

Rhode Island Department of Revenue Lottery Division

May 1, 2025

The Honorable Marvin L. Abney, Chair
House Finance Committee
State House
Providence, RI 02903

RE: 2025 H 6048 (An Act Relating to State Affairs and Government – Video Lottery Games, Table Games and Sports Wagering)

Dear Chair Abney:

I am writing on behalf of the Rhode Island Lottery to express opposition to the above-captioned legislation, which would prohibit any contract extension with the State's current sports-wagering vendor and also would require the Rhode Island Lottery to award at least five (5) individual sports-wagering vendor contracts.

It is the Rhode Island Lottery's position that the portion of the law that requires the award of at least five individual sports-wagering vendor contracts may not be economically feasible or advantageous for the State. In particular, the proposed bill simply requires an open invitation for applicants and then an award of at least five contracts, regardless of whether having this many sports-wagering vendors is financially beneficial to the State. The Rhode Island Lottery, as an executive branch agency, is required to act in the State's best interests when entering into and enforcing contracts to make sure that the State is getting the best deal possible. The Rhode Island Lottery should maintain discretion and flexibility to act with respect to the awarding of sports-wagering vendor contracts because it may be in the State's best interest to extend the current contract and/or to award contracts to less than five sports-wagering vendors. Further, under Rhode Island's unique Constitutional framework, because the Rhode Island Lottery must operate sports wagering in the State, awarding more contracts than can be supported by the Rhode Island Lottery may negatively impact operations and related player protections. Since the bill impairs the discretion of the Rhode Island Lottery to act in the State's best interest, it would likely negatively impact the State's financial position.

Further, it is the Rhode Island Lottery's position that the law, if enacted, may be unconstitutional because it impairs the contractual rights of the Rhode Island Lottery and the current sports-wagering vendor. Under the current contract, the parties may elect to extend the term by mutual agreement for two additional extension periods. To the extent this proposed legislation would retroactively impair the current contractual provisions and prohibit such renewals, it appears to violate the Contract Clause provisions of both the Rhode Island Constitution as well as the US Constitution.



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Based on the foregoing, the Rhode Island Lottery respectfully urges you not to pass the proposed legislation and stands ready to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Furcolo', written over a horizontal line.

Mark A. Furcolo
Director

cc: The Honorable Members of the House Committee on Finance
The Honorable Matthew S. Dawson
Nicole McCarty, Esq., Chief Legal Counsel to the Speaker
Thomas A. Verdi, Director, Department of Revenue