

HB 1628-FN-A-LOCAL – AS INTRODUCED

2014 SESSION

14-2617
08/10

HOUSE BILL ***1628-FN-A-LOCAL***

AN ACT relative to games of chance and establishing a gaming regulatory commission and video lottery gaming.

SPONSORS: Rep. D. Sullivan, Hills 42; Rep. Sapareto, Rock 6

COMMITTEE: Ways and Means

ANALYSIS

This bill:

- I. Establishes a gaming regulatory commission to regulate certain gaming establishments.
- II. Allows up to 6 establishments which offer video lottery and table games.
- III. Provides a process for selecting and licensing such gaming establishments.
- IV. Proceeds from gaming establishments shall go to the general fund and to the municipality where the gaming establishment is located.
- V. Raises the minimum wage a player can make.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 1628-FN-A-LOCAL – AS INTRODUCED

- Page 2 -

1 machines, video poker machines, and other lottery machines. A machine shall be considered a video
2 lottery machine notwithstanding the use of an electronic credit system making the deposit of bills,
3 coins, or tokens unnecessary. Video lottery machines do not include any redemption slot machines
4 and redemption poker machines as defined in RSA 647 or video poker machines or other similar
5 machines used for amusement purposes only.

6 287-H:2 Gaming Regulatory Commission.

7 I. There is hereby established the New Hampshire gaming regulatory commission. The
8 gaming regulatory commission shall consist of 2 public members appointed by the governor and one
9 public member appointed jointly by the speaker of house of representatives and the senate president,
10 the commissioner of the department of safety, the attorney general, and the commissioner of the
11 department of revenue administration, or their respective designee. The commissioner of the
12 department of safety or designee shall serve as the chairperson of the gaming regulatory
13 commission. The public members shall serve 2-year terms.

14 II. The gaming regulatory commission through delegation to the division of gaming
15 enforcement shall regulate facilities licensed under this chapter. Facilities licensed under this
16 chapter shall contain non-gaming resources, such as dining and liquor, and may include a hotel, as
17 well as other support resources approved by the gaming regulatory commission. Each licensed
18 facility shall maintain a license for charity games of chance under RSA 287-D and shall have
19 available for operation at the facility at a minimum 10 poker tournament tables and 10 approved
20 casino table game tables for use in the operation of charity gaming. Each facility shall make charity
21 gaming available on each day and during each hour that the facility operates video lottery machines.

22 287-H:3 Duties of the Gaming Regulatory Commission. The gaming regulatory commission
23 shall:

24 I. Issue licenses only after completion of the investigations set forth in this chapter. All
25 license applications shall be approved or denied no later than 150 days from the date of application.
26 No license shall be issued under the provision of this chapter without a complete application and the
27 approval of the gaming regulatory commission and payment of a \$150,000 application fee. No
28 license issued under the provisions of this chapter shall be assigned, transferred, or sold. No person
29 or entity may own or have an interest in more than one facility license.

30 II. Collect all license fees imposed upon any applicant and all fees imposed by this chapter.

31 III. Certify net machine income by inspecting records, conducting audits, having its agents
32 on site, or by other reasonable means.

33 IV. Establish a central computer system at a location of its choosing linking all video lottery
34 machines to a central computer to ensure control over the video lottery machines.

35 V. Establish technical standards for approval of video lottery machines, including
36 mechanical and electrical reliability and security against tampering, as it may deem necessary to
37 protect the public from fraud or deception and to ensure the integrity of the operation.

HB 1628-FN-A-LOCAL – AS INTRODUCED
- Page 3 -

1 VI. Not later than November 1 in each calendar year of this program, provide a report to the
2 legislative fiscal committee regarding the generation of revenue of video lottery machines. Such
3 report shall include any recommendations for legislation and any community concerns.

4 VII. Have the authority to issue subpoenas and compel the attendance of witnesses, to
5 administer oaths, and require testimony of witnesses under oath.

6 VIII. Make and keep records of all proceedings of its public meetings as provided in RSA 91-
7 A. A copy of the transcript shall be made available to any person upon request and payment of the
8 costs of preparing a copy.

9 IX. Keep and maintain a list of all license applicants and a record of all actions taken with
10 respect to each applicant. A file and record of the actions by the gaming regulatory commission shall
11 be open to public.

12 X. Maintain such other files and records as it deems necessary. All records maintained by
13 the gaming regulatory commission may be maintained in digital format or other technology,
14 provided that such information is capable of being produced in written form.

