

SB 366-FN-A-LOCAL – AS AMENDED BY THE SENATE

03/27/14 1179s

2014 SESSION

14-2600
08/04

SENATE BILL ***366-FN-A-LOCAL***

AN ACT relative to video lottery and table gaming.

SPONSORS: Sen. D'Allesandro, Dist 20; Sen. Hosmer, Dist 7

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill:

I. Establishes the gaming commission and places the lottery commission and racing and charitable gaming commission under its jurisdiction as separate divisions.

II. Allows for the selection and operation of 2 casinos in New Hampshire, including the operation of video slot machines and table games.

III. Establishes the gaming enforcement unit in the division of state police.

IV. Distributes proceeds from gross slot machine income and gross table game income to reimburse the gaming regulatory oversight authority for certain expenses and to pay for the operation of the gaming commission.

V. Distributes a percentage of proceeds from gross slot machine revenue and gross table game revenue to the host community, those communities abutting the host community, the host county, the department of health and human services to support addiction programs to cities and towns under the revenue sharing agreement, and the gaming regulatory fund.

VI. Lifts the suspension on revenue sharing with cities and towns under RSA 31-A.

VII. Prohibits the use of electronic benefit transfer cards (EBTs) at establishments licensed by the gaming commission.

VIII. Establishes the gaming regulatory fund.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to video lottery and table gaming.

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

1 1 New Chapter: Gaming Regulation. Amend RSA by inserting after chapter 284-A the following
2 new chapter

3 CHAPTER 284-B

4 GAMING REGULATION

5 284-B:1 Statement of Purpose. The general court finds and declares to be the public policy of
6 this state that:

7 I. The integrity of gaming in New Hampshire, the efficient and effective regulation of all
8 forms of gaming in New Hampshire, and public confidence in gaming in New Hampshire are vitally
9 important to the economy of the state and the general welfare of New Hampshire citizens.

10 II. The integrity of gaming in New Hampshire is impaired by deficiencies in the current
11 regulation of charitable gaming exacerbated by limited agency resources, by the perception that
12 there is widespread illegal gambling in New Hampshire, by insufficient information regarding the
13 scope and nature in New Hampshire of problem gambling, and by the absence of any provision in
14 New Hampshire for the identification and mitigation of problem gambling.

15 III. By virtue of New Hampshire’s unique location, natural resources, and development,
16 tourism is a critically important and valuable asset in the continued viability of the state and to the
17 strength of its communities and can be supported and enhanced by an appropriately regulated
18 gaming sector.

19 IV. New Hampshire has a current and continuing interest in promoting economic recovery,
20 small business development, tax relief, and job creation and construction and operation of gaming
21 locations in New Hampshire, regulated by the state in accordance with best practices, can assist in
22 the promotion of those interests.

23 V. New Hampshire has an interest in ensuring the financial stability and operational
24 integrity of gaming operations in the state.

25 VI. New Hampshire has an interest in limiting the proliferation of commercial gaming by
26 controlling the number of gaming sites in New Hampshire and choosing gaming location sites based
27 on potential for job growth and revenue generation, access to appropriate transportation, suitability
28 for tourism, local resources, and development opportunities.

29 VII. An integral and essential element of the success of a large-scale commercial gaming
30 operation is public confidence and trust in the credibility and integrity of the regulatory process

1 applicable to casino operations. To further such public confidence and trust, the regulatory
2 provisions of this chapter are designed to extend strict regulation to all persons, locations, practices
3 and associations related to the operation of a licensed gaming location and all providers of goods and
4 services to a gaming licensee. In addition, comprehensive regulatory and law enforcement
5 supervision attendant thereto is further designed to contribute to the public confidence and trust in
6 the efficacy and integrity of the regulatory process. To the same end, upgraded regulation of existing
7 gaming, appropriate to the scale of such gaming, will be necessary.

8 VIII. Legalized commercial gaming in New Hampshire can attain, maintain and retain
9 integrity, public confidence and trust, and remain compatible with the general public interest, only
10 under a system of control and regulation that, so far as practicable, ensures the exclusion from
11 participation therein of a person with a known criminal record, habits or associations and the
12 exclusion or removal from any positions of authority or responsibility within the gaming operation of
13 a person known to be so deficient in business probity, ability, or experience, either generally or with
14 specific reference to gaming, as to create or enhance the dangers of unsound, unfair, or illegal
15 practices, methods, and activities in the conduct of gaming or the carrying on of business and
16 financial arrangements incident thereto.

