HB 607-FN - AS INTRODUCED

2023 SESSION

23-0421
02/05

HOUSE BILL ***607-FN***

AN ACT relative to the regulation of games of chance.

SPONSORS: Rep. Doucette, Rock. 25; Rep. Berry, Hills. 39; Rep. Sweeney, Rock. 25; Rep. O'Brien, Hills. 10; Rep. Soucy, Merr. 21; Rep. Goley, Hills. 21; Sen. Ricciardi, Dist 9

COMMITTEE: Ways and Means

ANALYSIS

This bill changes the definitions of game operator, game operator employer, primary game operator and secondary game operator. It changes the charitable organization and game operator license application requirements and date of license expiration. It raises the cap amount each player may spend per game and per wager. It also changes the administrative and criminal penalties related to games of chance.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 607-FN - AS INTRODUCED

23-0421
02/05

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to the regulation of games of chance.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Games of Chance; Definitions. Amend RSA 287-D:1, VII-XI to read as follows:

VII. "Game operator" means a ***game operator employer,*** primary game operator or a secondary game operator.

VIII. "Game operator employer" means a [~~primary game operator or~~] a business entity ***or individual*** who employs, supervises, and controls game operators and who is hired by a charitable organization to operate games of chance on its behalf. The owner of 10 percent or more of the entity, partner, managing member, or chief executive of a business entity who serves as a game operator employer must be [~~licensed as a primary game operator~~] ***listed on the game operator license application***.

IX. "Gaming equipment" means a collective reference to table game devices and their associated equipment.

X. "Primary game operator" means any person other than a bona fide member of the charitable organization, involved in conducting, managing, supervising, directing, or running games of chance***, including but not limited to: gambling operation managers and assistant managers, managers or supervisors of security employees, pit bosses, shift bosses, credit executives, and cashier operations supervisors***.

XI. "Secondary game operator" means any person other than a bona fide member of the charitable organization, involved in dealing, running a roulette wheel, handling chips, or providing accounting services or security functions***, including any person with job functions or responsibilities that require the person to watch over, protect, handle, use, maintain or otherwise be responsible for gaming cash, revenue, supplies or devices. This includes individuals in the back office and anyone that has access to gaming systems, chips, tokens, playing cards, or anyone who has the ability to access or make changes to the gaming operations accounting system, player tracking system, or gaming system records, including access to cash and accounting records.***

2 License Applications; General Requirements and Process. Amend RSA 287-D:5, IV(d) to read as follows:

(d) A complete set of fingerprints taken by a qualified law enforcement agency or an authorized employee of the department of safety. In the event that the first set of fingerprints is invalid due to insufficient pattern, a second set of fingerprints shall be necessary in order to complete the criminal history records check. ***The requirements of subparagraphs (c) and (d)***

under this paragraph shall not apply to charity applicants employing a game operator employer.

3 Charitable Organization License Application; Specific Requirements. Amend RSA 287-D:6, I(b) to read as follows:

(b) A list of the names and addresses of the current [~~bona fide members~~] ***officers*** of the charity.

4 Facilities License Application; Specific Requirements. RSA 287-D:7 is repealed and reenacted to read as follows:

287-D:7 Facilities License Application; Specific Requirements.

I. Any person or entity other than a charitable organization or governmental subdivision with control of a facility, including by a written lease, at which games of chance are held for 5 or more game dates per calendar year shall be licensed.

II. A facilities license application shall include certification of compliance with all of the requirements of RSA 287-D:5, provided that the commission may, by rule, establish additional items to be submitted on the application form or attached to it.

III. Licenses shall expire three years after being issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required on the license application with the commission no later than December 31 of each year. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense.

5 Game Operator Employer License Application; Specific Requirements. RSA 287-D:8 is repealed and reenacted to read as follows:

287-D:8 Game Operator Employer License Application; Specific Requirements. Any person or entity other than a charitable organization that employs primary game operators shall be licensed under this section. In addition to the general requirements under RSA 287-D:5, a game operator employer license application shall include, at a minimum, the following information provided that the lottery commission may, by rule, establish additional items to be submitted on the application form or attached to it:

I. Certification of compliance with all of the requirements of RSA 287-D:5.

II. Federal tax identification number.

III. One passport quality photograph, if the applicant is an individual.

IV. A description of the licensed premises.

V. A bond for each location where the game operator employer is conducting games of chance, conditioned upon the licensees running games of chance in conformity with this chapter and with the rules and regulations prescribed by the lottery commission, in the amount of up to $1,000,000 but not less than $25,000. The amount of the bond in excess of $25,000 established for

each licensee shall be based on that licensee's normal outstanding obligations of charity payments and state taxes, including any amounts due from historic racing revenue.

VI. Licenses shall expire 3 years after being issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required on the license application with the commission no later than December 31 of each year. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense.

6 Primary Game Operator License; Specific Requirements RSA 287-D:9 is repealed and reenacted to read as follows:

287-D:9 Primary Game Operator License Application; Specific Requirements.

I. Other than members of a charitable organization, any person who is involved in conducting, managing, supervising, directing, or running games of chance, including, but not limited to, gambling operation managers and assistant managers, managers or supervisors of security employees, pit bosses, shift bosses, credit executives, and cashier operations supervisors shall be licensed under this section. In addition to the general requirements under RSA 287-D:5, a primary game operator license application shall include, at a minimum, the following information provided that the lottery commission may, by rule, establish additional items to be submitted on the application form or attached to it:

(a) The identity of the game operator employer for whom the applicant works.

