent (2%) of the total amount of money wagered and also a license fee of two hundred dollars (\$200) per day;

(2) As to Class C events, a tax of one and one half percent (1.5%) of the total amount of money wagered and also a license fee of fifty dollars (\$50.00) per day;

(3) As to Class E events, a tax of one percent (1%) of the total amount of money wagered and also a license fee of twenty dollars (\$20.00) per day.

§ 41-4-6 Licensee's commission under auction mutuel system.

– Each licensee under the auction mutuel system may retain, as the licensee's commission, not to exceed five percent (5%) of the total amount of money wagered.

§ 41-4-7 Class D license fee.

– Events run under Class D shall pay a fee not exceeding ten dollars (\$10.00) per day; provided, however, that no wagering of any sort shall be allowed at the events.

§ 41-4-8 Collection of taxes – Interest on delinquencies – Failure to pay on demand.

– The tax administrator shall assess and collect the taxes imposed by this chapter under such rules and regulations as he or she may prescribe. All taxes hereby imposed shall be due and payable at the close of each day's racing and any tax not paid upon demand of the tax administrator shall bear interest at the rate of six percent (6%) per annum from the time of the demand. Failure to pay any tax upon demand shall be cause for revocation of a license.

§ 41-4-9 Accounting system – Supervision of betting.

– The division of racing and athletics shall devise a system of accounting and shall supervise betting at a track in a manner so that the rights of the state are protected, and shall collect all fees and licenses under such rules and regulations as it shall prescribe.

§ 41-4-9.1 Licensing of concessioners, vendors, and pari-mutuel totalizator companies.

– (a) All persons, firms, partnerships, associations, or corporations desiring to operate any concession allied to any dog racing track, shall apply for a license to the division of racing and athletics, on such forms and in such a manner as prescribed by regulations of the division. The division by regulations shall establish other occupational licensing for all employees of the concessions, all pari-mutuel employees, and all persons employed in any other capacity by the race track management, and for other persons engaged in racing activities at any dog racing track.

(b) All persons, firms, associations, or corporations employed by the management of a dog racing track in providing pari-mutuel totalizator computer services for pari-mutuel computations, shall apply for a license to the division of racing and athletics upon such forms and in such manner prescribed by regulations of the division. All employees of the pari-mutuel totalizator computer companies shall be licensed by the division on forms prescribed by regulations of the division.

(c) In determining whether to grant a license pursuant to this section the division may require the applicant to submit information as to: financial standing and credit; moral character; criminal record, if any; previous employment; corporate, partnership or association affiliations; ownership of personal assets; and such other information as it deems pertinent to the issuance of the license. The division may reject for good cause an application for a license, and it may suspend or revoke for good cause any license issued by it after a hearing held in accordance with chapter 35 of title 42 and subject to further appeal procedures provided by § 41-2-3.

(d) The issuance of license and the payment of annual fees, except for occupational licenses for owners which shall be payable every three (3) years commencing with the first renewal date subsequent to June 16, 1991, shall be in accordance with the following schedule:

(1) Concessionaires and vendors \$200.00

(2) Occupational licenses:

Owners 150.00

Trainers 40.00

Assumed names 50.00

Lead people 10.00

Kennel people 10.00

(3) Concessionaire and vendor's employees 10.00

(4) Pari-mutuel employees 10.00

(5) Employees of race track management 10.00

(6) Pari-mutuel totalizator companies 200.00

(7) Pari-mutuel totalizator company employees 10.00

(8) Security personnel 10.00

(e) All individual applicants for licensing under this section shall be fingerprinted, and, upon obtaining the license, shall wear upon his or her outer apparel a photo identification badge, issued or authorized by the division of racing and athletics under rules and regulations promulgated by the division.

§ 41-4-10 Unclaimed winnings.

– The amount of unclaimed money, as determined by the division of racing and athletics, now held or which shall hereafter be held by any licensee, on account of outstanding and uncashed winning tickets shall, at the expiration of one year after the close of the meeting during which the tickets were issued, be collected forthwith from the licensee by the division and shall be paid over to the general treasurer for the use of the state and all unclaimed money shall be held in an escrow account by the licensee until collected by the division.

§ 41-4-11 Entry of premises for inspection of operations.

– The division of racing and athletics may authorize members of the division or duly authorized deputies to enter upon the premises at any racing event for the purpose of inspecting books and records, supervising and examining cashiers, ticket sellers, pool sellers, and other persons handling money at the event and such other supervision as may be necessary for the maintenance of order at the event.

§ 41-4-12 Monthly statement of receipts – Payments to treasurer.

– The division of racing and athletics shall, on or before the tenth day of each month, prepare and file with the general treasurer a full and complete statement of its receipts from all sources, and shall turn over to the general treasurer all moneys in its possession.

§ 41-4-13 [Repealed.]. –

§ 41-4-14 Dog racing – Distribution of pari-mutuel pool to communities where tracks located.

– After deducting the commission and the "breaks," as required by law, a pari-mutuel pool shall be redistributed to the contributors. The licensee of a dog track shall pay a tax to the state of five and one half percent (5.5%) of the amounts contributed to the mutuel pool. The licensee shall pay a tax of one half of one percent (.5%) of such pool to each city or town within whose borders the racing facility or any portion thereof, including parking areas, storage areas, buildings, and entrances or exits to or from the property being used in conjunction with the operation of dog racing, is located.

§ 41-4-14.1 Local approval.

– Section 41-4-14 shall take effect upon the approval of the voters of any city or town voting on the question allowing the sport of dog racing, subject, however, to an affirmative vote as provided in chapter 9 of title 41.

CHAPTER 7. JAI ALAI

§ 41-7-1 Operation of jai alai sports facilities.

– Any person desiring to operate a facility for the exhibition of the Spanish sport called jai alai in the city of Newport, may do so upon the compliance with the terms and provisions of this chapter.

§ 41-7-2 "Sports facilities" and "frontons" defined.

– The words "sports facilities" and "fronton" as used in this chapter mean a building or enclosure in which is provided a playing court with three walls so designed and constructed for the playing of that sports game of ball as played in Spanish speaking countries, called jai alai or pelota.

§ 41-7-3 Regulation of operations – Licensing.

– (a) The division of racing and athletics is hereby authorized to license jai alai in the city of Newport. The operation of a fronton shall be under the division's supervision. The division is hereby authorized to issue rules and regulations for the supervision of the operations.

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

§ 41-7-4 Power and duties of the division of racing and athletics.