17 IX. Since the public has a vital interest in any commercial gaming operation in
18 New Hampshire sanctioned by passage of this chapter, participation in gaming operations as a
19 gaming licensee, principal licensee, key employee licensee, gaming employee registrant, non-gaming
20 employee permittee, gaming vendor licensee, non-gaming vendor registrant or any other
21 authorization under this chapter shall be deemed a revocable privilege conditioned upon the proper
22 and continued qualification of the licensee, registrant or permittee and on the proper and continuing
23 discharge of the affirmative responsibility of each to provide regulatory and investigatory authorities
24 established by this chapter with any assistance and information necessary to assure that the policies
25 declared by this chapter are achieved. Consistent with this policy, it is the intent of this chapter to
26 preclude the creation of any property or vested right in any license, registration, permit, or other
27 authorization issued pursuant to this chapter.

28 X. The authorization of expanded gaming in New Hampshire, and the continued
29 authorization of charitable and other gaming in New Hampshire, requires the state to take steps to
30 increase awareness of compulsive and problem gambling and to develop and implement effective
31 strategies for prevention, assessment, and treatment of these behaviors.

32 XI. Research indicates that for some individuals compulsive and problem gambling and drug
33 and alcohol addiction are related. Therefore, the general court intends to establish an approach to
34 compulsive and problem gambling prevention, assessment, and treatment that will ensure the
35 provision of adequate resources to identify, assess, and treat both compulsive and problem gambling
36 and drug and alcohol addiction.

37 284-B:2 Definitions. In this chapter:

1 I. “Affiliate” means a person who directly or indirectly through one or more intermediaries,
2 controls, is controlled by, or is under common control with, a specified person.

3 II. “Applicant” means a person who has applied for a license, registration, permit, or other
4 form of authorization to engage in activity that is regulated under this chapter.

5 III. “Associated equipment” means equipment, a system, software, or mechanical,
6 electromechanical, or electronic contrivance or component used in connection with the operation of a
7 slot machine or table game or the reporting and calculation of slot machine or table game revenue
8 including, but not limited to, a central computer system, a slot machine data system, a casino
9 management system, a gaming ticket system, promotional play system, player tracking system,
10 ticket redemption unit, automated jackpot payout machine, external bonusing system, cashless
11 wagering system, a progressive controller, systems and devices for weighing and counting money,
12 replacement parts, or any other equipment, system, or software designated by the commission.

13 IV. “Cash” means United States currency and coin, or foreign currency and coin that have
14 been exchanged for its equivalent in United States currency and coin.

15 V. “Cash equivalent” means:

16 (a) Certified check, cashiers check, treasurer’s check, recognized travelers check, or
17 recognized money order that:

18 (1) Is made payable to a gaming licensee where presented, a holding company of a
19 gaming licensee, “bearer,” or “cash”;

20 (2) Is dated, but not postdated; and

21 (3) Does not contain any endorsement.

22 (b) Certified check, cashiers check, treasurer’s check, or recognized money order that:

23 (1) Is made payable to the presenting player;

24 (2) Is endorsed in blank by the presenting player;

25 (3) Is dated but not postdated; and

26 (4) Does not contain any endorsement other than that of the presenting player.

27 (c) Recognized credit card or debit card presented by a player in accordance with the
28 rules of the commission.

29 (d) Any other instrument that the commission deems to be a cash equivalent, provided,
30 however, that an instrument payable to a third party shall not be considered a cash equivalent.

31 VI. “Cashable promotional credit” means a credit or other electronic thing of value on a slot
32 machine or electronic table game that activates play and is convertible to cash at the conclusion of
33 play.

