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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO PUBLIC FINANCE -- BRIDGE REPAIRS

Introduced By: Senators Kettle, Morgan, E O'Neill, Gee, and Jabour

Date Introduced: February 09, 2016

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Findings.

2 WHEREAS, The General Assembly hereby finds that Rhode Island bridges are in a
3 serious state of disrepair and in substantial need of repair; and

4 WHEREAS, The General Assembly finds that the repair of bridges is of the highest
5 priority and that past and future appropriations should be used to meet said priority; and

6 WHEREAS, The state has a high debt burden and the General Assembly desires to avoid
7 adding to the state's debt burden to fund the repair of bridges; and

8 WHEREAS, The General Assembly finds the best method to repair bridges is through the
9 creation of a restricted receipt account funded by the use of existing state resources.

10 SECTION 2. Chapter 42-13 of the General Laws entitled "Department of Transportation"
11 is hereby amended by adding thereto the following section:

12 **42-13-8. Bridge repair -- Restricted receipt account.** -- There is hereby created a
13 restricted receipt account, under the control of the director of transportation, the proceeds of
14 which shall be used solely for the maintenance and repair of bridges located within the state,
15 which shall be known as "bridge works". The state shall annually make a one million dollar
16 (\$1,000,000) contribution from the general fund to the bridge works restricted receipt account
17 until such time as the Federal Highway Administration (FHWA) has determined that no bridge in
18 the state is structurally deficient.

19 SECTION 3. Section 31-36-7 of the General Laws in Chapter 31-36 entitled "Motor Fuel

1 Tax" is hereby amended to read as follows:

2 **31-36-7. Monthly report of distributors -- Payment of tax.** -- (a) State requirements. -
3 Every distributor shall, on or before the twentieth (20th) day of each month, render a report to the
4 tax administrator, upon forms to be obtained from the tax administrator, of the amount (number
5 of gallons) of fuels purchased, sold, or used by the distributor within this state and the amount of
6 fuels sold by the distributor without this state from fuels within this state during the preceding
7 calendar month, and, if required by the tax administrator as to purchases, the name or names of
8 the person or persons from whom purchased and the date and amount of each purchase, and as to
9 sales, the name or names of the person or persons to whom sold and the amount of each sale, and
10 shall pay at the same time to the administrator tax at the rate of thirty-two cents (\$0.32) per gallon
11 on all taxable gallons of fuel sold or used in this state.

12 (b) Federal requirements. - In the event the federal government requires a certain portion
13 of the gasoline tax to be dedicated for highway improvements, then the state controller is directed
14 to establish a restricted receipt account and deposit that portion of gasoline tax receipts which
15 brings the state into federal compliance.

16 Beginning July 1, 2015 and every other year thereafter, the gasoline tax shall be adjusted
17 by the percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as
18 published by the United States Bureau of Labor Statistics determined as of September 30 of the
19 prior calendar year; said adjustment shall be rounded to the nearest one cent (\$.01) increment,
20 provided that the total tax shall not be less than provided for in section (a). [The funds generated](#)
21 [by this adjustment shall be deposited in the bridge works restricted receipt account established by](#)
22 [§42-13-8.](#)

23 SECTION 4. Section 31-41.1-7 of the General Laws in Chapter 31-41.1 entitled
24 "Adjudication of Traffic Offenses" is hereby amended to read as follows:

25 **31-41.1-7. Application for dismissal based on good driving record.** -- (a) Any person
26 who has had a motor vehicle operator's license for more than three (3) years, and who has been
27 issued traffic violations which are his or her first violations within the preceding three (3) years,
28 may request a hearing seeking a dismissal of the violations based upon the operator's good
29 driving record.

30 (b) Upon submission of proper proof that the operator has not been issued any other
31 traffic violation within the past three (3) years, the charge shall, except for good cause shown or
32 as otherwise provided by law, be dismissed based upon a good driving record; provided, that the
33 operator pay a thirty-five dollar (\$35.00) administrative fee for court costs associated with the
34 dismissal. Additionally, beginning July 1, 2014, there shall be imposed a twenty-five dollar

1 (\$25.00) surcharge on all dismissals based upon a good driving record to be deposited into the
2 ~~Rhode Island highway maintenance account~~ bridge works restricted receipt account established
3 by §42-13-8, until such time as the Federal Highway Administration (FHWA) determines that no
4 bridge in the state is structurally deficient.