– In addition to the other powers conferred upon the division of racing and athletics, the division shall carry out the provisions of this chapter, and to that end, the division may:

(1) Personally or by agent, supervise and check the making of pari-mutuel pools and wagers and the distribution therefrom;

(2) Fix and set the dates within which any fronton may be operated; provided, however, there shall be at least one hundred (100) days annually of the operation; and

(3) Require any applicant for a permit to operate a fronton to file an application under oath setting forth:

(i) The full name of the person, firm, corporation, or association, and if a corporation, the name of the state under which it is incorporated, as well as the names of the officers, directors, and stockholders of the corporation, and their places of residence, or if an association, the name and residence of the members of the association;

(ii) The exact location where it is desired to operate a fronton exhibiting the Spanish sport jai alai or pelota;

(iii) Whether or not the fronton is owned or leased, and if leased, the name, residence, and address of the owners or lessees, or if the owner or lessee be a corporation, the name and address of the officers, directors, and stockholders thereof;

(iv) A statement of the assets and liabilities of the person, firm, corporation, or association making application for the division permit;

(v) Such other information as the division may require.

§ 41-7-5 Wagers and pari-mutuel pools permitted within enclosure of fronton.

– Within the enclosure of any fronton licensed and conducted under this chapter but not elsewhere, wagering on the respective scores or points of the game of jai alai or pelota and the sale of pari-mutuel pools under such regulation as the division of racing and athletics shall prescribe, are hereby authorized and permitted, including, but not limited to, those forms of wagering known as daily double, perfecta, quinella, and trifecta.

§ 41-7-5.1 Sale or purchase of twin-double tickets.

– The sale or purchase of twin double tickets or attempting to aid or abet in the sale or purchase of twin-double tickets through solicitation of patrons attending, other than through pari-mutuel machines, is prohibited. Any person violating the provisions of this section shall be denied admission to the fronton and

may be prosecuted. Persons convicted of violating the provisions of this section shall be punished by a fine of not more than five hundred dollars (\$500) or by imprisonment for up to one year or both.

§ 41-7-6 Tax on betting and licensee's commission.

- (a) The commission of a licensee on pari-mutuel pools and wagers shall be twenty and one half percent (20 1/2%) of the amount contributed thereto. After deducting the commission and the "breaks," hereafter defined, a pari-mutuel pool shall be redistributed to the contributors. The licensee conducting events pursuant to this chapter shall pay a tax to the state of three percent (3%) of annual amounts contributed to mutuel pools up to eighteen million dollars (\$18,000,000) of total handle. The Rhode Island tax shall increase one half of one percent (.5%) for the next incremental increase of two million dollars (\$2,000,000), and one half of one percent (.5%) for each incremental increase of one million dollars (\$1,000,000), thereafter, in the total annual pool up to a maximum of five percent (5%). The licensee shall pay a tax of one percent (1%) of the pool to the city of Newport and the tax administrator/collector or equivalent for the city of Newport shall assess and collect the taxes imposed by this section with respect to the city of Newport under such rules and regulations as he or she may prescribe. All taxes hereby imposed shall be due and payable at the close of each day's activities and any tax not paid upon demand of the tax administrator/collector shall bear interest at the rate of six percent (6%) per annum for the time of the demand. Failure to pay any tax upon demand shall be cause for revocation of a license.
- (b) Redistributions of funds otherwise distributable to the contributors to the pari-mutuel pools shall be a sum equal to the next lowest multiple of ten (10).
- (c) No distribution of a pari-mutuel pool shall be made of the odd cents of any sum otherwise distributable, which odd cents shall be known as the "breaks."
- (d) The "breaks" shall be known as the difference between the amount contributed to a pari-mutuel pool and the total of the commission of the licensee and the sums actually redistributed to the contributors.
- (e) No person or corporation shall directly or indirectly purchase pari-mutuel tickets or participate in the purchase of any part of a pari-mutuel pool for another for hire or for any gratuity and no person shall purchase any part of a pari-mutuel pool through another, wherein he or she gives or pays directly or indirectly the other person anything of value, and any person violating this section shall be fined the sum of five hundred dollars (\$500) for each violation.

§ 41-7-7 Distribution of funds – Applicability of chapters 3 and 4 of this title.

- All money mentioned in this chapter derived from taxes on wagers and pari-mutuel pools shall be disbursed by the state treasurer pursuant to chapter 4 of this title. Except as is inconsistent with this chapter the provisions of chapters 3 and 4 of this title shall apply to the sport of jai alai.

§ 41-7-8 Tax on breaks – Distribution.

- (a) A tax is hereby levied upon every pari-mutuel pool conducted at the fronton for the exhibition of the Spanish ball game known as jai alai in Newport authorized by law so to do, equal to fifty percent (50%) of the "breaks" as defined in the above.
- (b) It shall be the duty of every fronton licensee to pay unto the state treasurer the tax hereby levied and the licensee shall be liable therefor.

§ 41-7-9 Leases of city properties.

- The city of Newport is hereby authorized to enter into a lease of city property for a period not to exceed thirty-five (35) years with an application to the division of racing and athletics for a license to conduct jai alai.

§ 41-7-10 Licensing of concessionaires, vendors, pari-mutuel totalizator companies.

– (a) All persons, firms, partnerships, associations, or corporations desiring to operate any concession allied to any fronton, shall apply for a license to the division of racing and athletics, on such forms and in such a manner as prescribed by regulations. The division by regulations shall establish other occupational licensing for all employees of the concessions, all pari-mutuel employees, and all persons employed in any other capacity by the fronton management.

(b) All persons, firms, partnerships, associations, or corporations employed by the fronton management in providing pari-mutuel totalizator computer services for pari-mutuel computations, shall apply for a license to the division upon such forms and in such manner as prescribed by regulations of the division. All employees of the pari-mutuel totalizator computer companies shall be licensed by the division on forms prescribed by regulations of the division.

(c) In determining whether to grant a license pursuant to this section the division may require the applicant to submit information as to: financial standing and credit; moral character; criminal record, if any; previous employment; corporate, partnership, or association affiliations; ownership of personal assets; and such other information as it deems pertinent to the issuance of the license. The division may reject for good cause an application for a license, and it may suspend or revoke for good cause any license issued by it after a hearing held in accordance with chapter 35 of title 42; subject to further appeal procedures provided by § 41-2-3.

(d) Issuance of license and the payment of annual fees shall be the same in accordance with the following schedule:

(1) Concessionaires and vendors \$200.00

(2) Occupational license

Player license 10.00

Ball maker 10.00

Player/manager 10.00

Jai alai judge 10.00

(3) Vendor or concessionaire employee 10.00

(4) Pari-mutuel employees 10.00

(5) Employees of fronton management 10.00

(6) Pari-mutuel totalizator companies 200.00

(7) Pari-mutuel totalizator company employees 10.00

(8) Security employees 10.00

(e) All individual applicants for licensing under this section shall be fingerprinted, and, upon obtaining a license, shall wear upon his or her outer apparel a photo identification badge, issued or authorized by the division of racing and athletics under rules and regulations promulgated by the division.

§ 41-7-11 Conclusion of Saturday performances.

– Notwithstanding the provisions of chapter 6 of this title, any jai alai game played within the enclosure of any fronton licensed and conducted pursuant to this chapter, commencing on a Saturday evening and not concluded before twelve (12) o'clock midnight, shall not be permitted to be played beyond one o'clock in the morning of the first day of the week.

