

Thursday, December 2, 2010 2:08 p.m.



# Commercial/Industrial PROPERTIES FOR SALE or FOR LEASE

 

WEB SEARCH powered by YAHOO! SEARCH

Join PROJO | [Login](#) | [Newspaper Subscribers](#) | [Become a Member](#) | [Make This Your Home Page](#)

- [News](#)
- [Sports](#)
- [PolitiFact](#)
- [Obituaries](#)
- [Lifebeat](#)
- [Business](#)
- [Opinion](#)
- [Calendar](#)
- [projo Blogs](#)

- [Cars](#)
- [Homes](#)
- [Jobs](#)
- [Shop](#)
- [Classifieds](#)
- [Legals](#)

### Advertising

Ads by **Adblade**™



#### Driving in Massachusetts?

6/17: Obama backs new insurance regulation & Massachusetts drivers may qualify for \$1/day auto ins.

[Learn more](#)

## Rhode Island news

Comments **19** | Recommend **3**

# Governor vetoes Assembly's dog-racing mandate

09:51 AM EDT on Friday, July 3, 2009

By **Katherine Gregg**

Journal State House Bureau

PROVIDENCE — Making good on an earlier warning, Governor Carcieri has vetoed legislation allowing Twin River to operate 24 hours a day, seven days a week, while also forcing the owners of the Lincoln track and slot parlor to drop their plans to suspend greyhound racing Aug. 8 and run a full 200-day season.

In his veto message to lawmakers on Thursday, Carcieri said dog racing has become increasingly unprofitable, that the \$9-million operating subsidy Twin River's owners pay the greyhound owners contributes to their "crippling debt," and that the legislature's intervention threatens to scuttle the consensual bankruptcy agreement Twin River's owners filed in U.S. Bankruptcy Court last week, at a potential cost to the state of millions of dollars.

"That is a risk that the state cannot afford to take," the governor wrote.

But the Rhode Island Greyhound Owners Association [RIGOA] issued a statement criticizing Carcieri for "prioritizing big banks over Rhode Island jobs." And one of the dog owners' leading backers at the State House, Rep. Charlene Lima, said she had been assured by the legislative leaders that the General Assembly would reconvene this summer to override the veto.

"It's absurd to say that greyhound racing is jeopardizing Twin River's bankruptcy deal when it accounts for less than 2 percent of its annual revenue," said RIGOA spokeswoman Jennifer Bramley.

Overwhelmed by more than \$589 million in defaulted loans, the owners of the bankrupt slot parlor had served notice of their intent to suspend the live races on Aug. 8 after conducting the minimum of 125 annual racing days required by law. Legislative relief from their obligation to run the races, at a steep loss, was also one of the conditions of the financial-restructuring plan filed with the bankruptcy court.

The House and Senate approved the bill nonetheless with seemingly veto-proof majorities, despite warnings from Gary Sasse, the director of the state Department of Administration, that the state could lose upward of \$25 million in gambling revenue if the legislature's action interferes with the financial recovery plan backed by Twin River's owners, lenders and the state.

Under that plan, Twin River would surrender the Lincoln complex to its lenders, led by the Merrill Lynch Capital, and they in turn would be free to bring in a new operator within 120 days, unless an alternate agreement was reached. The agreement hinged, in part, on the

### Related links

- [Extra: The governor's veto message](#)
- [Extra: Letters from R.I. Lottery to Newport Grand and Twin River](#)
- [Extra: The 24 articles that comprise Rhode Island's new budget](#)
- [Your Turn: What do you think about the budget for Fiscal Year 2010?](#)

Home | Buy | Sell | Research

- Print this page
- Add RSS feeds
- E-mail story

Buzz up!

Follow projo on Twitter

Follow projo on Facebook

Advertisement



### More top stories

- [Chafee adviser and partners defaulted on \\$250,000 EDC loan](#)
- [Col. Steven Pare chosen as Providence's new Public Safety Commissioner](#)
- [Denial of counsel leads R.I. justices to void conviction](#)

[More ...](#)

### Search Journal Archives

 

- [Get The Newspaper](#)
- [E-mail News Alerts](#)
- [RSS Feeds From projo.com From MY YAHOO!](#)
- [Advertising Media Kit](#)
- [Parade Magazine](#)

■ **Children's Holiday Hope Fund**

state's approval of round-the-clock gambling, which promises to raise an additional \$3 million to \$4 million for the state, and the legislature's agreement to relieve Twin River of the obligation to run greyhound racing.

The owners blame their financial arrangement with the dog owners' association for some of their money troubles, since the racing nets them only \$1.75 million, not nearly enough to cover the \$2.5-million expense or the \$9-million annual subsidy they are committed to paying the greyhound owners under a contract with an estimated 11 years to go.