15 XI. Maintain the confidentiality of all information and data obtained by the gaming
16 regulatory commission. Such information shall not be revealed in whole or in part except as
17 otherwise provided by law, upon the lawful order of a court of competent jurisdiction, lawfully
18 executed and served grand jury subpoenas, or with the approval of the attorney general, to a duly
19 authorized law enforcement agency.

20 XII. Provide notice of the contents of any information or data released, except to a duly
21 authorized law enforcement agency or grand jury subpoena pursuant to paragraph XI, shall be given
22 to any applicant, registrant, or licensee in a manner prescribed by the rules adopted by the gaming
23 regulatory commission.

24 XIII. If necessary, contract for and procure financial, economic, or security consultants and
25 any other technical and professional services as the commission deem necessary.

26 XIV. Develop and provide an employee training program which shall include, but not be
27 limited to, information on state law, criminal and civil liability, and management practices.

28 287-H:4 Rulemaking.

29 I. The gaming regulatory commission shall have general responsibility for the
30 implementation of this chapter and shall adopt rules under RSA 541-A relative to:

31 (a) Hearing and deciding all license applications or recommendations for the suspension
32 or revocation of any license.

33 (b) Conducting all investigations required with regard to the application, suspension, or
34 revocation of any licensee or applicant.

35 (c) Conducting hearings pertaining to administrative violations or rules and collecting
36 all penalties assessed under the provisions of this chapter.

HB 1628-FN-A-LOCAL – AS INTRODUCED

- Page 4 -

1 (d) Establishing standards and a reasonable fee structure for the licensing and renewal
2 of licenses for technology providers.

3 (e) Establishing technical standards for approval of video lottery machines, including
4 mechanical and electrical reliability and security against tampering, as it may deem necessary to
5 protect the public from fraud or deception and to ensure the integrity of operation.

6 (f) Establishing criteria for licensing, suspension, and revocation and the license
7 application process..

8 (g) The value of prizes, which may be awarded, and the cost of play for each video lottery
9 game played on a video lottery machine, as recommended by the technology provider.

10 (h) Establishing employee qualifications, training, and background investigations for
11 prospective employees.

12 (i) Standards for the management and operation of all video lottery locations.

13 II. Pending the adoption of rules under RSA 541-A, and notwithstanding RSA 541-A:2, the
14 gaming regulatory commission shall adopt interim rules after public hearing and within 60 days of
15 the effective date of this chapter including provisions for the public notice of the period of time for
16 the submission of facility license applications. Such interim rules shall automatically expire upon
17 the adoption of rules under RSA 541-A.

18 287-H:5 Restrictions. No member or employee of the gaming regulatory commission, the
19 department of justice, the department of revenue administration, or the department of safety shall
20 have a fiduciary interest in any technology provider, facility licensee, or centralized data provider.

21 287-H:6 Licensure of Technology Provider and Centralized Data Provider. No technology
22 provider or centralized data provider shall engage in the business of providing, installing, or
23 repairing video lottery machines used under this chapter without a license issued by the gaming
24 regulatory commission.

25 287-H:7 Restriction on Technology and Centralized Data Provider. No technology provider or
26 centralized data provider or their employees shall be entitled to operate video lottery machines
27 within the state.

28 287-H:8 Restriction of Minors.

29 I. No person under the age of 18 shall play a video lottery machine authorized by this
30 chapter.

31 II. No member or employee of any video lottery location, or the gaming regulatory
32 commission shall knowingly permit a person under the age of 18 to play or participate in any aspect
33 of the playing of a video lottery machine.

34 III. Each violation of this section shall be punishable by a fine of no more than \$1,000. If
35 such violator is a state employee, then the employee shall also be subject to appropriate sanctions in
36 conformance with the adopted policies and procedures of the division of gaming enforcement, and the
37 department of administrative services, division of personnel.

HB 1628-FN-A-LOCAL – AS INTRODUCED

- Page 5 -

1 IV. Such fine shall be payable by the employee or facility licensee that is found to have
2 violated this section.

3 287-H:9 Person Misrepresenting Age.

4 I. A person who falsely represents his or her age for the purpose of playing video lottery
5 machines shall be guilty of a misdemeanor. Any person who violates any of the provisions of this
6 section shall be fined for his or her first offense a minimum of \$250. No portion of this mandatory
7 minimum fine shall be waived, continued for sentencing or suspended by the court. A second or
8 subsequent offense shall carry a \$500 minimum fine.