§ 41-7-12 [Repealed]. –

CHAPTER 9. ESTABLISHMENT AND EXTENSION OF GAMBLING ACTIVITIES AND OTHER FACILITIES

§ 41-9-1 "Gambling" and "gambling facilities" defined.

– As used in this chapter, the term "gambling" shall include but not be limited to horseracing, dog racing, jai alai, and casino gambling. The term "gambling facility" as used in this chapter means a building or enclosure in which any gambling activity including but not limited to the foregoing is played or conducted.

The term "gambling facility" shall also include any building, enclosure or other improvement designed, constructed, or used in connection with an overall plan or project involving the establishment of any gambling activity; provided, however, that this sentence shall not apply to any gambling facility licensed prior to [July 3, 1998].

§ 41-9-2 Financial disclosure by promoter.

– (a) By the first Monday in August prior to the general election at which the question of the establishment or extension of any gambling activity or facility is presented to the electorate, all persons and/or corporations promoting or having an interest of five percent (5%) or greater in the activity or facility shall file with the ethics commission the financial statement provided by the commission which shall conform with the requirements of § 36-14-16. If the person and/or corporation acquire an interest of five percent (5%) or greater after the first Monday in August, that person and/or corporation shall file the financial statement within seven (7) days after acquiring such interest.

(b) The duty to file the financial statement shall be a continuing duty and shall be required of any and all persons and/or corporations who have or will have an interest of five percent (5%) or greater in an activity and/or facility.

§ 41-9-3 Disclosure of regulated business interests.

– Every person who is required to file a financial statement pursuant to this chapter and who has, or within the preceding three (3) years divests himself or herself of, five percent (5%) or greater equity interest in a business entity which is subject to regulation by this chapter, by a state or municipal agency, shall file with the ethics commission annually an affidavit:

- (1) Identifying himself or herself and stating the capacity in which he or she serves or is about to serve which occasions the filing of the affidavit;
- (2) Identifying the business entity (or each business entity) and all the principals thereof known to him or her;
- (3) Stating the nature of his or her interest in the business entity and that of all the principals thereof known to him or her;
- (4) Identifying all those persons and/or corporations known to him or her providing any financing for the business entity.

§ 41-9-4 Town and state election on establishment of facility.

– (a) Before a gambling facility shall be established in any town or city, the town council of the town or the city council of the city shall comply with the following procedure. Upon receipt of a resolution from the town council of the town or the city council of the city, for a referendum to establish a gambling facility and/or activity, the general assembly shall determine, by passage of an act, whether to allow a referendum on the establishment of the gambling facility and/or activity.

Upon passage of an act to allow a referendum for the establishment of the gambling facility and/or activity, the town council of the town or the city council of the city shall pose, by adopting a resolution to be placed on the ballot at the next general election to be submitted to the qualified electors of the town or city and to the qualified electors of the state, the following question: "Shall a gambling facility and/or activity be established in the town (or city) of]]]]]]]]]]]]]]]]]]] ?"

(b) The question shall be submitted by the local board of canvassers to the electors of the town or city where the facility or activity is to be located, and the results of the election shall be certified to the secretary of state;

(c) The question shall be submitted by the secretary of state to the qualified electors of the state at the same general election and the secretary of state shall certify the election results;

(d) The affirmative vote of the subject town or city and the electors of the state shall be necessary for the approval of the question, and if consent be thus given, all rules and regulations shall be promulgated in accordance with the authority conferred upon the general assembly in R.I. Const., Art. VI, Sec. XV.

(e) The question of the establishment of a harness racing facility in the town of Burrillville shall be submitted to the electors of the state and the town at the November, 1990 general election.

§ 41-9-5 Penalties.

– Any person who knowingly and willfully violates the provisions of this chapter shall be guilty of a felony herein and punished by a fine of not more than five thousand dollars (\$5,000) and/or imprisonment for no longer than five (5) years for each violation.

§ 41-9-6 Applicability.

– The provisions of this chapter shall specifically apply to any facility licensed pursuant to chapter 7 of title 41 prior to any casino gambling activity being licensed on the premises of the facility.

CHAPTER 10. OFF TRACK BETTING

§ 41-10-1 License required for off track betting.

– No person, association, or corporation shall hold or conduct off track betting on any racing event for any stake, purse, or reward, except such person, association, or corporation as shall be licensed by the division of racing and athletics as provided by this chapter and as approved by the voters as required by this chapter.

§ 41-10-2 City elections on establishment of off track betting.

– (a) Notwithstanding any other provisions of law, before an off track betting facility shall be established in the city of Pawtucket, the question "Shall an off track betting facility be located in the city of Pawtucket, the state proceeds from which shall be paid directly to the cities and towns for the relief of property taxes?"
(b) This resolution shall be placed on the ballot at the next general election to be submitted to the qualified electors of the city of Pawtucket, and the state.
(c) The question shall be submitted by the local board of canvassers to the electors of the city of Pawtucket, and the results of the election shall be certified to the secretary of state;
(d) The question shall be submitted by the secretary of state to the qualified electors of the state at the same general election and the secretary of state shall certify the election results;
(e) The affirmative vote of the city of Pawtucket and the electors of the state shall be necessary for the approval of the question, and if such consent be thus given, all further regulations shall rest with the division of racing and athletics.

§ 41-10-3 Application for license – Action by division of racing and athletics.

– (a) Any person, association, or corporation desiring to conduct pari mutuel wagering at an off track betting facility on any racing event shall apply to the division for a license on forms provided by the division. The application shall specify the days on which betting is to be conducted, the location of the betting facility and such other information as may be required by the division. The division may also require any person, association, or corporation to give information as to their financial standing and credit. The division shall have the right to reject any applications for a license for any cause which it may deem sufficient. Applicants aggrieved by a decision or order of the division shall have the right to an appeal to the racing and athletics board pursuant to chapter 2 of title 41. The division shall allow an off track betting facility to be open seven (7) days a week. On each day of the week the off track facility licensee may import racing programs from one or more out-of-state racetracks in a manner to be approved by the division.
(b) Definition of an off track betting facility: An off track betting facility shall be a full service betting facility offering foods and beverage services plus other amenities, containing a minimum of ten thousand

square feet (10,000 sq. ft.), providing audio/visual signals of horse racing programs via approved telecommunication and totalizator systems.

§ 41-10-4 Powers and duties of division.

– In addition to the powers already granted to the division, the division shall have the power and it shall be its duty to supervise and administer the operation of off track betting in accordance with this chapter and with the rules and regulations of the division.

§ 41-10-5 Licensing restrictions.