But lobbyists for the mostly out-of-state dog owners and their union backers at the State House won the lawmakers over with arguments — based on a disputed 2003 report — that the elimination of greyhound racing would result in the loss of 225 jobs and of \$7.5 million in direct and indirect state revenue, including the millions of dollars in slot play by gamblers lured to the track by the dog races.

The state's own 2004 analysis found that racing "has a no effect on VLT revenues." Bottom line: Wagering on the dog races has dropped from \$37.9 million a decade ago to \$13.2 million in 2008, with the owners getting roughly \$1.7 million and the state just shy of \$1 million after the winners were paid.

In his veto message, Carcieri indicated his chief concern is the potential loss of millions of state dollars if the bankruptcy proceeding drags on because the court views the mandated racing as "an 'end run' around the pending bankruptcy proceedings."

"The legislation could actually result in the BLB bankruptcy filing becoming a protracted, free-fall proceeding," he wrote. "If that occurs, the state could incur millions of dollars in expenses to protect the state's interest in what no doubt will be a protracted bankruptcy proceeding."

He also questioned the claimed loss of 225 jobs, noting that state licensing records reflect "fewer than half that number of individuals currently licensed and authorized to work at Twin River in positions related to the live dog races."

Carcieri's veto will not, however, interrupt 24-hour gambling at Twin River. While the law allowing overnight gambling expired on June 30, the Rhode Island Lottery advised Twin River, by letter, that it was exercising its own power "to continue to extend hours of operation to 3:00 a.m. during the week and 24 hours on Friday and Saturday, as well as state and federally recognized holidays."

It also advised Newport Grand, which has not opted to stay open all-night on weekends or at any other time, that it was free to continue to remain open until 1 a.m. Sunday through Thursday, and 2 a.m. on Saturdays, Sundays and state and federally recognized holidays.

[kgregg@projo.com](mailto:kgregg@projo.com)

## Share Your Thoughts

### Having problems seeing comments?

**Conversation guidelines:** We welcome your thoughts and information related to this article. Please be civil. Vicious comments, personal attacks and profanity are not allowed. You may report abuses.

**New look:** Find more information about the updated commenting and social tools.

**You must be logged in to contribute. [Log in](#) | [Register Now!](#)**



Print this page Add RSS feeds E-mail story



## Most Viewed Yesterday

Updated Thu 12.2.

- [Cranston finds R.I. DOT installed some unapproved stop signs](#)
- [Rhode Island house sales plummet, but prices rise](#)
- [As some benefits end, unemployed in R.I. keep looking](#)
- [Ryan, Belichick have nothing but kind words for each other](#)
- [PC 92, Central Conn. 57: Friars shift to high gear in 2nd half](#)

## Most active surveys

Updated Thu 12.2.10

- [Should military service and college attendance serve as a paths to citizenship for illegal immigrants brought to the U.S. as children?](#)
- [Who will win this year's PC-URI game?](#)
- [Hendricken or Portsmouth: Who will win the Division I Super Bowl?](#)
- [Exeter/West Greenwich or Mount Pleasant: Who will win the Division IV Super Bowl?](#)
- [Tolman or Woonsocket: Who will win the Division II Super Bowl?](#)

## Reader Reaction

### Most Recommended

### Most Commented

- [Smithfield, R.I., woman's mission is to teach in Africa](#)
- [James Woods' rage over brother's death in 2009 has led to changes at Kent Hospital](#)
- [The R.I. Life: The Lord called, and Marcel Taillon answered](#)
- [Cranston finds R.I. DOT installed some unapproved stop signs](#)
- [Political 'dirty tricks' alleged](#)

### Sponsored links

---

**Weather Monitoring**

Weather Station Instruments World Class  
[www.omnicontrols.com](http://www.omnicontrols.com)

**Like To Ski?**

Discount TIX, FREE, Video,  
[www.iskiedit.com](http://www.iskiedit.com)

**Motorcycle Rainsuits**

Register online and receive an automatic  
[www.RockinLeather.com](http://www.RockinLeather.com)

**Rain Boot**

Find Rain Boot Online. Free Shipping \$50  
[Target.com/FreeShipping](http://Target.com/FreeShipping)

Ads by Yahoo!

[Careers](#) | [Help](#) | [Advertising Media Kit](#) | [Terms of service](#) | [Privacy](#) | [About Our Ads](#)

News tip: (401) 277-7303 | Classifieds: (401) 277-7700 | Display advertising: (401) 277-8000 | Subscriptions: (401) 277-7600  
© 2010 , Published by The Providence Journal Co., 75 Fountain St., Providence, RI 02902.

[Home](#) | [R.I. News](#) | [Sports](#) | [Obituaries](#) | [Lifebeat](#) | [Business](#) | [Opinion](#) | [Calendar](#) | [projoExpress](#) | [Site map](#)