9 II. Notwithstanding paragraph I or any other law to the contrary, any person who possesses
10 or uses or displays in any manner a false identification card, document, license or any other
11 document which represents such person's age for the purpose of playing video lottery machines shall
12 be fined a minimum of \$250. No portion of this mandatory minimum fine shall be waived, continued
13 for sentencing, or suspended by the court. The provisions of this paragraph shall not reduce the
14 maximum penalty which could be imposed for such an offense pursuant to paragraph I. A second or
15 subsequent offense shall carry a \$500 minimum fine.

16 III. An identification card issued under the provisions of RSA 260:21 shall be withdrawn for
17 violation of this section for 90 days. In addition, the director of the division of motor vehicles shall
18 withdraw, for 90 days, the identification card of any person who allows his or her card to be used or
19 displayed by another person for the purpose of playing video lottery machines.

20 287-H:10 Penalty for Tampering or Manipulating. Any person who, with the intent to
21 manipulate the outcome, payoff, or operation of a video lottery machine, manipulates the outcome,
22 payoff, or operation of any video lottery machine by physical, electronic, or mechanical means, shall
23 be guilty of a class A felony.

24 287-H:11 Video Lottery Machine Requirements.

25 I. No video lottery machine shall be used to conduct gaming unless it is identical in all
26 electrical, mechanical, and other aspects to a model, which has been specifically tested and licensed
27 for use by the gaming regulatory commission.

28 II. All video lottery machines in operation shall pay out as winnings at least 92 percent on
29 an annual basis.

30 III. Facility licensees shall notify the gaming regulatory commission of the days and hours
31 of operation of the facility.

32 IV. No automatic teller machines shall be located within 150 feet of a video lottery machine.

33 287-H:12 Licenses; Number of Video Lottery Machines.

34 I. The number of video lottery machines statewide shall be limited to 1,500 to be distributed
35 to each licensed facility provided that no facility shall have more than 250 video lottery machines.

36 II. The gaming regulatory commission shall issue not more than a total of 6 facility licenses
37 in the state of New Hampshire. Prior to issuing any facility licenses and when there are fewer than

1 6 facility licenses, the gaming regulatory commission shall issue facility licenses pursuant to the
2 process described in paragraph III. The gaming regulatory commission shall license not more than 1
3 facility within the boundaries of Executive Council Districts 2,3,4, and 5 as those districts are drawn
4 as of January 1, 2014 and shall issue no more than 2 licenses within the boundary of Executive
5 Council District 1 as that district is drawn as of January 1, 2014, provided that at least one of the
6 district 1 facilities shall be located in Coos county. Eligibility shall be based on, but not limited to
7 the following:

8 (a) Evidence provided by the applicant that the applicant has received any required local
9 approval.

10 (b) Regional location of prospective facility licensee.

11 (c) A detailed economic plan, filed with the gaming regulatory commission, for the
12 municipality and the surrounding region where the prospective facility licensee is located with
13 supporting documentation to explain the following:

14 (1) How applicant would address unemployment in the area.

15 (2) Direct and indirect employment gain.

16 (3) Effect on tourism-based economy.

17 (4) Effect on regional economic development.

18 (5) Tourist trends.

19 (d) A business plan, filed with the gaming regulatory commission, to support video
20 lottery machines.

21 (e) Qualifications of those persons who own or manage the prospective licensee facility.

22 (f) Regional population.

23 (g) Vehicle traffic.

24 (h) Total square footage of the facility and total acreage of such facility.

25 (i) Availability of suitable infrastructure.

26 (j) Availability of adequate parking.

27 (k) Other information that the gaming regulatory commission may require.

28 III. Within 60 days of the effective date of this chapter and whenever there are fewer than 6
29 facility licensees, the gaming regulatory commission shall solicit applications for a facility license.
30 The license fee for the successful applicant shall be \$1,000,000. A license shall be valid for 5 years
31 and shall be renewable for a fee of \$1,000,000.

32 287-H:13 Application and License Requirements.

33 I. A facility licensee applicant shall obtain a facility license from the gaming regulatory
34 commission. An applicant shall complete and sign an application on the forms prescribed by the
35 gaming regulatory commission. The application shall include the full name, residence, date of birth,
36 and other personal identifying information of the applicant, and if a corporation or other form of
37 business enterprise, the same information shall be provided with respect to each partner, trustee,

HB 1628-FN-A-LOCAL – AS INTRODUCED
- Page 7 -

1 officer, director, and any shareholder or other holder who owns more than 3 percent of the legal or
2 beneficial interests of such entity. All such business entities shall be registered with the secretary of
3 state.