(b) A list of any other states in which the game operator has been registered or licensed as a professional fundraiser, professional game operator, or other similar position.

(c) Whether a registration or license listed in subparagraph (b) has been denied, suspended, revoked, or enjoined by a court or state agency, or if such proceedings are pending.

(d) The names and addresses of any individuals with whom the applicant is affiliated in the fundraising or game operating business.

(e) One passport quality photograph.

II. Concurrent with the charitable organization, games of chance employers who operate games of chance on behalf of a charitable organization shall be responsible for all requirements for which the charitable organization is responsible when a charitable organization operates games of chance itself.

III. Unless a provision to the contrary is part of a written agreement in place prior to the commencement of a game date between the charitable organization and the game operator employer, all moneys due to the charitable organization shall be paid over to the organization no later than the 15th day of the month following the month in which a game was conducted.

IV. The provisions of RSA 7:28-c shall not apply to primary game operator licensees.

V. Nothing in this section shall prevent a licensee from working for another game operator employer. A licensee who works for more than one game operator employer during the licensed

period shall have a separate badge for each game operator employer, and pay a separate fee for each badge.

VI. The primary game operator license shall expire on the last day of the month of the licensee's birthday 3 years after it is issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required in paragraph I no later than the last day of the month of the licensee's birthday. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense.

7 Secondary Game Operator License Application; Specific Requirements. Amend RSA 287-D:10 to read as follows:

287-D:10 Secondary Game Operator License Application; Specific Requirements.

I. Other than members of a charitable organization, any person who is employed by a game operator employer [~~or a primary game operator~~] shall be licensed under this section.

II. In addition to the general requirements under RSA 287-D:5, a secondary game operator license application shall include, at a minimum, the following information provided that the lottery commission may, by rule, establish additional items to be submitted on the application form or attached to it:

(a) A list of any other states in which the game operator has been registered or licensed as a professional fundraiser, professional game operator, or other similar position.

(b) A statement of whether a registration or license listed in subparagraph (a) has been denied, suspended, revoked, or enjoined by a court or state agency, or if such proceedings are pending.

(c) The identity of the primary game operators for whom the applicant works.

(d) Two passport quality photographs.

III. A secondary game operator license shall expire on the last day of the month of the licensee's birthday ***3 years after it is issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required in paragraph II with the commission no later than the last day of the month of the licensee's birthday. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense***.

IV. The provisions of RSA 7:28-c shall not apply to secondary game operator licensees.

V. Nothing in this section shall prevent a licensee from working for different licensed entities. [~~A licensee who works for more than one game operator employer during the licensed period shall submit a supplemental application with a separate licensing fee,~~] ***The licensee shall*** have a separate badge for each game operator employer, and pay a separate fee for each badge.

VI. Upon receipt of a completed application under this section, and at the request of the applicant, the lottery commission may issue a provisional license, valid for up to 60 days, under rules adopted by the lottery commission under RSA 541-A. If the lottery commission denies the license,

the provisional license shall expire upon the applicant's receipt of such denial. If the applicant requests a provisional license under this paragraph, he or she shall submit a fee of $10 to the lottery commission, in addition to the application fee for the license, at the time of such request.

8 License Fees. Amend RSA 287-D:13 to read as follows:

287-D:13 License Fees. The application fee for:

I. A charitable gaming license shall be [~~$25 per game date~~] ***$50, which shall entitle the charity to up to 10 game dates per calendar year***.

II. A facility license shall be $250 per year.

III. A game operator employer license shall be $750 per year.

IV. A primary game operator license shall be [~~$500~~] ***$100*** per year ***paid with the application the first year and paid in the subsequent 2 years with the filing of the annual notice of changes form required under RSA 287-D:9, VII.***

V. A secondary game operator license shall be $30 per year ***paid with the application the first year and paid in the subsequent 2 years with the filing of the annual notice of changes form required under RSA 287-D:10, III.***

VI. Each original or replacement identification badge shall be $10.

9 Operation of Games of Chance. Amend RSA 287-D:14, XII-XXII to read as follows:

XII.(a) On game dates where the charitable organization operates the games, the charitable organization shall deposit cash and proceeds from a game of chance into the account required under this chapter. All expenses, including [~~prizes of $500 or more and~~] equipment and hall rental fees shall be paid by check from said account. The treasurer of the charitable organization shall document all prizes awarded as prescribed in rules adopted by the lottery commission.

(b) On game dates when the licensed game operator operates the games, the licensed game operator shall deposit cash and proceeds from a game of chance into the account required under this chapter. All expenses, including equipment and hall rental fees shall be paid by check or electronic fund transfers from the account described in RSA 287-D:9, I(e). The licensed game operator shall document all prizes awarded as prescribed in rules adopted by the lottery commission. [~~Prizes of $500 or more shall be paid by check from the account described in RSA 287-D:9, I(e).~~]

XIII. All game of chance paraphernalia or related equipment used in conducting games of chance shall be subject to inspection and approval by the lottery commission.

XIV. The charitable organization shall keep a record of all persons participating in the operation of a game of chance, including but not limited to, the date and location of the game and the person's name, address, telephone number, and type of participation in the game.

XV. For games of chance where chips have no monetary face value, the charitable organization may offer any number of games per licensed event in which each player may spend up to [~~$150~~] ***$2,500*** per game including buy-ins and re-buys.