5 (c) The traffic tribunal may not dismiss a charge pursuant to this section after six (6)
6 months from the date of disposition. For purposes of this section, a parking ticket shall not
7 constitute a prior violation.

8 (d) The following violations shall not be dismissed pursuant to this statute:

9 (1) Any violation within the original jurisdiction of superior or district court;

10 (2) A refusal to submit to a chemical test of breath, blood or urine pursuant to § 31-27-
11 2.1;

12 (3) Any violation involving a school bus;

13 (4) Any violation involving an accident where there has been property damage or
14 personal injury;

15 (5) Any speeding violation in excess of fourteen miles per hour (14 m.p.h.) above the
16 posted speed limit;

17 (6) Any violation involving child restraints in motor vehicles pursuant to § 31-22-22;

18 (7) Any violation committed by a holder of a commercial license as defined in § 31-
19 10.3-3 or any violation committed in a commercial motor vehicle as defined in § 31-10.3-3 by an
20 operator who does not hold a commercial license.

21 (e) If the charge is dismissed pursuant to this section, records of the dismissal shall be
22 maintained for a period of three (3) years.

23 (f) The judge or magistrate shall have the discretion to waive court costs and fees when
24 dismissing a violation pursuant to this section, with the exception of the mandatory thirty-five
25 dollars (\$35.00) administrative fee and the twenty-five dollar (\$25.00) surcharge provided for in §
26 31-41.1-7(b).

27 SECTION 5. Section 31-47.1-11 of the General Laws in Chapter 31-47.1 entitled "Motor
28 Vehicle Emissions Inspection Program" is hereby amended to read as follows:

29 **31-47.1-11. Fees.** -- (a) Beginning in fiscal year 2015, a fee of fifty-five dollars (\$55.00)
30 is to be charged for each motor vehicle inspected. The amount of fees collected shall provide for
31 the cost of the inspection, the costs of administering the motor vehicle emissions inspection
32 program and other costs provided by law. The fee must be paid for each motor vehicle inspected
33 at an emissions inspection station at the time of the inspection and is payable whether a
34 compliance certificate, waiver certificate, or no certificate is issued. There shall be no fee charged

1 for one reinspection of a vehicle that failed an initial inspection when the reinspection is
2 conducted at the AIRS that conducted the initial inspection.

3 Of the fifty-five dollars (\$55.00) fee, nineteen dollars (\$19.00) shall be retained by the
4 inspection station owner to cover the costs of performing the inspection. The remaining thirty-six
5 dollars (\$36.00) shall be remitted to the program manager. The program manager shall retain no
6 more than four dollars (\$4.00) of the fee and remit no less than thirty-two dollars (\$32.00) for
7 deposit in the Rhode Island ~~highway maintenance account. Be it further provided that twenty~~
8 ~~dollars (\$20.00) generated from the fee be deposited into the Rhode Island highway maintenance~~
9 ~~fund according to the schedule provided in subsection (b) of § 39-18.1-5. [bridge works restricted](#)~~
10 ~~[receipt account established by §42-13-8.](#)~~ The general assembly shall annually appropriate such
11 sums as may be required to cover the costs of administering the program by the division of motor
12 vehicles and the department of environmental management.

13 (b) [Deleted by P.L. 2014, ch. 145, art. 21, § 6].