4 II. The gaming regulatory commission shall refer applications to the attorney general who
5 shall conduct an investigation. The investigation may be conducted through any appropriate state or
6 federal law enforcement system and may seek information as to the applicant's financial, criminal,
7 or business background, or any other information which the attorney general, in his or her sole
8 discretion, may deem relevant to the subject's fitness to be associated with the ownership or
9 management of the operation of a facility licensee in New Hampshire, including but not limited to,
10 the subject's character, personal associations, and the extent to which the subject is properly doing
11 business in the manner in which it purports to operate. The attorney general shall report the results
12 of the investigation to the gaming regulatory commission within 90 days after the receipt of the
13 application. Notwithstanding any other law to the contrary, the results of any such investigation
14 shall be confidential and shall not be subject to disclosure or to public inspection. The applicant
15 shall bear the cost of the attorney general's investigation.

16 III. In any investigation conducted pursuant to paragraph II, the attorney general or any
17 duly authorized member of the attorney general's staff may subpoena the attendance of witnesses
18 and require the production of such correspondence, documents, books and papers as deemed
19 advisable, and for purposes of this section, may administer oaths and take the testimony of
20 witnesses.

21 287-H:14 Licensure Requirements.

22 I. No facility license shall be issued by the gaming regulatory commission unless the
23 applicant has proven to the satisfaction of the gaming regulatory commission by clear and convincing
24 evidence:

25 (a) The financial stability based on audited financial statements, integrity, and
26 responsibility, considering, without limitation, bank references, business and personal income and
27 disbursement schedules, tax returns and other reports filed with governmental agencies, and
28 business and personal accounting and check records and ledgers.

29 (b) The trustworthiness and good reputation of all financial backers, investors,
30 mortgagees, bondholders, and holders of indentures, notes and other evidences of indebtedness of the
31 applicant.

32 (c) The good character, honesty and integrity, considering, without limitation,
33 information pertaining to reputation, criminal record, business activities, and financial affairs
34 covering at least the 10-year period immediately preceding the filing of the application.

35 (d) In addition, no facility license shall be issued by the gaming regulatory commission to
36 any applicant unless the applicant has proven to the satisfaction of the gaming regulatory
37 commission by clear and convincing evidence that each director, officer or similar principal employee

1 and each direct or indirect owner satisfies the standards for licensure contained in RSA 287-H:13
2 and RSA 287-D.

3 (e) The gaming regulatory commission may, in its discretion, waive the qualification
4 requirement for any such person who is not significantly involved in the activities of the applicant,
5 does not have the ability to significantly influence or control the applicant, or for other good cause,
6 only when written justification is provided.

7 (f) Except as provided in this chapter, no person who owns, directly or indirectly, legally
8 or beneficially, 5 percent or less of the equity securities or 50 percent or less of the outstanding debt
9 securities of a publicly traded holding company of an applicant for a facility license shall be required
10 to be qualified pursuant to the provisions of this section prior to the issuance of such a license to the
11 applicant.

12 (g) If a facility licensee has 25 or fewer holders of its equity securities, either directly or
13 indirectly, legally or beneficially, then each such holder shall satisfy the standards of this chapter.

14 (h) The applicant has provided evidence that they are licensed to conduct charity gaming
15 under RSA 287-D.

16 II. No technology provider's license shall be issued by the gaming oversight unless the
17 applicant has demonstrated to the satisfaction of the gaming regulatory commission by clear and
18 convincing evidence that it satisfies the standards contained in paragraph I of this section. The
19 gaming regulatory commission shall establish the form of application that shall be completed by each
20 applicant for a technology provider's license. Each technology provider license applicant shall be
21 subject to the investigation set forth in RSA 287-H:13 except that all investigatory reports shall be
22 provided to the gaming regulatory commission.

23 III. All information and data required by the gaming regulatory commission, or the division
24 of gaming enforcement to be furnished pursuant to this chapter, or which may otherwise be obtained
25 by the gaming regulatory commission, or the division of gaming enforcement in the performance of
26 their duties under this chapter, except information regarding net machine income, shall be
27 considered to be confidential and shall not be revealed in whole or in part except as otherwise
28 provided by law, or upon the lawful order of a court of competent jurisdiction, or with the approval of
29 attorney general to a duly authorized law enforcement agency.