XVI. [~~Notwithstanding paragraph XV, the charitable organization may offer one game per licensed event in which each player may spend up to $250 for the game including buy-ins and re-buys.~~

~~XVII.~~] For games of chance where chips have no monetary face value, the payback in prizes shall not exceed 80 percent of the total amount collected from players.

[~~XVIII.~~] ***XVII.*** A games of chance licensee shall not play any games of chance on a licensed game date unless all games of chance to be played have been approved by the lottery commission [~~and have been identified on an approved game schedule~~].

[~~XIX.~~] ***XVIII.*** The charitable organization may amend or supplement the list of members who will participate in the operation of a game of chance up to 10 working days prior to any particular game.

[~~XX.~~] ***XIX.*** At least 45 days prior to each game date, the charitable organization shall submit the date and location of the game of chance, if this information has not already been submitted to the lottery commission under RSA 287-D:6, I(d).

[~~XXI.~~] ***XX.*** Every game operator employer shall develop house rules and submit such rules to the lottery commission for approval.

[~~XXII.~~] ***XXI.*** Every game operator employer shall maintain list of manufacturers and distributors detailing the type of gaming equipment purchased from each. The information shall be detailed enough to permit the lottery commission to research the origin and any piece of gaming equipment.

10 Wagers. Amend RSA 287-D:16 to read as follows:

287-D:16 Wagers. No single wager by a player, on any game of chance, shall exceed the amount of ***$25*** [~~$10~~]. Provided, however, that in games of poker where the chips have monetary value, play may be conducted under "table stakes" rules where the amount of blinds, antes, and any other type of forced bet shall not exceed [~~$10~~] ***$25*** per player but the amount wagered by a player during the play of a hand shall not be limited except by the amount of chips the player has in his or her possession on the table. In any such "table stakes" game, the amount of chips a player may purchase during the course of play in said game shall be no greater in value than [~~$150~~] ***$2,500***.

11 Equipment; Inspection. Amend RSA 287-D:17 to read as follows:

287-D:17 Equipment; Inspection.

I. All devices and equipment used to conduct games of chance shall be subject to inspection by duly authorized law enforcement or lottery commission officials.

II. No mechanism or device, which can be used to regulate odds, shall be permitted to operate games of chance[~~- and no progression in any form shall be permitted in the operation of any such game~~].

12 Financial Reports, Inspections and, Other Records. Amend RSA 287-D:22, I-II to read as follows:

I.(a) A charitable organization shall submit a complete financial report for all game dates licensed under RSA 287-D:4 to the lottery commission on forms approved by the lottery commission within 15 days of the end of each month during which a game of chance was held. Such report shall be completed by the treasurer of the charitable organization or a duly authorized officer, director, or official of the charitable organization who shall certify such accounting under oath; or

(b) A licensed [~~primary~~] game operator ***employer*** under contract to conduct games of chance on behalf of a charitable organization shall prepare and submit the financial reports required under subparagraph (a). In such case the charitable organization shall not be required to submit such report. Such report shall be completed by the [~~primary~~] game operator ***employer*** who shall certify such accounting under oath.

II. The financial report shall include:

(a) A complete statement of all revenues and expenses.

(b) A record of the amount of prizes awarded.

(c) The names and addresses of the members who participated in the games of chance.

(d) The name and address of any [~~fundraising counsel or~~] game operator ***employer*** involved in conducting the games of chance.

13 Penalties. Amend RSA 287-D:23, III to read as follows:

III. The lottery commission may suspend or revoke the license of any licensee who violates any provision of this chapter or for just cause shown. Any licensee whose license is revoked shall not be eligible for licensure for a period [~~of up to one year~~] from the date of revocation ***as determined by the commission***.

14 Penalties. Amend RSA 287-D:23, IX to read as follows:

IX. The lottery commission may impose an administrative fine scaled to reflect a violator's prior history of noncompliance with laws pertaining to games of chance and the scope and severity of the violation, after notice and hearing, pursuant to rules adopted under RSA 541-A, for any violation of this chapter, any rule adopted under this chapter, any license issued pursuant to this chapter, or any order issued pursuant to this chapter, or upon any person who makes or certifies to a material false statement relative to any application or report required by this chapter. In determining the amount of a fine, the lottery commission may take into consideration all relevant circumstances, including: the degree of noncompliance, the extent of harm caused by the violation, the nature and persistence of the violation, the time and cost associated with the investigation by the state, and the economic impact of the violation on the state or the charitable organization conducting or sponsoring the game. No administrative fine imposed under this paragraph shall preclude the imposition of other penalties as provided by law. Rehearings and appeals from a decision of the lottery commission under this paragraph shall comply with RSA 541. Fines imposed by the lottery commission shall be as follows:

(a) The fine for a minor violation shall be not less than $25 and not more than $500 per violation. A minor violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is minor [~~and may include, but is not limited to, the failure of a game operator, a game operator employer, charitable organization, or charitable organization member to:~~

~~(1) Wear a properly issued badge;~~

~~(2) Post 2 copies of the laws and rules;~~

~~(3) Have a diagram available for each table where games of chance are being played indicating the type of game being played, the bet amount, the buy-in amount, and the re-buy amounts as applicable; or~~

~~(4) Publicly display the name of the charitable organization~~].