34 VII. “Cashless wagering system” means the collective hardware, software, communications
35 technology, and other ancillary equipment used to facilitate a method of wagering and accounting in
36 which the validity and value of a wager, not including a ticket, are determined, monitored, and
37 retained for an individual by an electronic system operated and maintained by a gaming licensee

1 that records each transaction involving each wager in a wagering account, separate from the slot
2 machine or table game or device on which the wager is made, including electronic systems which
3 facilitate electronic transfers of money directly to or from a slot machine or table game.

4 VIII. “Casino management system” means the collective hardware, software,
5 communications technology, and other ancillary equipment used to collect, monitor, interpret,
6 analyze, report, and audit data with regard to activity at a slot machine including slot machine level
7 accounting transactions, player tracking, and productivity analysis.

8 IX. “Central computer system” means a central monitor and control system acquired and
9 operated by the commission and connected to, and communicating with, a slot machine for purposes
10 of information retrieval, retrieval of slot machine win and loss determinations, and programs to
11 activate and disable slot machines.

12 X. “Chair” means the chair of the New Hampshire gaming commission.

13 XI. “Commission” or “gaming commission” or “New Hampshire gaming commission” means
14 the New Hampshire gaming commission established in RSA 284-B:3.

15 XII. “Complimentary services” means any lodging, service, or item which:

16 (a) Is offered by a gaming licensee directly or indirectly to a player at no cost or at a
17 reduced cost and is not generally available to the public.

18 (b) “Complimentary services” shall not include noncashable credits issued to a player as
19 part of a player incentive or reward program or lodging available to the public through convention or
20 government rates.

21 XIII. “Count room” means an area within a gaming location approved by the commission
22 specifically designated, designed, and used for counting the contents of table game drop boxes, slot
23 machine cash storage boxes, and such other activities as the commission shall deem appropriate.

24 XIV. “Credit” means the direct or indirect extension by a gaming licensee of unsecured funds
25 to a player to facilitate play at a slot machine or table game in accordance with this chapter.

26 XV. “External bonusing system” means the collective hardware, software, communications
27 technology, and other ancillary equipment used in conjunction with a slot machine to deliver
28 randomly selected player incentives in the form of credits to an active slot machine player and to
29 effect the accurate metering of a bonus award event on a slot machine.

30 XVI. “Game” means a slot machine or table game determined by the commission to be
31 compatible with the public interest and to be suitable for use by players.

32 XVII. “Gaming” means dealing, operating, carrying on, conducting, maintaining, or exposing
33 a game for compensation.

34 XVIII. “Gaming applicant” means a person who has applied to the commission for a gaming
35 license pursuant to this chapter.

36 XIX. “Gaming employee” means an individual, not otherwise included in the definition of a
37 key employee, who is employed by a gaming applicant or gaming licensee, and whose employment

1 duties and responsibilities involve the operation of, accounting and auditing related to, security and
2 surveillance over, or the maintenance, servicing, or repair of, slot machines or table games. Such
3 employees shall include, but not be limited to, dealers, floorpersons, boxmen, slot machine personnel,
4 slot machine technicians, count room and cashiers' cage personnel, security and surveillance
5 personnel, information technology department personnel, employees responsible for handling assets
6 and proceeds associated with the operation of a gaming location, a host or other individual
7 authorized to extend complimentary services or promotional play and an individual who, in the
8 judgment of the commission, so regularly is required to work in a restricted area that registration as
9 a gaming employee is appropriate. The term may include an employee of a person holding a gaming
10 vendor license whose duties regularly involve the installation, maintenance, or repair of slot
11 machines, associated equipment or table game devices where the commission determines a gaming
12 employee license for such an individual to be consistent with the policies of this chapter. The term
13 shall not include an employee that provides security services in a gaming location other than on the
14 gaming floor or in a restricted area, bartenders, cocktail servers, or other persons engaged solely in
15 preparing or serving food or beverages, clerical or secretarial personnel, parking attendants,
16 janitorial, stage, sound, and light technicians and other non-gaming employees so designated by the
17 commission.

18 XX. "Gaming equipment" means a collective reference to slot machines, associated
19 equipment and table game devices.

20 XXI. "Gaming floor" means the area within a gaming location authorized by the commission
21 for the operation of slot machines and table games.

22 XXII. "Gaming license" means a license issued by the commission authorizing a gaming
23 licensee to operate slot machines and table games at a gaming location pursuant to this chapter.