30 IV. Any person or entity holding a game operator employer license under RSA 287-D as of
31 January 1, 2014 shall be given a preference for approval provided all other qualifications are equal to
32 or exceeded other applicants.

33 287-H:15 Technology Provider License and Investigation Fees. A non-refundable license
34 application fee for each technology provider license to be issued under this chapter shall be \$150,000.
35 Renewal fees shall be \$150,000.

36 (a) All persons employed in any capacity to work for a facility licensee or technology
37 provider licensee under this chapter shall be required to obtain an employee license from the gaming

1 regulatory commission. All applicants for an employee license shall submit a completed application
2 provided by the gaming regulatory commission along with an application fee of \$45. Applicants shall
3 also submit to criminal background checks and fingerprints.

4 (b) No person who has been convicted of a felony in the previous 10 years or a class A
5 misdemeanor in the previous 5 years shall be eligible for licensure as an employee under this chapter
6 except that after hearing the gaming regulatory commission may waive this provision for good cause
7 shown.

8 287-H:16 Term of License. Any facility license or technology provider's license issued pursuant
9 to this chapter and any renewal thereof shall be valid for 5 years unless earlier suspended or revoked
10 by the gaming regulatory commission. All licenses issued under this chapter shall be issued as a
11 privilege and not by right. No person or entity may claim any sort of property right to, or in
12 conjunction with, any license issued under this chapter. The gaming regulatory commission shall be
13 informed within 10 days of any anticipated change in ownership or stockholders of a licensee that
14 would normally be subject to investigation and licensing requirements in this chapter. Failure to
15 inform the gaming regulatory commission of said anticipated changes shall result in license
16 revocation.

17 287-H:17 Distribution of Net Income.

18 I. 54 percent of the annual net machine income shall be paid to the state treasury and
19 deposited in the general fund.

20 II. 1 percent of the net machine income shall be paid to the city or town where the facility
21 licensee facility is located.

22 III. The balance shall be retained by the facility licensee.

23 287-H:18 Gaming Oversight.

24 I. The gaming regulatory commission or the division of gaming enforcement shall be present
25 at all facility licensee location at which video lottery machines are operated at all times whether the
26 facility is open to the public or not.

27 II. The division of gaming enforcement shall be present at all times when a video lottery
28 machine is opened to remove or insert any drop box, hopper, or other mechanism containing money,
29 tokens, or other items of value. The division of gaming enforcement shall be present in the count
30 room at all times that money, tokens, or other items of value utilized in video lottery machines are
31 counted.

32 287-H:19 Hearings; Investigations; False Statement; Enforcement Policy.

33 I. The gaming regulatory commission shall adopt and publish rules pursuant to RSA 541-A,
34 to govern its proceedings and to regulate the mode and manner of all investigations and hearings
35 before it.

1 (a) All hearings before the gaming regulatory commission shall be in accordance with
2 RSA 541-A:31-36. In any such investigation or hearing the gaming regulatory commission shall not
3 be bound by the technical rules of evidence.

4 (b) The gaming regulatory commission, or any member, may subpoena witnesses and
5 administer oaths in any proceeding or examination instituted before or conducted by it, and may
6 compel, by subpoena, the production of any accounts, books, contracts, records, documents,
7 memoranda and papers of any kind whatever.

8 (c) Witnesses summoned before the superior court, and such summons issued by any
9 justice of the peace shall have the same effect as though issued for appearance before such court.
10 Justices of the peace and all other magistrates empowered to issue subpoenas and compel the
11 attendance of witnesses in the courts of this state shall have the same power to compel their
12 attendance and the production of evidence in any proceeding before the gaming regulatory
13 commission.

14 (d) The gaming regulatory commission may apply to the superior court, under the
15 provisions of RSA 491:19-20, to have punished for contempt any witness who refuses to obey a
16 subpoena, or who refuses to be sworn or affirmed to testify, or who is guilty of any contempt after
17 summons to appear.

18 II. If any false statement is knowingly made in any statement under oath which may be
19 required by the provisions of this title or by the gaming regulatory commission, the person making
20 the same shall be deemed guilty of perjury. The making of any such false statement in any such
21 application or in any such accompanying statements, whether made with or without the knowledge
22 or consent of the applicant, shall, in the discretion of the gaming regulatory commission, constitute
23 sufficient cause for the revocation of the license.