(b) The fine for a moderate violation shall be not less than $250 and not more than $1,500 per violation. A moderate violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is moderate [~~and may include, but is not limited to, a game operator, game operator employer, charitable organization, or charitable organization member:~~

~~(1) Filing a late financial report;~~

~~(2) Operating a game not specifically listed on the game schedule;~~

~~(3) Operating a game on a different date than licensed without approval of the lottery commission; or~~

~~(4) Committing 3 or more minor violations within 2 years~~].

(c) The fine for a major violation shall be not less than $1,000 and not more than $5,000 per violation. A major violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is major and shall include, but is not limited to, a game operator, game operator employer, charitable organization, or charitable organization member:

(1) Operating a game of chance without a license;

(2) Operating a game of chance without having the personnel or officials required;

(3) Purposely operating a game of chance without a representative of the charitable organization present as specified in RSA 287-D:14, XI;

(4) Operating a game of chance with game operators who are not licensed;

(5) Failing to establish or maintain a New Hampshire bank account; or

(6) Committing 5 or more minor violations or 3 or more moderate violations within 2 years.

(d) The lottery commission may suspend any part of a fine for just cause.

15 New Subparagraph; Theft by Deception. Amend RSA 637:4, II by inserting after subparagraph (e) the following new subparagraph:

(f) Uses misrepresentation or cheats at any game conducted under RSA 287-D to obtain anything of value.

16 New Subparagraph; Theft; Penalties. Amend RSA 637:11, II by inserting after subparagraph (g) the following new subparagraph:

(h) The theft occurs as defined in RSA 637:4, II(f).

17 Repeal. RSA 287-D:5, III, relative to submission of application to the chief of police, is repealed.

18 Repeal. 2021, 66:10, relative to licensed facilities; eligible in 2024, is repealed.

19 Effective Date. This act shall take effect upon its passage.

LBA
23-0421
1/9/23

HB 607-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to the regulation of games of chance.

FISCAL IMPACT:

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill, **as introduced**, as it is awaiting information from the Lottery Commission. The Commission was contacted on 12/19/22. When completed, the fiscal note will be forwarded to the House Clerk's Office.

AGENCIES CONTACTED:

Lottery Commission

Rep. Doucette, Rock. 25
March 15, 2023
2023-1024h
02/10

Amendment to HB 607-FN

Amend the bill by replacing sections 4-7 with the following:

4 Facilities License Application; Specific Requirements. RSA 287-D:7 is repealed and reenacted to read as follows:

287-D:7 Facilities License Application; Specific Requirements.

I. Any person or entity other than a charitable organization or governmental subdivision with control of a facility, including by a written lease, at which games of chance are held for 5 or more game dates per calendar year shall be licensed.

II. A facilities license application shall include certification of compliance with all of the requirements of RSA 287-D:5, provided that the lottery commission may, by rules adopted by the commission under RSA 541-A, establish additional items to be submitted on the application form or attached to it.

III. Licenses shall expire three years after being issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required on the license application with the commission no later than December 31 of each year. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense.

5 Game Operator Employer License Application; Specific Requirements. RSA 287-D:8 is repealed and reenacted to read as follows:

287-D:8 Game Operator Employer License Application; Specific Requirements. Any person or entity other than a charitable organization that employs primary or secondary game operators shall be licensed under this section. In addition to the general requirements under RSA 287-D:5, a game operator employer license application shall include the following information provided that the lottery commission may, by rules adopted by the commission under RSA 541-A, establish additional items to be submitted on the application form or attached to it:

I. Certification of compliance with all of the requirements of RSA 287-D:5.

II. Federal tax identification number.

III. One passport quality photograph, if the applicant is an individual.

IV. A description of the licensed premises.

V. A bond for each location where the game operator employer is conducting games of chance, conditioned upon the licensees running games of chance in conformity with this chapter and with the rules and regulations prescribed by the lottery commission, in the amount of up to

$1,000,000 but not less than $25,000. The amount of the bond in excess of $25,000 established for each licensee shall be based on that licensee's normal outstanding obligations of charity payments and state taxes, including any amounts due from historic racing revenue.

VI. Licenses shall expire 3 years after being issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required on the license application with the commission no later than December 31 of each year. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense.

VII. Concurrent with the charitable organization, game operator employers who operate games of chance on behalf of a charitable organization shall be responsible for all requirements for which the charitable organization is responsible when a charitable organization operates games of chance itself.

VIII. Unless a provision to the contrary is part of a written agreement in place prior to the commencement of a game date between the charitable organization and the game operator employer, all moneys due to the charitable organization shall be paid over to the organization no later than the 15th day of the month following the month in which a game was conducted.

6 Primary Game Operator License; Specific Requirements RSA 287-D:9 is repealed and reenacted to read as follows:

287-D:9 Primary Game Operator License Application; Specific Requirements.

I. Other than members of a charitable organization, any person who is involved in conducting, managing, supervising, directing, or running games of chance, including, but not limited to, gambling operation managers and assistant managers, managers or supervisors of security employees, pit bosses, shift bosses, credit executives, and cashier operations supervisors shall be licensed under this section. In addition to the general requirements under RSA 287-D:5, a primary game operator license application shall include the following information provided that the lottery commission may, by rules adopted by the commission under RSA 541-A, establish additional items to be submitted on the application form or attached to it:

(a) The identity of the game operator employer for whom the applicant works.

(b) A list of any other states in which the game operator has been registered or licensed as a professional fundraiser, professional game operator, or other similar position.

(c) Whether a registration or license listed in subparagraph (b) has been denied, suspended, revoked, or enjoined by a court or state agency, or if such proceedings are pending.