14 SECTION 6. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"
15 is hereby amended to read as follows:

16 **35-4-27. Indirect cost recoveries on restricted receipt accounts.** -- Indirect cost
17 recoveries of ten percent (10%) of cash receipts shall be transferred from all restricted receipt
18 accounts, to be recorded as general revenues in the general fund. However, there shall be no
19 transfer from cash receipts with restrictions received exclusively: (1) From contributions from
20 non-profit charitable organizations; (2) From the assessment of indirect cost recovery rates on
21 federal grant funds; or (3) Through transfers from state agencies to the department of
22 administration for the payment of debt service. These indirect cost recoveries shall be applied to
23 all accounts, unless prohibited by federal law or regulation, court order, or court settlement. The
24 following restricted receipt accounts shall not be subject to the provisions of this section:

- 25 Executive Office of Health and Human Services
- 26 Organ Transplant Fund
- 27 HIV Care Grant Drug Rebates
- 28 Department of Human Services
- 29 Veterans' home -- Restricted account
- 30 Veterans' home -- Resident benefits
- 31 Pharmaceutical Rebates Account
- 32 Demand Side Management Grants
- 33 Veteran's Cemetery Memorial Fund
- 34 Donations -- New Veterans' Home Construction

1 Department of Health
2 Providence Water Lead Grant
3 Pandemic medications and equipment account
4 Miscellaneous Donations/Grants from Non-Profits
5 State Loan Repayment Match
6 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
7 Eleanor Slater non-Medicaid third-party payor account
8 Hospital Medicare Part D Receipts
9 RICLAS Group Home Operations
10 Commission on the Deaf and Hard of Hearing
11 Emergency and public communication access account
12 Department of Environmental Management
13 National heritage revolving fund
14 Environmental response fund II
15 Underground storage tanks registration fees
16 Rhode Island Historical Preservation and Heritage Commission
17 Historic preservation revolving loan fund
18 Historic Preservation loan fund -- Interest revenue
19 Department of Public Safety
20 Forfeited property -- Retained
21 Forfeitures -- Federal
22 Forfeited property -- Gambling
23 Donation -- Polygraph and Law Enforcement Training
24 Rhode Island State Firefighter's League Training Account
25 Fire Academy Training Fees Account
26 Attorney General
27 Forfeiture of property
28 Federal forfeitures
29 Attorney General multi-state account
30 Forfeited property -- Gambling
31 Department of Administration
32 RI Health Benefits Exchange
33 Office of Management and Budget
34 Information Technology Investment Fund

1 Restore and replacement -- Insurance coverage
2 Convention Center Authority rental payments
3 Investment Receipts -- TANS
4 Car Rental Tax/Surcharge-Warwick Share
5 Housing Resources Commission Restricted Account
6 Department of Revenue
7 Jobs Tax Credit Redemption Fund
8 Legislature
9 Audit of federal assisted programs
10 Department of Children, Youth and Families
11 Children's Trust Accounts -- SSI
12 Military Staff
13 RI Military Family Relief Fund
14 RI National Guard Counterdrug Program
15 Treasury
16 Admin. Expenses -- State Retirement System
17 Retirement -- Treasury Investment Options
18 Defined Contribution -- Administration - RR
19 Violent Crimes Compensation -- Refunds
20 Treasury Research Fellowship
21 Business Regulation
22 Banking Division Reimbursement Account
23 Office of the Health Insurance Commissioner Reimbursement Account
24 Securities Division Reimbursement Account
25 Commercial Licensing and Racing and Athletics Division Reimbursement Account
26 Insurance Division Reimbursement Account
27 Historic Preservation Tax Credit Account.
28 Judiciary
29 Arbitration Fund Restricted Receipt Account
30 Third-Party Grants
31 RI Judiciary Technology Surcharge Account
32 Department of Elementary and Secondary Education
33 Statewide Student Transportation Services Account
34 School for the Deaf Fee for Service Account

1 Davies Career and Technical School Local Education Aid Account
2 Davies -- National School Breakfast & Lunch Program
3 Department of Labor and Training
4 Job Development Fund
5 Department of Transportation
6 Rhode Island Highway Maintenance Account
7 [Bridge works](#)

8 SECTION 7. Section 35-16-2 of the General Laws in Chapter 35-16 entitled "Revenue
9 Estimating Conferences" is hereby amended to read as follows:

10 **35-16-2. Meetings.** -- (a) The principals of the R.E.C. shall meet within the first ten (10)
11 days of May and November of each year.