24 III.(a) The gaming regulatory commission shall adopt by rule, under RSA 541-A, a formal
25 enforcement policy for licensees under its jurisdiction. This policy shall specify the disciplinary
26 action which the gaming regulatory commission shall take for violations of various laws under its
27 jurisdiction. The enforcement policy shall also specify mitigating and aggravating factors which the
28 gaming regulatory commission shall consider in determining penalties for specific actions. The
29 gaming regulatory commission shall not suspend or revoke a license until the licensee has been
30 provided a hearing under RSA 541-A.

31 (b) In applying its enforcement policy, the gaming regulatory commission shall establish
32 and enforce specific determinate penalties for specific offenses. The gaming regulatory commission
33 shall not apply penalties such as license suspensions for indefinite periods of time.

34 287-H:20 Suspension or Revocation; Administrative Fines.

35 I. If any licensee violates any of the provisions of law or any of the rules of the gaming
36 regulatory commission adopted under this title, the license may be suspended or revoked after notice
37 and hearing, in accordance with RSA 541-A:31-36. Notwithstanding any other provisions of this

HB 1628-FN-A-LOCAL – AS INTRODUCED

- Page 11 -

1 chapter, the gaming regulatory commission, after the appropriate hearing, may impose a fine of a
2 specific sum, which shall not be less than \$1,000 nor more than the facility licensees share of net
3 machine income for a specific period of time as determined by the gaming regulatory commission for
4 any one offense. Such a fine may be imposed instead of, or in addition to, any suspension or
5 revocation of a license by the gaming regulatory commission.

6 II. Notwithstanding any other provision of law, the gaming regulatory commission may
7 accept at any time, a petition from the governing body of a city or town who has voted to accept the
8 provisions of RSA 287-H, to revoke a license held by a facility licensee who is located within that
9 community. Any petition filed under this paragraph shall state with particularity all relevant facts
10 and circumstances that sustain the opinion of the petitioner to revoke a license. A licensee against
11 whom a petition is filed shall be entitled to a public hearing before any decision by the gaming
12 regulatory commission. All proceedings conducted in conjunction with this paragraph shall conform
13 to the requirements of RSA 541-A.

14 III. Appeals from a decision of the gaming regulatory commission shall be in accordance
15 with RSA 541.

16 287-H:21 Penalties. Any person who violates any of the provisions of this chapter or any of the
17 rules adopted pursuant to this chapter shall be guilty of a misdemeanor if a natural person, or guilty
18 of a felony if any other person. In case of appeal by a licensee, the license of such licensee may be
19 suspended at the discretion of the gaming regulatory commission during the pendency of such
20 appeal.

21 287-H:22 Prosecutions. The gaming regulatory commission shall appoint gaming investigators
22 whose primary function shall be the proper prosecution of this chapter. The investigators shall have
23 all the powers of the sheriff in any county, with reference to enforcement of all laws either in
24 cooperation with, or independently of, the officers of any county or town. The gaming regulatory
25 commission shall have the primary responsibility for the enforcement of all video lottery gaming.
26 Any person violating the provisions of any law may be prosecuted by the gaming regulatory
27 commission or any of its investigators as provided in this section, or by the attorney general, or by
28 county or city attorneys, or by sheriffs or their deputies, or by police officials of towns.

29 287-H:23 Interference With Gaming Investigators. It shall be unlawful to resist or attempt to
30 resist arrest by a gaming investigator, or to obstruct, or to intimidate or interfere with a gaming
31 investigator in the performance of his or her duty. Any person who violates any of the provisions of
32 this section shall be guilty of a misdemeanor.

33 287-H:24 Fines.

34 I. All fines imposed by any court and collected for the violation of the provisions of this
35 chapter shall be paid to the state, county, or town, the officials of which instituted the prosecution.

36 II. All fines imposed by the gaming regulatory commission shall be deposited into the
37 general fund.

HB 1628-FN-A-LOCAL – AS INTRODUCED
- Page 12 -

1 287-H:25 Procedures for Adoption by Local Community.

2 I. Any town or city in which a facility licensee location is situated may adopt the provisions
3 of RSA 287-H, to allow the operation of electronic games of chance, in the following manner:

4 (a) In a town, the question shall be placed on the warrant of a special or annual town
5 meeting under the procedures set out in RSA 39:3, and shall be voted on a ballot; provided, however,
6 if the question is placed on the warrant at a special town meeting, it shall be the only question at
7 such special town meeting. In a city, the legislative body may vote to place the question on the
8 official ballot for any regular municipal election, or, in the alternative, shall place the question on the
9 official ballot for any regular municipal election upon submission to the legislative body of a petition
10 signed by 5 percent of the registered voters.