(d) The names and addresses of any individuals with whom the applicant is affiliated in the fundraising or game operating business.

(e) One passport quality photograph.

II. The provisions of RSA 7:28-c shall not apply to primary game operator licensees.

III. Nothing in this section shall prevent a licensee from working for another game operator employer. A licensee who works for more than one game operator employer during the licensed period shall have a separate badge for each game operator employer, and pay a separate fee for each badge.

IV. The primary game operator license shall expire on the last day of the month of the licensee's birthday 3 years after it is issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required in paragraph I no later than the last day of the month of the licensee's birthday. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense.

7 Secondary Game Operator License Application; Specific Requirements. Amend RSA 287-D:10 to read as follows:

287-D:10 Secondary Game Operator License Application; Specific Requirements.

I. Other than members of a charitable organization, any person who is employed by a game operator employer [~~or a primary game operator~~] shall be licensed under this section.

II. In addition to the general requirements under RSA 287-D:5, a secondary game operator license application shall include the following information provided that the lottery commission may, by [~~rule~~] r***ules adopted by the commission under RSA 541-A***, establish additional items to be submitted on the application form or attached to it:

(a) A list of any other states in which the game operator has been registered or licensed as a professional fundraiser, professional game operator, or other similar position.

(b) A statement of whether a registration or license listed in subparagraph (a) has been denied, suspended, revoked, or enjoined by a court or state agency, or if such proceedings are pending.

(c) The identity of the primary game operators for whom the applicant works.

(d) [~~Two~~] ***One*** passport quality [~~photographs~~] ***photograph***.

III. A secondary game operator license shall expire on the last day of the month of the licensee's birthday ***3 years after it is issued, provided that the licensee shall annually file with the commission a statement as to any changes to the information required in paragraph II with the commission no later than the last day of the month of the licensee's birthday. The licensee shall immediately notify the commission in the event the licensee is subject to arrest or conviction of any criminal offense***.

IV. The provisions of RSA 7:28-c shall not apply to secondary game operator licensees.

V. Nothing in this section shall prevent a licensee from working for different licensed entities. [~~A licensee who works for more than one game operator employer during the licensed period shall submit a supplemental application with a separate licensing fee,~~] ***The licensee shall*** have a separate badge for each game operator employer, and pay a separate fee for each badge.

VI. Upon receipt of a completed application under this section, and at the request of the applicant, the lottery commission may issue a provisional license, valid for up to 60 days, under rules adopted by the lottery commission under RSA 541-A regarding provisional licenses. If the lottery commission denies the license, the provisional license shall expire upon the applicant's receipt of such denial. If the applicant requests a provisional license under this paragraph, he or she shall submit a fee of $10 to the lottery commission, in addition to the application fee for the license, at the time of such request.

Amend the bill by replacing section 13-14 with the following:

13 Penalties. Amend RSA 287-D:23, III to read as follows:

III. The lottery commission may suspend or revoke the license of any licensee who violates any provision of this chapter or for just cause shown. Any licensee whose license is revoked shall not be eligible for licensure for a period [~~of up to one year~~] from the date of revocation ***as determined by the commission***. ***In determining the amount of time for suspension or revocation, the lottery commission may take into consideration all relevant circumstances, including: the degree of noncompliance, the extent of harm caused by the violation, the nature and persistence of the violation, the time and cost associated with the investigation by the state, and the economic impact of the violation on the state or the charitable organization conducting or sponsoring the game.***

14 Penalties. Amend RSA 287-D:23, IX to read as follows:

IX. The lottery commission may impose an administrative fine scaled to reflect a violator's prior history of noncompliance with laws pertaining to games of chance and the scope and severity of the violation, after notice and hearing, pursuant to rules adopted under RSA 541-A, for any violation of this chapter, any rule adopted under this chapter, any license issued pursuant to this chapter, or any order issued pursuant to this chapter, or upon any person who makes or certifies to a [~~material~~] ***materially*** false statement relative to any application or report required by this chapter. In determining the amount of a fine, the lottery commission may take into consideration all relevant circumstances, including: the degree of noncompliance, the extent of harm caused by the violation, the nature and persistence of the violation, the time and cost associated with the investigation by the state, and the economic impact of the violation on the state or the charitable organization conducting or sponsoring the game. No administrative fine imposed under this paragraph shall preclude the imposition of other penalties as provided by law. Rehearings and appeals from a decision of the lottery commission under this paragraph shall comply with RSA 541. Fines imposed by the lottery commission shall be as follows:

(a) The fine for a minor violation shall be not less than $25 and not more than $500 per violation. A minor violation shall be one where the lottery commission determines that the potential

for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is minor [~~and may include, but is not limited to, the failure of a game operator, a game operator employer, charitable organization, or charitable organization member to:~~

~~(1) Wear a properly issued badge;~~

~~(2) Post 2 copies of the laws and rules;~~

~~(3) Have a diagram available for each table where games of chance are being played indicating the type of game being played, the bet amount, the buy-in amount, and the re-buy amounts as applicable; or~~

~~(4) Publicly display the name of the charitable organization~~].

(b) The fine for a moderate violation shall be not less than $250 and not more than $1,500 per violation. A moderate violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is moderate [~~and may include, but is not limited to, a game operator, game operator employer, charitable organization, or charitable organization member:~~

~~(1) Filing a late financial report;~~

~~(2) Operating a game not specifically listed on the game schedule;~~

~~(3) Operating a game on a different date than licensed without approval of the lottery commission; or~~

~~(4) Committing 3 or more minor violations within 2 years~~].