12 (b) The ~~primary~~ purpose of regularly scheduled conferences is to prepare economic
13 forecasts and forecast revenue estimates and review current revenue collections under current tax
14 law. The conference principals can agree, however, to address special legislation or special
15 topics.

16 [Each regularly scheduled conference shall present to the general assembly a
17 recommendation concerning maintaining adequate funding of the bridge works restricted receipt
18 account through the use of past and present state resources.](#)

19 (c) Prior to each R.E.C., the principals will determine the documentation and information
20 necessary to support that conference.

21 (d) No votes will be taken in the revenue estimating conferences. These are truly
22 consensus conferences and all principals must agree and are bound to the conference
23 recommendations.

24 SECTION 8. Section 39-26-4 of the General Laws in Chapter 39-26 entitled "Renewable
25 Energy Standard" is hereby amended to read as follows:

26 **39-26-4. Renewable energy standard.** -- (a) Starting in compliance year 2007, all
27 obligated entities shall obtain at least three percent (3%) of the electricity they sell at retail to
28 Rhode Island end-use customers, adjusted for electric line losses, from eligible renewable energy
29 resources, escalating, according to the following schedule:

- 30 (1) At least three percent (3%) of retail electricity sales in compliance year 2007;
31 (2) An additional one half of one percent (0.5%) of retail electricity sales in each of the
32 following compliance years 2008, 2009, 2010;
33 (3) An additional one percent (1%) of retail electricity sales in each of the following
34 compliance years 2011, 2012, 2013, 2014, provided that the commission has determined the

1 adequacy, or potential adequacy, of renewable energy supplies to meet these percentage
2 requirements;

3 (4) An additional one and one half percent (1.5%) of retail electricity sales in each of the
4 following compliance years 2015, 2016, 2017, 2018 and 2019, provided that the commission has
5 determined the adequacy, or potential adequacy of renewable energy supplies to meet these
6 percentage requirements;

7 (5) In 2020 and each year thereafter, the minimum renewable energy standard
8 established in 2019 shall be maintained unless the commission shall determine that such
9 maintenance is no longer necessary for either amortization of investments in new renewable
10 energy resources or for maintaining targets and objectives for renewable energy.

11 (6) Commencing on October 1, 2017, and each year thereafter, calculating an obligated
12 entity's percentage requirement, until such time as the Federal Highway Administration (FHWA)
13 determines that no bridges in the state are structurally deficient, each obligating entity selling
14 electricity at retail to the state of Rhode Island shall have its percentage obligation under this
15 section reduced by the amount of electricity sold at retail to the state of Rhode Island.

16 (b) For each obligated entity and in each compliance year, the amount of retail electricity
17 sales used to meet obligations under this statute that is derived from existing renewable energy
18 resources shall not exceed two percent (2%) of total retail electricity sales.

19 (c) The minimum renewable energy percentages set forth in subsection (a) above shall be
20 met for each electrical energy product offered to end-use customers, in a manner that ensures that
21 the amount of renewable energy of end-use customers voluntarily purchasing renewable energy is
22 not counted toward meeting such percentages.

23 (d) To the extent consistent with the requirements of this chapter, compliance with the
24 renewable energy standard may be demonstrated through procurement of NE-GIS certificates
25 relating to generating units certified by the commission as using eligible renewable energy
26 sources, as evidenced by reports issued by the NE-GIS administrator. Procurement of NE-GIS
27 certificates from off-grid and customer-sited generation facilities, if located in Rhode Island and
28 verified by the commission as eligible renewable energy resources, may also be used to
29 demonstrate compliance. With the exception of contracts for generation supply entered into prior
30 to 2002, initial title to NE-GIS certificates from off-grid and customer-sited generation facilities
31 and from all other eligible renewable energy resources shall accrue to the owner of such a
32 generation facility, unless such title has been explicitly deemed transferred pursuant to contract or
33 regulatory order.

34 (e) In lieu of providing NE-GIS certificates pursuant to subsection (d) of this section, an

1 obligated entity may also discharge all or any portion of its compliance obligations by making an
2 alternative compliance payment to the Renewable Energy Development Fund established
3 pursuant to § 39-26-7.