11 (b) The selectmen, aldermen, or city council shall hold a public hearing on the question
12 at least 15 days but not more than 30 days before the question is to be voted on. Notice of the
13 hearing shall be posted in at least 2 public places in the municipality and published in a newspaper
14 of general circulation at least 7 days before the hearing.

15 (c) The wording of the question shall be substantially as follows: “Shall we adopt the
16 provisions of RSA 287-H, allowing the operation of electronic games of chance at the licensed facility
17 located within the town and operated by the state?”

18 II. If a majority of those voting on the question vote “Yes,” RSA 287-H shall apply within the
19 city or town.

20 III. If the question is not approved, the question may later be voted upon according to the
21 provisions of paragraph I, provided, however, that the town may consider the question at no more
22 than one special town meeting and the annual town meeting in the same calendar year.

23 287-H:26 Declaration of Limited Exemption. Pursuant to section 2 of an act of Congress of the
24 United States entitled “An act to prohibit transportation of gambling devices in interstate and
25 foreign commerce,” approved January 2, 1951, being Chapter 1194, 64 Stat. 1134, and also
26 designated as 15 U.S.C. sections 1171-1177, the state of New Hampshire, acting by and through the
27 duly elected and qualified members of its legislature, does hereby, in accordance with and in
28 compliance with the provisions of that section 2 of that act of Congress, declare and proclaim that
29 section 2 of that act of Congress shall not apply to any gambling device in this state where the
30 transportation of such a device is specifically authorized by and done in compliance with the
31 provisions of this chapter and any rules adopted pursuant to it, and that any such gambling device
32 transported in compliance with state law and rules shall be exempt from the provisions of that act of
33 Congress.

34 287-H:27 Legal Shipment of Gaming Devices into New Hampshire. All shipments into this state
35 of gaming devices, the registering, recording and labeling of which has been duly made by the
36 manufacturer or dealer in accordance with sections 3 and 4 of an act of Congress of the United States
37 entitled “An act to prohibit transportation of gambling devices in interstate and foreign commerce,”

HB 1628-FN-A-LOCAL – AS INTRODUCED
- Page 13 -

1 approved January 2, 1951, being chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C.
2 sections 1171-1172, shall be deemed legal shipments into this state.

3 2 New Paragraph; Attorney General; Gaming Investigators. Amend RSA 21-M:3 by inserting
4 after paragraph VII the following new paragraph:

5 VII-a. The attorney general may hire investigators or contract for investigatory services to
6 facilitate background investigations required under RSA 287-H, and said investigators shall be paid
7 from licensing fees paid under RSA 287-H:15.

8 3 New Sections; Division of Gaming Enforcement. Amend RSA 21-P by inserting after section 8
9 the following new sections:

10 21-P:8-a Division of Gaming Enforcement.

11 I. There is hereby established a division of gaming enforcement under the supervision of an
12 unclassified director of gaming enforcement who shall be responsible for the following functions, in
13 accordance with applicable laws:

14 (a) Manage and hire employees to serve as enforcement officers ensuring the integrity of
15 the operation of video lottery machines approved in accordance with this chapter. Gaming
16 enforcement employees shall be assigned to all locations and will be present at all times whether the
17 location is open or closed.

18 (b) Investigate violations of RSA 284, RSA 287-D, or RSA 287-H and the rules adopted
19 under the provisions of RSA 284 or RSA 287-H.

20 (c) Report the results of any investigation conducted to the gaming regulatory
21 commission.

22 (d) Participate in any hearing conducted by the gaming regulatory commission.

23 II. The commissioner of safety shall organize the division into such units as the
24 commissioner deems necessary.

25 21-P:8-b Powers and Duties; Gaming Enforcement. The director of gaming enforcement shall be
26 the chief administrative officer of the division of gaming enforcement and shall have the following
27 powers and duties:

28 I. The director shall manage all operations of the division of gaming enforcement and
29 administer and enforce the laws with which the division is charged. The director shall report
30 directly to the gaming regulatory commission.

31 II. The director shall have every power enumerated in the laws, whether granted to the
32 director, the division, or any administrative unit of the division. In accordance with these provisions,
33 the director shall:

34 (a) Biennially compile a comprehensive program budget which reflects all fiscal matters
35 related to the operation of the division and each program and activity of the division.

36 (b) Adopt all rules of the division with approval of the gaming regulatory commission,
37 pursuant to RSA 541-A.