(c) The fine for a major violation shall be not less than $1,000 and not more than $5,000 per violation. A major violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is major**.** [~~and shall include, but is not limited to, a game operator, game operator employer, charitable organization, or charitable organization member:~~

~~(1) Operating a game of chance without a license;~~

~~(2) Operating a game of chance without having the personnel or officials required;~~

~~(3) Purposely operating a game of chance without a representative of the charitable organization present as specified in RSA 287-D:14, XI;~~

~~(4) Operating a game of chance with game operators who are not licensed;~~

~~(5) Failing to establish or maintain a New Hampshire bank account; or~~

~~(6) Committing 5 or more minor violations or 3 or more moderate violations within 2 years.~~]

(d) The lottery commission may suspend any part of a fine for just cause.

Amend the bill by replacing section 19 with the following:

19 Effective Date.

I. Sections 9 and 10 of this act shall take effect upon its passage.

II. The remainder of this act shall take effect 60 days after its passage.

REGULAR CALENDAR

March 15, 2023

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Majority of the Committee on Ways and Means to which was referred HB 607-FN,

AN ACT relative to the regulation of games of chance. Having considered the same, report the same with the following amendment, and the recommendation that the bill OUGHT TO PASS WITH AMENDMENT.

Rep. Fred Doucette

FOR THE MAJORITY OF THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

MAJORITY
COMMITTEE REPORT

Committee:	**Ways and Means**
Bill Number:	**HB 607-FN**
Title:	**relative to the regulation of games of chance.**
Date:	**March 15, 2023**
Consent Calendar:	**REGULAR**
Recommendation:	**OUGHT TO PASS WITH AMENDMENT 2023-1024h**

STATEMENT OF INTENT

This bill, as amended, makes several housekeeping changes to RSA 287-D, the charity gaming law most requested by the Lottery Commission. The bill also increases the maximum allowable wager from $10 to $25, keeping in line with NH Lottery's maximum value scratch ticket, and increases the maximum tournament buy-in to $2,500. These changes will help to keep NH charitable gaming facilities competitive with surrounding states. The bill makes permanent the current restriction on the number of facilities that can offer historic horse racing; that restriction is currently scheduled to expire on July 1, 2024. Charitable gaming is a cornerstone fundraising tool for hundreds of NH charities, last year raising over $20 million for charities across the state. The amendment corrected all technical issues identified by the lottery.

Vote 12-7.

Rep. Fred Doucette
FOR THE MAJORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Ways and Means

HB 607-FN, relative to the regulation of games of chance. **MAJORITY: OUGHT TO PASS WITH AMENDMENT. MINORITY: INEXPEDIENT TO LEGISLATE.**

Rep. Fred Doucette for the **Majority** of Ways and Means. This bill, as amended, makes several housekeeping changes to RSA 287-D, the charity gaming law most requested by the Lottery Commission. The bill also increases the maximum allowable wager from $10 to $25, keeping in line with NH Lottery's maximum value scratch ticket, and increases the maximum tournament buy-in to $2,500. These changes will help to keep NH charitable gaming facilities competitive with surrounding states. The bill makes permanent the current restriction on the number of facilities that can offer historic horse racing; that restriction is currently scheduled to expire on July 1, 2024. Charitable gaming is a cornerstone fundraising tool for hundreds of NH charities, last year raising over $20 million for charities across the state. The amendment corrected all technical issues identified by the lottery. **Vote 12-7.**

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

March 15, 2023

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Minority of the Committee on Ways and Means to which was referred HB 607-FN,

AN ACT relative to the regulation of games of chance. Having considered the same, and being unable to agree with the Majority, report with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Richard Ames

FOR THE MINORITY OF THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

MINORITY
COMMITTEE REPORT

Committee:	**Ways and Means**
Bill Number:	**HB 607-FN**
Title:	**relative to the regulation of games of chance.**
Date:	**March 15, 2023**
Consent Calendar:	**REGULAR**
Recommendation:	**INEXPEDIENT TO LEGISLATE**

STATEMENT OF INTENT

Under current law, licenses to operate historic horse racing gaming machines in New Hampshire may only be held by the gaming operators, fourteen in number according to information presented to the committee, who held charitable gaming operator licenses when gaming with historic horse racing gaming machines was first authorized in 2021. Furthermore, this handful of licensees may only operate historic horse racing gaming machines within the city or town in which the licensee held its license on May 1, 2020. Under current law, these operator and locational limits will sunset on July 1, 2024. After that date, other licensees operating at other locations, if approved by the Lottery Commission, will be free under current law to enter the historic horse racing gaming market. Under this bill, the current law sunsetting the gaming operator limit will be immediately repealed, meaning that the monopoly position held by those original fourteen operators and the limit of those operators' facilities to their respective cities and towns will be maintained without any durational limit. The minority agrees that the law should be revised to enable appropriately limited entry into the historic horse racing machine market. But the arbitrary limits enabled in perpetuity by this bill go too far.