- (a) The division shall refuse to grant a license, or shall suspend a license, if the applicant or licensee:
- (1) Has been convicted of a felony, or any crime involving moral turpitude;
 - (2) Has engaged in illegal gambling as a significant source of income;
 - (3) Has been convicted of violating any gambling statutes;
 - (4) Has been convicted of fraud or misrepresentation in any connection; or
 - (5) Has been found to have violated any rule, regulation, or order of the division.
- (b) The license heretofore issued shall be suspended by the division for any charge which may result in a conviction or conduct prescribed in subsections (a)(1) through (a)(5); which suspension shall be effective until a final judicial determination.
- (c) The division shall refuse to grant, or the division shall suspend, pending a hearing before the division, a license if the applicant or licensee is an association or corporation:
- (1) Any of whose directors, officers, partners, or shareholders holding a five percent (5%) or greater interest have been found guilty of any of the activities specified in subsection (a); or
 - (2) In which it appears to the division that due to the experience, character, or general fitness of any director, officer, or controlling partner, or shareholder, the granting of a license would be inconsistent with the public interest, convenience, or trust.
- (d) Whenever requested by the division, the division of criminal identification of the department of the attorney general, the superintendent of state police, and the superintendent or chief of police or town sergeant of any city or town, shall furnish all information on convictions, arrests, and present investigations concerning any person who is an applicant for a license or who is a licensee under this chapter.

§ 41-10-6 Host community fee.

– The city of Pawtucket shall receive as as host community fee one percent (1%) of the amount contributed to the mutuel pools.

§ 41-10-7 Off track betting taxes and commissions.

- (a) Each licensee conducting wagering in an off track betting facility under the pari mutuel system shall pay to the state, and there is hereby imposed, a tax on such events at the rate of:
- (1) Three and one half percent (3.5%) of the total money wagered thereon on win, place, and show wagers;
 - (2) Four percent (4%) on multiple wagers therein involving two (2) animals; and
 - (3) Four and one half percent (4.5%) on exotic wagers therein involving three (3) or more animals.
- (b) Where the division has approved the commingling of wagers placed at the off track betting facility into similar wagering pools at a host facility where the racing event is conducted, each licensee conducting wagering in an off track betting facility may retain as his or her licensee's commission an amount equal to the takeout at the host facility. Where commingling of wagers does not occur the division shall be:
- (1) Eighteen percent (18%) of the amount wagered therein on win, place and show wagers;
 - (2) Twenty percent (20%) on multiple wagers therein involving two (2) animals;
 - (3) Twenty-five percent (25%) on exotic wagers therein involving three or more animals; and

(4) One half (1/2) of the breakage to the dime resulting from such betting shall be paid to the division to support the division in accordance with § 41-4-4.1. The remaining breakage shall be retained by the licensee.

(c) Off track betting licensees may impose a surcharge on winning wagers of up to five and one half percent (5.5%) to offset telecommunications costs and the cost of acquiring racing signals.

§ 41-10-8 Payment by state to cities and towns – State aid formula.

– The off track betting tax payable to the state under § 41-10-7(a)(1), (2), and (3) shall be paid directly by the state to the cities and towns of the state in accordance with the state aid formula as set out in § 45-13-1, and these funds shall be used by the cities and towns as a direct reduction against the residential tax rate.

TITLE 42. STATE AFFAIRS AND GOVERNMENT

CHAPTER 61. STATE LOTTERY

§ 42-61-1 Lottery commission established.

– (a) There is established a state lottery commission which shall consist of nine (9) members, all of whom shall be citizens and residents of this state; three (3) of whom shall be members of the senate, not more than two (2) from the same political party to be appointed by the majority leader; three (3) of whom shall be members of the house of representatives, not more than two (2) from the same political party to be appointed by the speaker of the house; and three (3) of whom shall be representatives of the general public to be appointed by the governor.

(b) The members shall be appointed for terms of three (3) years except for the three (3) members originally appointed by each of the appointing authorities; one shall be appointed for a term of one year, one shall be appointed for a term of two (2) years and one for a term of three (3) years. The members shall annually elect one of them as chairperson of the commission.

(c) Any vacancy on the commission, occurring for any reason prior to the expiration of the term, including but not limited to termination of active membership in the general assembly, shall be filled for the unexpired term by the appointing authority in the same manner as the original appointment.

(d) Any member of the commission may, for cause, be summarily removed from office by the appointing authority, which removal shall be subject to judicial review by the superior court and pending that review the member shall not carry out any duties as a commission member.

(e) The members of the commission shall receive no salaries but shall be allowed reasonable expenses in the performance of their official duties.

§ 42-61-2 Powers and duties of commission.

– The commission shall meet with the director of lotteries appointed under § 42-61-3 not less than once each month, for the purpose of promulgating and reviewing rules and regulations relating to the lotteries, to make recommendations and set policy for lotteries, to approve or reject actions of the director and to transact other business that may be properly brought before the commission. The rules and regulations promulgated by the commission shall include but not be limited to:

- (1) The types of lotteries to be conducted;
- (2) The price of tickets or shares in the lotteries;
- (3) The number and size of the prizes on the winning tickets or shares;
- (4) The manner of selecting the winning tickets or shares;
- (5) The manner of payment of prizes to the holders of winning tickets or shares;
- (6) The frequency of the drawings or selections of winning tickets or shares;
- (7) The number and types of location at which tickets or shares may be sold;
- (8) The method to be used in selling tickets or shares;

- (9) The licensing of agents to sell tickets or shares, except that a person under the age of eighteen (18) shall not be licensed as an agent;
- (10) The license fee to be charged to agents;
- (11) The manner in which the proceeds of the sale of lottery tickets or shares are maintained, reported, and otherwise accounted for;
- (12) The manner and amount of compensation to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the general public;
- (13) The apportionment of the total annual revenue accruing from the sale of lottery tickets or shares and from all other sources for the payment of prizes to the holders of winning tickets or shares, for the payment of costs incurred in the operation and administration of the lotteries, including the expense of the commission and the costs resulting from any contract or contracts entered into for promotional, advertising, consulting, or operational services or for the purchase or lease of facilities, lottery equipment, and materials, for the repayment of moneys appropriated to the lottery fund;
- (14) The superior court upon petition of the majority of the commission after a hearing may issue subpoenas to compel the attendance of witnesses and the production of documents, papers, books, records, and other evidence before it in any matter over which it has jurisdiction, control or supervision. If a person subpoenaed to attend in the proceeding or hearing fails to obey the command of the subpoena without reasonable cause, or if a person in attendance in the proceeding or hearing refuses without lawful cause to be examined or to answer a legal or pertinent question or to exhibit any book, account, record, or other document when ordered to do so by the court, that person may be punished for contempt of the court;
- (15) No action of the commission shall be binding unless taken at a meeting at which at least five (5) of the members are present and a majority of those present and voting are in favor of the action of the commission. The rules and regulations promulgated by the commission or any amendments, revisions, supplements, or repeal thereof, shall be immediately transmitted, and under the certification of the executive secretary of the commission, to the secretary of state for filing;
- (16) The manner, standards, and specification for a process of competitive bidding for commission purchases and contracts; and
- (17) The sale of commercial advertising space on the reverse side of, or in other available areas upon, lottery tickets provided that all net revenue derived from the sale of the advertising space shall be deposited immediately into the state's general fund and shall not be subject to the provisions of § 42-61-15 of this chapter.

§ 42-61-3 Appointment of director of lotteries.