1 (c) Exercise general supervisory and appointing authority over all division employees,
2 subject to applicable personnel statutes and rules.

3 (d) Delegate authority to subordinates as the director deems necessary and appropriate,
4 except that rulemaking authority shall not be delegated. All such delegations shall be made in
5 writing, shall be disseminated, shall clearly delineate the authority delegated and the limitations
6 thereto, and shall be kept on file in the director's office.

7 (e) Adopt practices which will improve the efficiency of the division and the provision of
8 services to the citizens of the state.

9 (f) Provide cooperation, at the request of the heads of administratively attached agencies
10 in order to:

11 (1) Minimize or eliminate duplication of services and jurisdictional conflicts;

12 (2) Coordinate activities and resolve problems of mutual concern; and

13 (3) Resolve by agreement the manner and extent to which the division shall provide
14 budgeting, recordkeeping and related clerical assistance to administratively attached agencies.

15 (g) Give bond, and require division directors to give bond, to the state as specified in
16 RSA 93-B.

17 (h) Where functions of divisions overlap or a function assigned to one division could
18 better be performed by another division, recommend appropriate legislation to the next regular
19 session of the general court.

20 III. The director shall adopt such reasonable internal practices and procedures, which shall
21 not be considered rules subject to the provisions of RSA 541-A, as may be necessary to carry out the
22 duties of the division and its divisions, consistent with this chapter.

23 IV. The director may not accept, on behalf of the division, any grants of money without first
24 obtaining the express consent of the legislative fiscal committee established by RSA 14:30-a.

25 V. The director shall have the authority to adopt rules, pursuant to RSA 541-A, necessary to
26 assure the continuation or granting of federal funds or other assistance not otherwise provided for by
27 law.

28 VI. The director may enter into contracts for services, supplies, or other needs of the
29 division.

30 VII. The director shall report annually to the gaming regulatory commission with respect to
31 the division's operation for the preceding year, and render such other reports as the governor and
32 council, the general court, or the gaming regulatory commission shall from time to time request.

33 VIII. The director shall develop, publish, and periodically revise an annual comprehensive
34 plan for the division which shall indicate, among other things, the division's goals, objectives,
35 resources, current conditions, and needs. The director shall annually submit such comprehensive
36 plan to the gaming regulatory commission.

1 IX. The director, the gaming regulatory commission, the commissioner of the department of
2 safety, and if necessary, the lottery commission and the racing and charitable gaming commission
3 shall jointly establish procedures for sharing data, background investigation, technology and
4 technology providers, and facilities. These procedures shall not be considered rules subject to RSA
5 541-A and shall be established so as to ensure compliance with state and federal confidentiality and
6 privacy laws.

7 X. If this section conflicts with other powers and duties specifically granted by statute to the
8 director, the specific powers and duties shall control. If this section conflicts with other statutes
9 specifically limiting the powers of the director, the specific limitations shall control.

10 4 Director of Gaming Enforcement; Salary. The salary for the unclassified position authorized
11 in section 3 of this act shall be established as provided in RSA 14:14-c, RSA 17-A:7, and RSA 94:1-d.

12 5 New Subparagraph; Authorized Video Lottery of Games of Chance Machines Not Prohibited.
13 Amend RSA 647:2, V by inserting after subparagraph (c) the following new subparagraph:

14 (d) Video lottery machines authorized pursuant to RSA 287-H.

15 6 New Paragraph; Facility Licensee; Cocktail Lounge License. Amend RSA 178:20 by inserting
16 after paragraph V the following new paragraph:

17 VI. The liquor commission may issue a special license to a person holding a facility license as
18 defined by RSA 287-H:1, IV. Such special license shall allow the sale of liquor, wine, and beverages
19 within the facility licensee location, including dining room, function room, gaming room, lounge, or
20 any other area designated by the commission, without regard to whether meals are served therein.
21 A person licensed under this section shall comply with RSA 179:44.

22 7 Single Wages; Limit. Amend RSA 287-D:3 paragraph V to read as follows:

23 V. No single wager by a player, on any game of chance, shall exceed the amount of [~~\$4~~] **\$10**.

24 8 Effective Date. This act shall take effect upon its passage.

LBAO
14-2617
12/24/13

HB 1628-FN-A-LOCAL - FISCAL NOTE

AN ACT relative to games of chance and establishing a gaming regulatory commission and video lottery gaming.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill, **as introduced**, at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.