Rep. Richard Ames
FOR THE MINORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Ways and Means

HB 607-FN, relative to the regulation of games of chance. **INEXPEDIENT TO LEGISLATE.** Rep. Richard Ames for the **Minority** of Ways and Means. Under current law, licenses to operate historic horse racing gaming machines in New Hampshire may only be held by the gaming operators, fourteen in number according to information presented to the committee, who held charitable gaming operator licenses when gaming with historic horse racing gaming machines was first authorized in 2021. Furthermore, this handful of licensees may only operate historic horse racing gaming machines within the city or town in which the licensee held its license on May 1, 2020. Under current law, these operator and locational limits will sunset on July 1, 2024. After that date, other licensees operating at other locations, if approved by the Lottery Commission, will be free under current law to enter the historic horse racing gaming market. Under this bill, the current law sunsetting the gaming operator limit will be immediately repealed, meaning that the monopoly position held by those original fourteen operators and the limit of those operators' facilities to their respective cities and towns will be maintained without any durational limit. The minority agrees that the law should be revised to enable appropriately limited entry into the historic horse racing machine market. But the arbitrary limits enabled in perpetuity by this bill go too far.

Original: House Clerk
Cc: Committee Bill File

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill #: HB 607-FN Date: 2/15/23

Committee: Ways and Means

**** Please Print All Information ****

Name	Address	Phone	Representing	Pro	Con
JON ERICKSON	MERRIMACK	603-494-4851	Meals on Wheels	✓	
Alicia Tilton		6038923245	NHCAOA	✓	
KEVIN JORDAN		603-419-8585	NHLEMA	✓	

HOUSE COMMITTEE ON WAYS AND MEANS

PUBLIC HEARING ON HB 607-FN

BILL TITLE: **relative to the regulation of games of chance.**

DATE: **February 15, 2023**

LOB ROOM: **202-204** **Time Public Hearing Called to Order:** **11:00 a.m.**

Time Adjourned:

Committee Members: Reps. L. Sanborn, Janigian, Plett, Ulery, Doucette, Spilsbury, Soti, Aures, Rochefort, Almy, Ames, Southworth, Malloy, Schamberg, Fellows, Bolton, Elberger, Leapley and G. Smith

Bill Sponsors:

Rep. Doucette	**Rep. Berry**	**Rep. Sweeney**
Rep. O'Brien	**Rep. Soucy**	**Rep. Goley**
Sen. Ricciardi		

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Doucette – Major change is moratorium on "slot machines". Already in for July 1, 2024. Had 2 charities per day, concern about the machine proliferating throughout the state. In 2006 we wound up with the current model. The charities have to go through a thorough background check, as gaming operators. Doesn't know how many HHR licenses there are. Major players are moving in. Nine casinos in New England. We have 14 gaming facilities in NH. Should not have slot barns on every corner. There is a saturation point. Don't want to see video gaming in this state on every corner. Housekeeping needs to take place for wager limits. The employees licensing go annually for fingerprinting, etc. This would extend from one to three years. Primary game operator – floor manager, pit boss, handles charity – proposing rolling back $500 fee plus background checks – rolls back to $300, 3 years. This legislation allows transfer of licensing. HHR – Historic Horse Racing. Rep. Almy – please tell us what each change is doing? Primary game operator – was employer – now game operator employer, game operator is now floor manager. Removes fingerprint requirement for charity applicants. We had to handle the money. Now done by facility, don't need to fingerprint Treasurer of XYZ Charity. He will provide for committee a synopsis. Rep. Schamburg – are the present owners domestic, or multi-national? Refer to Lottery Commission. Rep. Fellows – some of sections repeal and replace, can't follow. Levels of licensing. Rep. Bolton – is there a limit to the size of the facility. Refer to Lottery Commission.

NH Lottery Commission – Charles McIntyre, Valerie King. The drafted fiscal notes on bill. Did not forward but fixed it. Aures – 21st century, send it now? Almy - Desperately need a work session. Need to bring new members up to speed. Are present owners multinational corporations – no, US based in more than one state. Charity must be NH based. Slot machines revenues go to N Carolina? Seventy five percent got to the operator, what they do is their business, 25% goes to state and charities. The Brook in Seabrook has many kinds of gambling. Food and Beverages. Simulcast live. The gamut of activity has different breakdowns. Representative Leapley – wanted the revenue breakdown. Rep. Almy – revenue breakdown? Rep. Ames – important to breakdown – 12% of pool taken off top.

Rick Newman, NH Charitable Game Operators Association. Association made up of 14 facilities. Support bill. Bill in front of you housekeeping. No longer requiring charity members to be fingerprinted every year. Primary policy changes, about 4. 1- Limiting license, 14, can have historic horse racing. This bill repeals moratorium end, so 14 remain. Can do other things but not HHR. 2 –

maximum wager goes from $10 to $25. 3 - Maximum buy-in goes from $250 to $2,500. Need to remain competitive with other states. Wager limit limits revenue which limits pay to employees. Competition – poker players will travel. $250 not competitive with surrounding states. 4 - Next change is from 1 to 3-year licensing. Also, bond requirements go from $500,000 to $1 million. Janigian – is $25 competitive? No other states require limits. Legislature wouldn't give us unlimited, so we are just changing the goalposts. Ulery- explain 14 licenses. Would this encourage large players to take up licenses of smaller facilities. There has not been a new applicant in 5 years – we are in a good spot. Could they just go to bigger facility? A facility could do just what you said – one location to another in the same community. How is health of facilities? Mixed bag – HHR has been a boon, moving some casinos from loss to gain. Numbers may drop due to poker marketing in MA. Five years ago 50% not making a profit, now all are making a profit. Would higher limits attract problem gaming? Not qualified to say, but sports betting there are no limits. Rep. Malloy – Follow up on Rep. Ames – what would change with unlimited wagers? Increase to $25 or another, they go out in groups. Most happy with $5 or $10 table, others want $25. They are smaller here, which is attractive to many people. Rep. Aures – Is there a problem with sports betting? No, he was just comparing for problem betting answer 35% to charities, 10% to state works for table games. Rep. Almy – maximum bet on HHR machines? $25. Every 5 seconds? Impractical but could be. Gross gaming revenue is house win, money left over after prizes. Fifteen to twenty percent is long term house win? How many have machines? Eight he thinks. Are they pushing machines, or table games. Facility has to have a ratio revenue from table games to machines. – 6.3%. Rep. Leapley - Could the committee invite some expert on problem gaming? With the passage of hb626 two years ago for HHR, there is $11K a month going into problem gaming.