– The lotteries shall be under the immediate supervision and direction of a director, who shall be a qualified person to administer an enterprise of the nature of a lottery. The director shall be appointed by the governor with the majority approval of the commission and shall serve at the pleasure of the commission. Any vacancy occurring in the office of the director shall be filled in the same manner as the original appointment. The director shall devote his or her entire time and attention to the duties of his or her office and shall not be engaged in any other profession or occupation. He or she shall receive any salary that the commission shall determine and shall be in the unclassified service.

§ 42-61-4 Powers and duties of director.

– The director shall have the power and it shall be his or her duty to:

- (1) Supervise and administer the operation of lotteries in accordance with this chapter and with the rules and regulations of the commission;
- (2) Act as the chief administrative officer having general charge of the office and records and to employ temporarily subject to the approval of the commission, necessary personnel to serve at his pleasure and who shall be in the unclassified service and whose salaries shall be set by the commission;
- (3) Act as executive secretary of the commission;
- (4) In accordance with this chapter and the rules and regulations of the commission, license as agents to sell lottery tickets those persons, as in his or her opinion, who will best serve the public convenience and promote the sale of tickets or shares. The director may require a bond from every licensed agent, in an

amount provided in the rules and regulations of the commission. Every licensed agent shall prominently display his or her license, or a copy of their license, as provided in the rules and regulations of the commission;

(5) Confer regularly as necessary or desirable, and not less than once each month, with the commission on the operation and administration of the lotteries; make available for inspection by the commission, upon request, all books, records, files, and other information, and documents of the commission; advise the commission and recommend those matters that he or she deems necessary and advisable to improve the operation and administration of the lotteries;

(6) Recommend to the commission that it suspend or revoke any license issued pursuant to this chapter or the rules and regulations promulgated under this chapter;

(7) Subject to the approval of the commission, enter into contracts for the operation of the lotteries, or any part of the operation of the lotteries, and into contracts for the promotion of the lotteries. No contract awarded or entered into by the director may be assigned by the holder except by specific written approval of the commission;

(8) Ensure that monthly financial reports are prepared providing gross monthly revenues, prize disbursements, other expenses, net income, and the amount transferred to the state general fund for keno and for all other lottery operations; submit this report to the state budget officer, the auditor general, the commission, the legislative fiscal advisors, and the governor no later than the twentieth business day following the close of the month; the monthly report shall be prepared in a manner prescribed by the members of the revenues estimating conference; at the end of each fiscal year the director shall submit an annual report based upon an accrual system of accounting which shall include a full and complete statement of lottery revenues, prize disbursements and expenses, to the governor and the general assembly, which report shall be a public document and shall be filed with the secretary of state;

(9) Carry on a continuous study and investigation of the state lotteries throughout the state, and the operation and administration of similar laws which may be in effect in other states or countries; and

(10) Implement the creation and sale of commercial advertising space on lottery tickets as authorized by § 42-61-2 of this chapter as soon as practicable after June 22, 1994.

§ 42-61-5 Sales agents.

– (a) For the purpose of this chapter, the term "person" shall be construed to mean and include an individual, association, partnership, corporation, trust, estate, company, receiver, trustee, referee, or other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of individuals. "Person" shall be construed to mean all departments, commissions, agencies, and instrumentalities of the state, including counties and municipalities and agencies and instrumentalities of the state.

(b) The director of the state lottery commission may license any person as a lottery sales agent as provided in this chapter. No license shall be issued to any person to engage in the sale of lottery tickets as his or her sole occupation or business.

(c) Before issuing any license to a lottery sales agent the director shall consider:

(1) The financial responsibility and security of the person and his or her business or activity;

(2) The accessibility of his or her place of business or activity to the public;

(3) The sufficiency of existing licensed agents to serve the public interest;

(4) The volume of expected sales by the applicant;

(5) Any other factors pertaining to the public interest, convenience or trust.

(d) The director shall refuse to grant or shall suspend, pending a hearing before the commission, or recommend a revocation of a license if the applicant or licensee:

(1) Has been convicted of a felony, or any crime involving moral turpitude;

(2) Has been engaging in gambling as a significant source of income;

(3) Has been convicted of violating any gambling statutes;

(4) Has been convicted of fraud or misrepresentation in any connection;

(5) Has been found to have violated any rule, regulation, or order of the state lottery commission.

The license of an agent shall be suspended by the director for any charge which may result in a conviction for conduct prescribed in subdivisions (d)(1) – (d)(5); which suspension shall be effective until a final judicial determination.

- (e) The director shall refuse to grant, or shall suspend, pending a hearing before the commission, or recommend revocation of a license if the applicant or licensee is a corporation:
- (1) Any of whose directors, officers, or controlling shareholders have been found guilty of any of the activities specified in subsection (d);
 - (2) In which it appears to the director of the state lottery commission that due to the experience, character, or general fitness of any director, officer, or controlling shareholder, the granting of a license as a lottery sales agent would be inconsistent with the public interest, convenience, or trust;
 - (3) Not the owner or lessee of the business at which it will conduct a lottery sales agency pursuant to the license applied for, or that any person, firm, association, or corporation other than the applicant shares or will share in the profits of the applicant, other than receiving dividends as a shareholder, or will participate in the management of the affairs of the applicant.
- (f) Every holder of a license as a lottery sales agent shall renew the license annually pursuant to the rules and regulations of the commission. Licensees shall pay to the commission a fee to be determined by the commission upon receipt or renewal of a license.
- (g) Whenever requested by the director, the division of criminal identification of the department of the attorney general, the superintendent of state police, any superintendent or chief of police or sergeant of any city or town, shall furnish all information on convictions, arrests and present investigations concerning any person who is an applicant for a license or who is a licensee of the state lottery.
- (h) Notwithstanding any other provision of law, any person licensed as provided in this chapter is authorized and empowered to act as a lottery sales agent.
- (i) Every licensed sales agent authorized pursuant to this section and every licensed video lottery retailer authorized by chapter 61.2 of this title shall keep conspicuously posted on his or her premises the name and telephone number of a council on problem gambling recognized by an appropriate authority within state government or within the professional field of addiction disorders and a statement of its availability to offer assistance. The lottery commission shall supply each licensee with the required notice.

§ 42-61-6 Proceeds of sales – Segregated funds.

- (a) All proceeds from the sale of lottery tickets or shares received by a person in the capacity of a sales agent shall constitute a trust fund until paid into the state lottery fund.
- (b) The sales agent shall be personally liable for all proceeds; and failure to pay the lottery commission moneys owed, upon demand, from the sales or misappropriation of the funds shall constitute embezzlement under § 11-41-3.
- (c) The provisions of this section shall be enforced and prosecuted by the state police and the attorney general's office.

§ 42-61-6.1 [Repealed]. –

§ 42-61-6.2 Insolvency of sales agent.