4 SECTION 9. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video
5 Lottery Terminal" is hereby amended to read as follows:

6 **42-61.2-7. Division of revenue.** -- (a) Notwithstanding the provisions of § 42-61-15, the
7 allocation of net, terminal income derived from video lottery games is as follows:

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

11 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one
12 percent (0.19%), up to a maximum of twenty million dollars (\$20,000,000), shall be equally
13 allocated to the distressed communities as defined in § 45-13-12 provided that no eligible
14 community shall receive more than twenty-five percent (25%) of that community's currently
15 enacted municipal budget as its share under this specific subsection. Distributions made under
16 this specific subsection are supplemental to all other distributions made under any portion of
17 general laws § 45-13-12. For the fiscal year ending June 30, 2008, distributions by community
18 shall be identical to the distributions made in the fiscal year ending June 30, 2007, and shall be
19 made from general appropriations. For the fiscal year ending June 30, 2009, the total state
20 distribution shall be the same total amount distributed in the fiscal year ending June 30, 2008, and
21 shall be made from general appropriations. For the fiscal year ending June 30, 2010, the total
22 state distribution shall be the same total amount distributed in the fiscal year ending June 30,
23 2009, and shall be made from general appropriations, provided, however, that seven hundred
24 eighty-four thousand four hundred fifty-eight dollars (\$784,458) of the total appropriation shall
25 be distributed equally to each qualifying distressed community. For each of the fiscal years
26 ending June 30, 2011, June 30, 2012, and June 30, 2013, seven hundred eighty-four thousand four
27 hundred fifty-eight dollars (\$784,458) of the total appropriation shall be distributed equally to
28 each qualifying distressed community.

29 (ii) Five one hundredths of one percent (0.05%), up to a maximum of five million dollars
30 (\$5,000,000), shall be appropriated to property tax relief to fully fund the provisions of § 44-33-
31 2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum
32 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit
33 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be
34 less than the prior fiscal year.

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

5 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent
6 (0.10%), to a maximum of ten million dollars (\$10,000,000), for supplemental distribution to
7 communities not included in subsection (a)(1)(i) above distributed proportionately on the basis of
8 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008,
9 distributions by community shall be identical to the distributions made in the fiscal year ending
10 June 30, 2007, and shall be made from general appropriations. For the fiscal year ending June 30,
11 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010, and thereafter,
12 funding shall be determined by appropriation.

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

14 (a) (i) Prior to the effective date of the Newport Grand Master Contract, Newport Grand
15 twenty-six percent (26%), minus three hundred eighty-four thousand nine hundred ninety-six
16 dollars (\$384,996);

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

21 (iii) Effective July 1, 2013, the rate of net, terminal income payable to Newport Grand,
22 LLC under the Newport Grand master contract shall increase by two and one quarter percent
23 (2.25%) points. The increase herein shall sunset and expire on June 30, 2015, and the rate in
24 effect as of June 30, 2013, shall be reinstated.

25 (iv) (A) Effective July 1, 2015, the rate of net, terminal income payable to Newport
26 Grand, under the Newport Grand Master Contract shall increase by one and nine-tenths (1.9%)
27 percentage points. (i.e., $x\%$ plus 1.9 percentage points equals $(x + 1.9)\%$, where " $x\%$ " is the
28 current rate of net terminal income payable to Newport Grand). The dollar amount of additional
29 net terminal income paid to Newport Grand with respect to any Newport Grand Marketing Year
30 as a result of such increase in rate shall be referred to as "Additional Newport Grand Marketing
31 NTL."

32 (B) The excess, if any, of Newport Grand's marketing expenditures with respect to a
33 Newport Grand Marketing Year over one million four hundred thousand dollars (\$1,400,000)
34 shall be referred to as the "Newport Grand Marketing Incremental Spend." Beginning with the

1 Newport Grand Marketing Year that starts on July 1, 2015, after the end of each Newport Grand
2 Marketing Year, Newport Grand shall pay to the Division the amount, if any, by which the
3 Additional Newport Grand Marketing NTI for such Newport Grand Marketing Year exceeds the
4 Newport Grand Marketing Incremental Spend for such Newport Grand Marketing Year; provided
5 however, that Newport Grand's liability to the Division hereunder with respect to any Newport
6 Grand Marketing Year shall never exceed the Additional Newport Grand Marketing NTI paid to
7 Newport Grand with respect to such Newport Grand Marketing Year.