Ms. Tina Andrade – Home Health & Hospice – we received $71,000. 500 patients, most in home setting. Also hospice care. We take care of people whatever their wherewithal. We do have four for-profit hospices, but they run at a deficit. We lose $400 a day. We have a philanthropy organization. That allows more people to be in hospice and end lives with dignity. Important in big perspective what charities are doing. We now have HHR machines. Our FY begins next Monday. There are 2 charities a week. We won't get as much as a result. Most bets will remain small bets. Plett- is there a limit? Yes, one week per year.

Kevin Jordan – NH Law enforcement memorial association. We have benefited. Cost for ceremonies $7,000 per year. Charitable gaming saved our organization. Citizens leaving state to other states – we'd like to keep them here. Fingerprint requirement. Why fingerprint at all if already on file? Good question.

John Eriquezzo – President and CEO of Meals on Wheels – Charitable gaming saved us. Fingerprinting is a nightmare. Needs to raise $1.2 rather than $1 million due to inflation.

Respectfully submitted,

Rep. Fred Plett, Clerk

House Remote Testify

Ways and Means Committee Testify List for Bill HB607 on 2023-02-15

Support: 0 Oppose: 2 Neutral: 0 Total to Testify: 0

Export to Excel

Name	City, State Email Address	Title	Representing	Position	Testifying	Non-Germane	S
Schweiker, Roy	Concord, NH royswkr@hotmail.com	A Member of the Public	Myself	Oppose	No	No	2
Richardson, Daniel	Nashua, NH daniel6_22@comcast.net	A Member of the Public	Myself	Oppose	No	No	2

HOUSE COMMITTEE ON WAYS AND MEANS

EXECUTIVE SESSION on HB 607-FN

BILL TITLE: relative to the regulation of games of chance.

DATE: March 15, 2023

LOB ROOM: 202-204

MOTIONS: OUGHT TO PASS WITH AMENDMENT

Moved by Rep. Doucette	Seconded by Rep. Bolton	AM Vote: 19-0

Amendment # 2023-1024h

Moved by Rep. Doucette	Seconded by Rep. Plett	Vote: 12-7

CONSENT CALENDAR: NO

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep Fred Plett, Clerk

STATE OF NEW HAMPSHIRE
OFFICE OF THE HOUSE CLERK

1/10/2023 9:55:04 AM
Roll Call Committee Registers Report

2023 SESSION

Ways and Means

Bill #: HB 601-FN **Motion:** OTPA **AM #:** _____ **Exec Session Date:** 3/15/23

Members	YEAS	Nays	NV
Sanborn, Laurie J. Chairman	12		
Janigian, John C. Vice Chairman	1		
Ulery, Jordan G.	2		
Doucette, Fred G.	3		
Spilsbury, Walter	4		
Plett, Fred R. Clerk	5		
~~Hynes, Dan~~ Walker, Scott	6		
Soti, Julius F.	7		
Aures, Cyril Nicholas	8		
Rochefort, David	9		
Almy, Susan W.	10		
Ames, Richard		1	
Southworth, Thomas L.		2	
Malloy, Dennis J.		3	
~~Schamberg~~, Thomas C. Marshall, Kevin		4	
Fellows, Sallie D.		5	
Bolton, Bill R	11		
Elberger, Susan A		6	
Leapley, Nicole M		7	
Smith, Geoffrey			1
TOTAL VOTE:	12	7	1

STATE OF NEW HAMPSHIRE
OFFICE OF THE HOUSE CLERK

1/10/2023 9:55:04 AM
Roll Call Committee Registers Report

2023 SESSION

Ways and Means

Bill #: HB 607-FN **Motion:** Amendment 2023 1204h **AM #:** 2023-1024 **Exec Session Date:** 3/15/23

Members	YEAS	Nays	NV
Sanborn, Laurie J. Chairman	19		
Janigian, John C. Vice Chairman	1		
Ulery, Jordan G.	2		
Doucette, Fred G.	3		
Spilsbury, Walter	4		
Plett, Fred R. Clerk	5		
~~Hynes, Dan~~ Wallace, Scott	6		
Soti, Julius F.	7		
Aures, Cyril Nicholas	8		
Rochefort, David	9		
Almy, Susan W.	10		
Ames, Richard	11		
Southworth, Thomas L.	12		
Malloy, Dennis J.	13		
~~Schamberg, Thomas~~ C. Marshall, Lucius	14		
Fellows, Sallie D.	15		
Bolton, Bill R	16		
Elberger, Susan A	17		
Leapley, Nicole M	18		
Smith, Geoffrey			1
TOTAL VOTE:	19	0	