- Whenever any person who receives proceeds from the sale of lottery tickets in the capacity of a sales agent becomes insolvent, or dies insolvent, the proceeds due the state lottery from that person or his or her estate shall have preference over all other debts or demands, except as follows:
- (1) Those due for necessary funeral charges;
 - (2) Those due for attendants and medicine during his or her last sickness;
 - (3) Those debts due to the United States;
 - (4) Those debts due to this state and all state and town taxes; and
 - (5) Wages of labor performed within six (6) months next prior to the death of the deceased person, not exceeding one thousand dollars (\$1000) to any one person and provided further that the proceeds shall be nondischargeable in insolvency proceedings instituted pursuant to chapters 7, (11 U.S.C. § 701 et seq.), 11, (11 U.S.C. § 1101 et seq.), and 13 (11 U.S.C. § 1301 et seq.) of the Federal Bankruptcy Act and to any act of the congress of the United States or proceedings pursuant to the general laws of the state.

§ 42-61-7 Assignment of prizes.

– No right of any person to a prize drawn shall be assignable, except that payment of any prize drawn may be paid to the estate of a deceased prize winner, and except that any person pursuant to an appropriate judicial order may be paid the prize to which the winner is entitled. The director shall be discharged of all further liability upon payment of a prize pursuant to this section.

§ 42-61-7.1 Payment of prizes in excess of six hundred dollars (\$600) – Setoff for child support debts.

– Notwithstanding the provisions of § 42-61-7 relating to assignment of prizes, the following setoff provisions shall apply to the payment of any prizes or winning ticket in excess of six hundred dollars (\$600).

(1) With respect to a person entitled to receive the prize or winning ticket who has an unpaid child support order(s) arrearage(s) in excess of five hundred (\$500), as provided by the department pursuant to § 42-61-7.1(3) the lottery director:

(i) Shall set off against the amount due to that person after state and federal tax withholding an amount up to the balance of the child support arrearage(s), and the director shall make payment of this amount directly to the Rhode Island family court which shall deposit the amount set off into the registry of the family court for a period of forty-five (45) days, or if an application for review has been filed pursuant to § 27-57-1(d), until final disposition of the application until further order of the court; and

(ii) Shall pay to this person the remaining balance of the prize or winning ticket amount, if any, after reduction of the amount set off above for child support.

(2) The director shall be discharged of all further liability upon payment of a prize or winning ticket pursuant to this section.

(3) The department of human services shall periodically within each year furnish the director with a list or compilation of names of individuals, together with any other identifying information and in a form that the director shall require, who as of the date of the list or compilation, have an unpaid child support order arrearage in excess of five hundred dollars (\$500) as shown on the Rhode Island family court/department of human services child support enforcement computer system ("CSE system"). For the purposes of this section, the terms used in this section shall be given the meaning and definitions specified in § 15-16-2.

(4) Any party aggrieved by any action taken under this section may within thirty (30) days of the withholding of the payment by the lottery director seek judicial review in the family court, which may, in its discretion, issue a temporary order prohibiting the disbursement of funds under this section, pending final adjudication.

[See § 12-1-15 of the General Laws.]

§ 42-61-8 Sales above fixed price – Unlicensed sales – Gifts.

– No person shall sell a ticket or share at a price greater than that fixed by rule or regulation of the commission. No person other than a licensed lottery sales agent shall sell lottery tickets or shares, except that nothing in this section shall be construed to prevent any individual purchaser from giving lottery tickets or shares to another as a gift. Any person convicted of violating this section shall be guilty of a misdemeanor.

§ 42-61-9 Sales to minors – Gifts.

– No ticket or share shall be sold to any person under the age of eighteen (18) years, but this shall not be deemed to prohibit the purchase of a ticket or share for the purpose of making a gift by a person eighteen (18) years of age or older to a person less than that age. Any licensee who knowingly sells or offers to sell a lottery ticket or share to any person under the age of eighteen (18) shall, upon conviction, be guilty of a misdemeanor.

§ 42-61-10 Prizes to lottery employees.

– No lottery prize award shall be awarded to or for any officer or employee of the state lottery commission, or any blood relative of that officer or employee living as a member of that officer or employee's household.

§ 42-61-11 Unclaimed prize money.

– Unclaimed prize money for the prize on a winning ticket or share shall be retained by the director for the person entitled thereto for one year after the drawing in which the prize was won. If no claim is made for the money within that year, the prize money shall automatically revert to the lottery fund and the winner shall have no claim to the prize.

§ 42-61-12 Deposit of receipts – Reports.

– The director shall, in accordance with rules and regulations, require any and all lottery sales agents to deposit to the credit of the state lottery fund in financial institutions designated by the commission all moneys received by those agents from the sale of lottery tickets or shares, less the amount, if any, retained as compensation for the sale of tickets or shares and less any moneys paid out as prizes by the agents, and to file with the director, or his or her designated agents, reports of their receipts and transactions in the sale of lottery tickets in any form and containing any information he or she may require. The director may make any arrangements for any person, including a financial institution, to perform any functions, activities, or services in connection with the operation of the lottery as he or she may deem advisable pursuant to this chapter and the rules and regulations of the commission, and the functions, activities, or services shall constitute lawful functions, activities, and services of the person.

§ 42-61-13 Applicability of other laws.

– No other law providing any penalty or disability for the sale of lottery tickets, or any acts done in connection with a lottery, shall apply to the sale of tickets or shares performed pursuant to this chapter.

§ 42-61-14 Payment of prizes to minors and persons under legal disabilities.

– (a) If the person entitled to a prize or any winning ticket is under the age of eighteen (18) years, the director shall direct payment to the minor by depositing the amount of the prize in any financial institution to the credit of a member of the minor's family or legal guardian of the minor as custodian for that minor. The person named as custodian shall have the same duties and powers as a person designated as a custodian in a manner prescribed by the "Rhode Island Uniform Gifts to Minors Act".

(b) If a person entitled to a prize or any winning ticket is under any other legal disability, the director shall direct payment to a fiduciary responsible for that person pursuant to the laws of this state.

(c) The director shall be relieved of all further liability upon payment of a prize to a minor or person under a legal disability pursuant to this section.

§ 42-61-15 State lottery fund.

– (a) There is created the state lottery fund, into which shall be deposited all revenues received by the commission from the sales of lottery tickets and license fees. The fund shall be in the custody of the general treasurer, subject to the direction of the commission for the use of the commission, and money shall be disbursed from it on the order of the controller of the state, pursuant to vouchers or invoices signed by the director of the commission and certified by the chairperson of the commission. The moneys in the state lottery fund shall be allotted in the following order, and only for the following purposes:

(1) Establishing a prize fund from which payments of the prize awards shall be disbursed to holders of winning lottery tickets on checks signed by the director and countersigned by the chairperson or his or her

designee. The amount of payments of prize awards to holders of winning lottery tickets shall be determined by the commission, but shall not be less than forty-five percent (45%) nor more than fifty-five percent (55%) of the total revenue accruing from the sale of lottery tickets.

However, for the lottery game commonly known as "Keno", the amount of prize awards to holders of winning Keno tickets shall be determined by the commission, but shall not be less than forty-five percent (45%) nor more than sixty-five percent (65%) of the total revenue accruing from the sale of Keno tickets.