8 The increase herein shall sunset and expire on ~~June 30, 2017~~ June 30, 2016, and the rate
9 in effect as of June 30, 2013 shall be reinstated.

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

14 (ii) On and after the effective date of the UTGR master contract, to the licensed, video-
15 lottery retailer that is a party to the UTGR master contract, all sums due and payable under said
16 master contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars
17 (\$767,687).

18 (3) (i) To the technology providers that are not a party to the GTECH Master Contract as
19 set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net, terminal
20 income of the provider's terminals; in addition thereto, technology providers that provide
21 premium or licensed proprietary content or those games that have unique characteristics, such as
22 3D graphics; unique math/game play features; or merchandising elements to video lottery
23 terminals; may receive incremental compensation, either in the form of a daily fee or as an
24 increased percentage, if all of the following criteria are met:

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

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

30 (C) After approval of the request by the division of lottery, the total number of premium
31 or licensed, proprietary-content video-lottery terminals does not exceed ten percent (10%) of the
32 total number of video-lottery terminals authorized at the respective licensed, video-lottery
33 retailer; and

34 (D) All incremental costs are shared between the division and the respective licensed,

1 video-lottery retailer based upon their proportionate allocation of net terminal income. The
2 division of lottery is hereby authorized to amend agreements with the licensed, video-lottery
3 retailers, or the technology providers, as applicable, to effect the intent herein.

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

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

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

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

15 (ii) Effective July 1, 2013, provided that the referendum measure authorized by Section 1
16 of Chapters 24 and 25 of the Public Laws of 2012 is approved statewide and in the City of
17 Newport, the allocation shall be one and forty-five hundredths percent (1.45%) of net terminal
18 income of authorized video lottery terminals at Newport Grand; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (2) To Newport Grand LLC, net table-game revenue not otherwise disbursed pursuant to
10 subsection (g)(1) provided, however, on the first date that such table-game retailer's net terminal
11 income for a full state fiscal year is less than such table-game retailer's net terminal income for
12 the prior state fiscal year, one percent (1%) of this net, table-game revenue shall be allocated to
13 the city of Newport for four (4) consecutive state fiscal years.

14 SECTION 10. Section 42-75.2-4 of the General Laws in Chapter 42-75.2 entitled
15 "Allocation for Art for Public Facilities Act" is hereby amended to read as follows:

16 **42-75.2-4. Allocation for art.** -- (a) A state building or state facility constructed,
17 remodeled, or renovated after January 1, 1988 shall include works of art for public display.

18 (b) Except as prohibited by existing applicable contract language, All all state agencies
19 or departments shall expend, as a nondeductible item, out of any monies appropriated for
20 construction, remodeling, or renovation of any state facility an amount of at least one percent
21 (1%), one-half of one percent (0.5%) of which shall be for the purpose of including works of art
22 in the facility and one-half of one percent (0.5%) of which shall be deposited in the bridge works
23 restricted receipt account established by §42-13-8, until such time as the Federal Highway
24 Administration (FHWA) determines that no bridges in the state are structurally deficient.

25 (c) Where construction, remodeling or renovation of a state facility is budgeted at under
26 two hundred fifty thousand dollars (\$250,000), funds appropriated under this chapter for art for
27 that public facility may be transferred to the art for public facilities fund for expenditure by the
28 Rhode Island state council on the arts for art in other state facilities.

29 (d) Nothing in this chapter shall prohibit additional expenditures for art beyond the
30 amounts provided by specific appropriation.

