RI Lottery
Additional Information

November 2026 Revenue Estimating Conference

October 28, 2026

Your Rhode Island Lottery

Various Additional Items

- In September 2026, the Lottery launched the Powerball Xs and Os™ game. Drawings are held every Sunday at 10:00 p.m. EST, with each play priced at $5. Players select eight NFL team logos or opt for a Quick Pick. Through September 30, 2026, total game sales were $70,358.

- The projected iGaming marketing budget for FY ‘27 is approximately $3.6M/year.

- The projected Sportsbook marketing budget for both sportsbooks for FY ‘27 is approximately $1.0M/year.

- The combined video lottery promotional points (freeplay) allowance for FY ’27 is $105,060,194, of which, $23,946,561 has been used through September 30, 2026, which to equates to approximately 18.3% of NTI.

Additional Income

MA Waiver Financial Protection

- Per the MA Waiver Agreement, there is financial protection in the event the General Fund Xfer decreases after Bally's introduced a sports betting app in MA, of up to $1.5M/year.
- This reimbursement will run from CY '24 – CY '28 and will be adjusted annually to the CPI.
- Reimbursement = CY '22 GF Xfer from SB – Current Calendar Year GF Xfer from SB.
- The RI Lottery anticipates Bally's will owe approximately of $1,585,000, which would be received in March 2027.
- These funds will be included in the Non-Operating - Miscellaneous Income section of the RI Lottery's financial statements.

iGaming Financial Protection

- Per the iGaming Platform Agreement, there is a financial protection in the event revenue from certain Lottery products decreases after the introduction of iGaming.
- Reimbursement = FY '23 Revenue (wagers – prizes) from (Instants + eInstants + Keno + iKeno) – Current Fiscal Year Revenue from (Instants + eInstants + Keno + iKeno) x [100% of the first $1M of difference and 50% of any amount over $1M to a maximum reimbursement of $1.5M].
- For FY '27, we anticipate Bally's will owe approximately $1.5M, these funds will be included in the Non-Operating - Miscellaneous Income section of the RI Lottery's financial statements.

Additional Income (continued)

Brightstar Lottery FTEs

- Per the 8th Amendment to the Brightstar Lottery (BSL) Master Contract, the RI Lottery has the right to assess liquidating damages against BSL if the average number of FTEs for each period of three consecutive years is less than 1,100, commencing with CY ’24.
- The amount of the liquidating damage is equal to the difference between the average FTEs for the three-year rolling period and 1,100, multiplied by $7,500.
- IGT is required to certify the number of FTEs by May 1st.
- The FY’26 calculation was based on the average of FTE’s reported for calendar years 2023, 2024, and 2025.
- For FY ‘26, the RI Lottery assessed IGT $930,750 in liquidating damages based on the three-year average FTE count of 975.9.

Second Sportsbook

- The Lottery issued an RFQ for an incremental sports wagering service provider.
- Two sports wagering service providers responded with a bid (Bally's and Rush Street Interactive).
- In May 2026, the Lottery tentatively awarded the bid to Bally's.
- The Lottery is currently working with Bally's to:
  - Test their product
  - Finalize operational policies and procedures
  - Finalize contractual terms
- The launch of Bally's mobile product is anticipated in early December 2026.
- The retail sportsbooks at Lincoln and Tiverton are anticipated to convert to the Bally's product in the first half of 2027.

Competitive Information

First Light Casino

- The Mashpee Tribe opened a ‘First Light Welcome Center’ in January 2025 on their tribal land in Taunton, located at the intersection of Routes 24 & 140.
- The ‘Welcome Center’ offers information on the Tribe’s future casino plans and tribal history/culture.
- The ‘Welcome Center’ presently offers approximately 250 machines that are Class II style games (slots) and as of October 2025, serves beer, wine, and pre-mixed cocktails.
- Future expansion plans are expected to include live table games, such as blackjack, poker, and roulette, as well as expanded dining and nightlife options and additional entertainment, resort amenities, and guest experiences.

MA iLottery/iGaming

- In July 2026, Massachusetts implemented iLottery.
- Christian Capital Advisors report dated October 27, 2025, anticipates a 50 b.p. impact on gaming revenue for one-year only.
- In March 2026, the Massachusetts legislature voted “to study” iGaming.