(2) Payment of expenses incurred by the commission in the operation of the state lotteries including but not limited to costs arising from contracts entered into by the director for promotional, consulting, or operational services, salaries of professional, technical, and clerical assistants, and purchases or lease of facilities, lottery equipment, and materials;

(3) Repayment into the general revenue fund of the amount appropriated for the implementation of the state lottery; and

(4) Payment into the general revenue fund of all revenues remaining in the state lottery fund after the payments specified in subdivisions (a)(1) – (a)(3); provided, that the amount to be transferred into the general revenue fund shall equal no less than thirty percent (30%) of the total revenue received and accrued from the sale of lottery tickets plus any other income earned from the lottery, provided further, that the revenue returned to the general fund from the game commonly known as Keno, shall not be calculated as part of the thirty percent (30%) mandate required by this section, but the amount transferred into the general revenue fund shall equal no less than twenty percent (20%) of the total Keno revenue received.

(b) In addition to any other audit, the auditor general shall conduct semi-annual audits of all accounts and any other audits he or she or the commission shall deem necessary. The auditor general may examine all records, files, and other documents of the commission, and any records of lottery sales agents that pertain to their activities as agents, for purposes of conducting authorized audits.

(c) Payments into the state's general fund specified in subsection (a)(4) of this section shall be made on an estimated quarterly basis. Payment shall be made on the tenth business day following the close of the quarter except for the fourth quarter when payment shall be on the last business day.

§ 42-61-16 Penalties for forgery and counterfeiting.

– Any person who, with intent to defraud, shall falsely make, alter, forge, utter, pass, or counterfeit a state lottery ticket or share shall be guilty of a felony punishable by imprisonment for not more than ten (10) years or by a fine of not more than one thousand dollars (\$1,000) or both.

§ 42-61-17 Prizes exempt from taxation.

– The prizes received pursuant to this chapter shall be exempt from the state sales or use tax.

CHAPTER 61.2. VIDEO LOTTERY TERMINAL

§ 42-61.2-1 Definitions.

– For the purpose of this chapter, the following words shall mean:

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

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

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

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

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

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

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

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

(7) "Video lottery terminal" means any electronic computerized video game machine that, upon the insertion of cash, is available to play a video game authorized by the lottery commission, and which uses a video display and microprocessors in which, by chance, the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens.

§ 42-61.2-2 State lottery commission authorized to operate video lotteries.

– (a) Notwithstanding the provisions of any other law, the state lottery commission is authorized to conduct and control video lottery games under its authority.

(b) Video lottery terminals may only be installed and operated at pari-mutuel licensee facilities existing as of June 30, 1992, as defined in § 42-61.2-1(4) which are specifically approved by the state lottery director, subject to the approval of the commission, to be licensed video lottery retailers according to rules and regulations set forth by the commission.

§ 42-61.2-3 Additional powers and duties of the commission.

– In addition to the powers and duties of the state lottery commission under § 42-61-2, the commission shall meet with the lottery director for the purpose of promulgating reasonable rules and regulations relating to video lottery games and to make recommendations and set policy for these games. These rules and regulations shall be promulgated as soon as possible after July 1, 1992, and shall include but not be limited to:

(1) The commission shall license technology providers capable of interfacing with a central communications system controlled by the commission. In making its licensing decision, the commission shall select providers based on the following factors: providers experienced in performing comparable projects, financial stability, technical and management abilities, the quality of the product and service capabilities, likelihood of timely performance, maximum revenue generation, its ability to pass a law enforcement background investigation, and any other factors found to be relevant to performance. The award of a license to technology providers under this section shall satisfy the requirements of chapter 2 of title 37. An outside independent testing laboratory may be utilized by the commission at the expense of the individual provider;

(2) Accounting procedures for determining the net terminal income from lottery video terminals, and unclaimed prizes and credits;

(3) The type of video lottery games to be conducted;

(4) The price to play each game and the prizes or credits to be awarded;

(5) Financial reporting procedures for licensed video lottery retailers and control procedures in the event that any of these retailers should become insolvent;

(6) Insurance and bonding by:

(i) Licensed video lottery retailers; and

(ii) Technology provider;

(7) The licensing of licensed video lottery retailers;

(8) The contracting with technology providers;

(9) All video lottery machines shall be linked under a central communications system to provide auditing program information as approved by the lottery. The communications system approved by the lottery may not limit participation to only one manufacturer of video lottery machines by either cost of implementing the necessary program modifications to communicate or the inability to communicate with the central communication system; and

(10) Any other matters necessary for video lottery terminals or for the convenience of the public.

§ 42-61.2-4 Additional powers and duties of director and lottery commission.

– In addition to the powers and duties set forth in § 42-61-4, the director, subject to the approval of the lottery commission, shall have the power to:

- (1) Supervise and administer the operation of video lottery games in accordance with this chapter and with the rules and regulations of the commission;
- (2) Recommend to the commission that it suspend or revoke any license issued pursuant to this chapter or the rules and regulations promulgated under this chapter; and
- (3) Subject to the approval of the commission, and in compliance with the provisions of chapter 2 of title 37, enter into contracts for the operation of a central communications system and technology providers, or any part thereof.
- (4) Certify monthly to the budget officer, the auditor general, the commission, and to the governor a full and complete statement of lottery revenues, prize disbursements and other expenses for the preceding month; ensure that monthly financial reports are prepared providing gross monthly revenues, prize disbursements, other expenses, and net income for keno and for all other lottery operations; submit this report to the state budget officer, the auditor general, the commission, the legislative fiscal advisors, and the governor no later than the twentieth business day following the close of the month; at the end of each fiscal year the director shall submit an annual report based upon an accrual system of accounting which shall include a full and complete statement of lottery revenues, prize disbursements and expenses, to the governor and the general assembly, which report shall be a public document and shall be filed with the secretary of state. The monthly report shall be prepared in a manner prescribed by the members of the revenue estimating conference.

§ 42-61.2-5 Exclusion of minors.

– No person under the age of eighteen (18) years may play a video lottery game authorized by this chapter, nor shall any licensed video lottery retailer knowingly permit a minor to play a video lottery machine or knowingly pay a minor with respect to a video lottery credit slip. Violation of this section shall be punishable by a fine of five hundred dollars (\$500).

§ 42-61.2-6 When games may be played.

– Video lottery games authorized by this chapter may be played at the licensed video lottery retailer's facilities with the approval of the lottery commission even if that facility is not conducting a pari-mutuel event.

§ 42-61.2-7 Division of revenue.