31 SECTION 11. Section 44-31.2-5 of the General Laws in Chapter 44-31.2 entitled
32 "Motion Picture Production Tax Credits" is hereby amended to read as follows:

33 **44-31.2-5. Motion picture production company tax credit.** -- (a) A motion picture
34 production company shall be allowed a credit to be computed as provided in this chapter against a

1 tax imposed by chapters 11, 14, 17 and 30 of this title. The amount of the credit shall be twenty-
2 five percent (25%) of the state certified production costs incurred directly attributable to activity
3 within the state, provided that the primary locations are within the state of Rhode Island and the
4 total production budget as defined herein is a minimum of one hundred thousand dollars
5 (\$100,000). The credit shall be earned in the taxable year in which production in Rhode Island is
6 completed, as determined by the film office in final certification pursuant to subsection 44-31.2-
7 6(c).

8 (b) For the purposes of this section: "total production budget" means and includes the
9 motion picture production company's pre-production, production and post-production costs
10 incurred for the production activities of the motion picture production company in Rhode Island
11 in connection with the production of a state-certified production. The budget shall not include
12 costs associated with the promotion or marketing of the film, video or television product.

13 (c) Notwithstanding subsection (a), the credit shall not exceed ~~five million dollars~~
14 ~~(\$5,000,000)~~ two million dollars (\$2,000,000) and shall be allowed against the tax for the taxable
15 period in which the credit is earned and can be carried forward for not more than three (3)
16 succeeding tax years. Pursuant to rules promulgated by the tax administrator, the administrator
17 may issue a waiver of the ~~five million dollar (\$5,000,000)~~ two million dollars (\$2,000,000) tax
18 credit cap for any feature-length film or television series up to the remaining funds available
19 pursuant to section (e).

20 (d) Credits allowed to a motion picture production company, which is a subchapter S
21 corporation, partnership, or a limited liability company that is taxed as a partnership, shall be
22 passed through respectively to persons designated as partners, members or owners on a pro rata
23 basis or pursuant to an executed agreement among such persons designated as subchapter S
24 corporation shareholders, partners, or members documenting an alternate distribution method
25 without regard to their sharing of other tax or economic attributes of such entity.

26 (e) No more than ~~fifteen~~ five million dollars ~~(\$15,000,000)~~ (\$5,000,000) in total may be
27 issued for any tax year beginning after December 31, 2007 for motion picture tax credits pursuant
28 to this chapter and/or musical and theatrical production tax credits pursuant to chapter 31.3 of this
29 title. Said credits shall be equally available to motion picture productions and musical and
30 theatrical productions. No specific amount shall be set aside for either type of production.

31 SECTION 12. Section 35-4-23 of the General Laws in Chapter 35-4 entitled "State
32 Funds" is hereby amended to read as follows:

33 **35-4-23. Rhode Island capital plan funds.** – (a) From the proceeds of any receipts
34 transferred pursuant to the provisions of the Rhode Island Constitution, the state controller is

1 authorized to create an account or accounts within the bond capital fund. These accounts shall be
2 used to record expenditures from these receipts, which are authorized to be spent with the
3 approval of the governor. Certain of these funds may be allocated to agencies for the purpose of
4 completing preliminary planning studies for proposed projects. In the event the project is
5 completed with funds appropriated from another source, the preliminary planning funds shall be
6 returned to the bond capital fund and shall be placed in a revolving account for future
7 reallocation. The intended use of the Rhode Island capital plan funds shall be determined through
8 the annual capital and operating budget process.

9 (b) Notwithstanding any inconsistent language contained in subsection (a) of this section,
10 beginning with the 2021 fiscal year, and each year thereafter twenty-five million dollars
11 (\$25,000,000) per year shall be appropriated to the bridge works restricted receipt account created
12 pursuant to §42-13-8, until such time as the Federal Highway Administration (FHWA) has
13 determined that no bridge in the state is structurally deficient.

14 SECTION 13. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PUBLIC FINANCE -- BRIDGE REPAIRS

1 This act would establish a bridge works restricted receipt account to fund the
2 maintenance and repair of bridges located within the state. It would be funded by the motor fuel
3 tax, motor vehicle operation violation fees, motor vehicle inspection fees, renewable energy fees,
4 video lottery terminal sales, motion picture production and the capital plan fund account.

5 This act would take effect upon passage.

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