

HB 533 - AS AMENDED BY THE HOUSE

7Apr2021... 0906h

2021 SESSION

21-0531

08/10

HOUSE BILL            **533**

AN ACT                establishing a division of investigation and compliance in the lottery commission.

SPONSORS:            Rep. Abrami, Rock. 19; Rep. Abbas, Rock. 8; Rep. Doucette, Rock. 8

COMMITTEE:          Ways and Means

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ANALYSIS

This bill establishes a division of investigation and compliance within the lottery commission.

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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                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

## STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty One*

AN ACT                    establishing a division of investigation and compliance in the lottery commission.  
*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            1 New Section; Investigation and Compliance Division. Amend RSA 284 by inserting after  
2 section 3 the following new section:

3            284:3-a Investigation and Compliance Division.

4            I. There shall be contained within the lottery commission an investigation and compliance  
5 division. The division shall perform such functions as the lottery commission may determine is  
6 necessary in relation to enforcement, including the investigation of all licensees, and proposed  
7 licensees, under this chapter and RSA 287.

8            II. The division shall have such civil and administrative powers as are necessary to  
9 effectuate the purposes of this chapter, including the power to receive intelligence on an applicant or  
10 licensee under this chapter and to investigate any suspected violations of this chapter or any  
11 suspected violations of illegal gambling.

12           III. To further effectuate the purposes of this chapter with respect to the investigation and  
13 enforcement of gaming establishments and licensees, the division may obtain or provide pertinent  
14 information regarding applicants or licensees from or to law enforcement entities or gaming  
15 authorities and other domestic, federal or foreign jurisdictions, including the Federal Bureau of  
16 Investigation, and may transmit such information to each other electronically.

17           IV. In addition to fines and penalties as set forth in administrative rules, the division may  
18 file a petition for equity relief with the superior court seeking to levy upon any person or entity who  
19 meets the requirements for enhanced penalties as defined in administrative rule, a civil penalty in  
20 an amount not to exceed \$50,000 per violation, along with any other injunctive relief deemed  
21 necessary by the court. The proceeds of any civil penalty levied pursuant to this section shall be  
22 deposited in the special fund established in RSA 284:21-j.

23           2 Lottery Commission; Investigation of Applicants. Amend RSA 284:15-b, II to read as follows:

24           II. The attorney general shall have the authority to conduct an investigation on the attorney  
25 general's motion into the background of the license applicant or holder, of any person included in  
26 paragraph I or of any person or entity upon whom the license applicant or holder relies for financial  
27 support. In addition, whenever the lottery commission shall receive an application, it shall ~~refer the~~  
28 ~~application to the attorney general who shall conduct such an investigation]~~ **notify the attorney**  
29 **general, and in concert and consultation with the attorney general, the lottery commission**  
30 **shall conduct an investigation of the applicant.** The investigation may be conducted through  
31 any appropriate state or federal law enforcement system and may seek information as to the

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1 subject's financial, criminal or business background, or any other information which ~~[the attorney~~  
2 ~~general, in the attorney general's sole discretion,]~~ may ~~[find to]~~ bear on the subject's ~~[fitness]~~  
3 **suitability** to be associated with racing in New Hampshire, including, but not limited to, the  
4 subject's character, personal associations, and the extent to which the subject is properly doing  
5 business in the manner in which it purports to operate. When the lottery commission ~~[requests]~~  
6 **initiates** such an investigation, the ~~[attorney general]~~ **lottery commission** shall report the results  
7 of such investigation to the ~~[lottery commission]~~ **attorney general** within ~~[90]~~ **45** days after the  
8 ~~[receipt of the request]~~ **initiation of the investigation**. Notwithstanding any other law to the  
9 contrary, the results of any such investigation shall be confidential and shall not be subject to  
10 disclosure or to public inspection, except that the attorney general shall have sole discretion to  
11 determine the extent to which and the manner in which the results may be reported to ~~[the lottery~~  
12 ~~commission or]~~ other state ~~[agency]~~ **agencies** or ~~[official]~~ **officials** and, if reported, whether such  
13 results are to retain their confidential character. ~~[; provided, however, that whenever the attorney~~  
14 ~~general conducts such an investigation,]~~ The attorney general ~~[shall notify the lottery commission~~  
15 ~~whether or not in the attorney general's opinion]~~ **and the lottery commission shall confer and**  
16 **determine, if in their opinion,** such person is ~~[fit]~~ **suitable** to be associated with racing in New  
17 Hampshire **and upon a determination that the person is not suitable, the person shall not**  
18 **be issued or continue to hold a license.** ~~[Notwithstanding any other provision of law, no person~~  
19 ~~shall be issued or hold a license if in the opinion of the attorney general such person is not fit to be~~  
20 ~~associated with racing in this state.]~~

21 3 New Paragraph; Rulemaking; Investigation and Enforcement Division. Amend RSA 284:21-i  
22 by inserting after paragraph VI the following new paragraph:

23 VII. The lottery commission shall adopt rules under RSA 541-A relative to the  
24 administration of the investigation and enforcement division, including processes for investigation,  
25 and a schedule of fines and penalties.

26 4 Lottery Commission; Condition of Licensee. Amend RSA 284:16-b, II to read as follows:

27 II. The lottery commission, after conducting a hearing, may require a licensee to divest itself  
28 of any partner, person, sub-corporation, shareholder, or any other entity of the licensee if the lottery  
29 commission determines that any partner, person, sub-corporation, shareholder, or any other entity of  
30 the licensee is not ~~[fit]~~ **suitable** to be associated with racing in this state.

31 5 Effective Date. This act shall take effect January 1, 2022.