– (a) Notwithstanding the provisions of § 42-61-15, the allocation of net terminal income derived from video lottery games shall be as follows:

- (1) For deposit in the general fund and to the state lottery commission fund for administrative purposes: No less than forty-six percent (46%);
- (2) To the licensed video lottery retailer: thirty-one percent (31%);
- (3) To the owners of dog kennels who are under contract with a licensee: six percent (6%) of net terminal income derived from video lottery games located at the facility. The six percent (6%) not allocated to the owner of dog kennels reverts back to the general revenue fund and to the state lottery commission for administrative purposes;
- (4) To the technology provider: sixteen percent (16%) of the net terminal income of the provider's terminals less all reasonable charges and fees to the communications provider associated with the supplying, maintenance, and operations of the communications system. The lottery commission shall determine the fees to the communications system provider which shall be no more than three percent (3%) of the net terminal income;

- (5) To the city or town in which the licensed video retailer is licensed: one percent (1%); and
 - (6) Unclaimed prizes and credits shall remit to the general fund of the state;
 - (7) Payments into the state's general fund specified in subdivisions (a)(1) and (a)(6) shall be made on an estimated monthly basis. Payment shall be made on the tenth day following the close of the month except for the last month when payment shall be on the last business day.
- (b) Provided, however, that for the fiscal year commencing July 1, 1993 and subsequent fiscal years, the sum of five million dollars (\$5,000,000) to the extent possible shall be contributed to the distressed communities relief program, pursuant to § 45-13-12, to be distributed according to the formula and the contributions shall be as follows:
- (1) One million one hundred fifty-two thousand six hundred eighty-three dollars (\$1,152,683) of the net terminal income due retailers under subdivision (a)(2) deposited as general revenues as follows: Lincoln Greyhound Park seven hundred sixty-seven thousand, six hundred eighty-seven dollars (\$767,687) and Newport Jai Alai Fronton three hundred eighty-four thousand nine hundred ninety-six dollars (\$384,996).
 - (2) Two hundred eighteen thousand five hundred seventy-nine dollars (\$218,579) of the net terminal income due kennel owners under subdivision (a)(3) deposited as general revenues.
 - (3) Six hundred and twenty-eight thousand seven hundred and thirty-seven dollars (\$628,737) of the net terminal income due the technology providers under subsection (a)(4) deposited as general revenues.
 - (iv) Three million dollars (\$3,000,000) from the state general revenue fund.

§ 42-61.2-8 Penalty for manipulation or tampering.

– Any person who, with intent to manipulate the outcome, payoff, and/or operation of a video lottery terminal, manipulates the outcome, prize, or operation of a video lottery terminal by physical or electronic means shall be guilty of a felony punishable by imprisonment for not more than ten (10) years or by a fine of not less than ten thousand (\$10,000) dollars or both.

§ 42-61.2-9 Devices in use lawful in this state.

– (a) No other law providing for any penalty or disability for the:

(1) Manufacture, keeping, possession, or operation of, or permitting the manufacture, keeping, possession, or operation of any machine, device, apparatus, or subassembly of these items, to be used in gambling or playing a game of chance for money; or

(2) Any acts done in connection with a lottery, shall apply to the manufacture, keeping, possession, or operation of, or the permitting of the manufacture, keeping, possession, or operation of any machine, device, apparatus, or subassembly of these items performed pursuant to this chapter.

(b) Notwithstanding the provisions of any other law, the sale, lease, transportation, storage, and manufacture of machines, devices, apparatus, and subassemblies of these items to be used in gambling or playing a game of chance for money or other valuable consideration other than lottery games, is permitted, provided that these machines, devices, apparatus, and subassemblies of these items are sold, leased, transported, stored, and manufactured for subsequent transportation in interstate or foreign commerce. A violation of this section is a misdemeanor.

§ 42-61.2-10 Prizes exempt from taxation.

– The prizes received pursuant to this chapter shall be exempt from the state sales or use tax.

§ 42-61.2-11 Effect of other laws and local ordinances.

– The provisions of §§ 41-9-4 and 41-9-6 shall not apply to this chapter, and the provisions of this chapter shall take precedence over any local ordinances to the contrary.

TITLE 44. TAXATION

CHAPTER 30. PERSONAL INCOME TAX

PART 3. NONRESIDENTS

§ 44-30-32 Rhode Island income of a nonresident individual.

– (a) *General.* The Rhode Island income of a nonresident individual shall be the sum of the following:

(1) The net amount of items of income and deduction entering into his or her federal adjusted gross income derived from or connected with Rhode Island sources, including:

(i) His or her distributive share of partnership income and deductions, determined under § 44-30-34; and
(ii) His or her share of estate or trust income and deductions, determined under § 44-30-36; and

(2) The portion of the modifications described in subsections (b) and (c) of § 44-30-12 which relate to income derived from Rhode Island sources, including any modifications attributable to the individual as a partner.

(b) *Income and deductions from Rhode Island sources.* (1) Items of income and deduction derived from or connected with Rhode Island sources shall be those items attributable to:

(i) The ownership or disposition of any interest in real or tangible personal property in this state; or

(ii) A business, trade, profession, or occupation carried on in this state.

(iii) Gambling winnings from the state lottery and gambling winnings from pari-mutuel betting events conducted or operated by a licensee within this state.

(2) Income from intangible personal property, including annuities, dividends, interest, and gains from the disposition of intangible personal property, shall constitute income derived from Rhode Island sources only to the extent that the intangible personal property is employed in a business, trade, profession, or occupation carried on in this state.

(3) Deductions with respect to capital losses, net long-term capital gains, and net operating losses shall be based solely on income and deductions derived from or connected with Rhode Island sources, under regulations of the tax administrator, but otherwise shall be determined in the same manner as the corresponding federal deductions.

(c) *Income and deductions partly from Rhode Island sources.* If a business, trade, profession, or occupation is carried on partly within and partly without this state, the items of income and deduction derived from or connected with Rhode Island sources shall be determined by apportionment and allocation under regulations to be promulgated by the tax administrator.

(d) *Military pay.* Compensation paid by the United States for service in the armed forces of the United States, performed by an individual not domiciled in this state, shall not constitute income derived from Rhode Island sources.

TITLE 45. TOWNS AND CITIES

CHAPTER 25. CITY OF HOUSING AUTHORITIES

§ 45-25-35 Indian housing authorities.

– (a) The city or town council of any city or town is hereby authorized to create by ordinance an Indian housing authority consistent with the requirements of this chapter. Any such Indian housing authority created under the terms of this chapter shall be organized for the purpose of directly or indirectly providing dwelling accommodations in such city or town for Indians of low income, within the meaning of and so as to qualify for funding under 24 Code of Federal Regulations Part 905.

(b) Any such Indian housing authority created under this chapter shall consist of five (5) commissioners, three (3) of whom shall be appointed by the respective mayor, or elected town administrator, or if said municipality has no elected chief executive, by a majority of the city or town council, and two (2) of whom shall be appointed by the city or town council, each to serve a five (5) year term. At least three (3)

commissioners shall be duly enrolled members of a state or federally recognized Indian tribe and all commissioners shall reside in the said city or town. No person shall be barred from serving as a commissioner because he or she is a tenant or home owner in a dwelling directly or indirectly provided by the Indian housing authority.

(c) Nothing in this section shall be construed to authorize the establishment of gaming facilities anywhere in the state of Rhode Island by any person.