24 XXIII. "Gaming licensee" means a person that has been awarded and issued a license by the
25 commission to possess, conduct, and operate slot machines and table games at a gaming location
26 pursuant to this chapter.

27 XXIV. "Gaming location" means the collective land, buildings, and structures at which a
28 gaming licensee is authorized by the commission to place and operate slot machines and table games
29 under this chapter and includes the gaming floor, restricted areas and all non-gaming structures
30 and amenities including a hotel, catering or room service operations serving a hotel, convention,
31 meeting and multipurpose facilities, retail facilities, food and beverage outlets, parking structures
32 and lots, and other amenities and activities not located on or adjacent to the gaming floor or related
33 to gaming operations.

34 XXV. "Gaming ticket system" means the collective hardware, software, communications
35 technology, and other ancillary equipment used in conjunction with a slot machine to facilitate the
36 issuance or redemption of a ticket.

37 XXVI. "Gaming vendor" means, subject to a classification system to be prescribed in

1 accordance with RSA 284-B:25:

2 (a) A management company as defined in this chapter.

3 (b) A person providing goods and services directly related to gaming including, but not
4 limited to, a person that designs, manufactures, builds or rebuilds, programs, distributes, installs, or
5 modifies a slot machine, associated equipment or gaming table device for sale or lease to a gaming
6 licensee for use in operating slot machines or table games in accordance with this chapter or such
7 other person as the commission shall designate.

8 (c) A person providing goods and services ancillary to gaming including, but not limited
9 to, a junket enterprise, junket representative, a person employed by a junket enterprise or junket
10 representative in a managerial or supervisory position, a person with an ownership or financial
11 interest in a gaming location not required to qualify for licensure in accordance with RSA 284-B:17,
12 VII, a licenser of an authorized game or such other person as the commission shall designate.

13 XXVII. "Gross slot machine revenue" means the total of:

14 (a) Cash or cash equivalent wagers received by a slot machine minus the total of:

15 (1) Cash or cash equivalents paid out to players as a result of playing a slot machine,
16 whether paid manually or paid out by the slot machine;

17 (2) Cash or cash equivalents paid to purchase an annuity to fund a prize payable to
18 player over a period of time as a result of playing a slot machine; and

19 (3) The actual cost paid by a gaming licensee for any merchandise or other non-cash
20 prize distributed to a player as a result of playing a slot machine. This does not include travel
21 expenses, food, refreshments, lodging, or services conferred as part of a promotion or as a
22 complimentary service.

23 (b) Contest or tournament fees or payments, including entry fees and administrative
24 fees, imposed by a gaming licensee to participate in a slot machine contest or tournament, less cash
25 paid or actual costs paid by a gaming licensee for prizes awarded to contest or tournament winners.

26 (c) Gross slot machine revenue shall not include;

27 (1) Counterfeit currency;

28 (2) Currency of other countries received in the playing of a slot machine except to the
29 extent that the currency is readily convertible to cash; and

30 (3) Cash taken in a fraudulent act perpetrated against a gaming licensee for which
31 the gaming licensee is not reimbursed.

32 (d) A noncashable promotional credit shall be excluded from the calculation of gross slot
33 machine revenue.

34 XXVIII. "Gross table game revenue" means the total of:

35 (a) Cash or cash equivalent wagers received in the playing of a table game minus the
36 total of:

37 (1) Cash or cash equivalents paid to players as a result of playing a table game;

1 (2) Cash or cash equivalents paid to purchase an annuity to fund a prize payable to a
2 player over a period of time as a result of playing a table game; and

3 (3) The actual cost paid by a gaming licensee for any merchandise or other non-cash
4 prize distributed to a player as a result of playing a table game. This shall not include travel
5 expenses, food, refreshments, lodging, or services conferred as part of a promotion or as a
6 complimentary service.

7 (b) Contest or tournament fees or payments, including entry fees, buy-ins, re-buys, and
8 administrative fees, imposed by a gaming licensee to participate in a table game contest or
9 tournament, less cash paid or actual costs paid by a gaming licensee for prizes awarded to contest or
10 tournament winners.

11 (c) The total amount of rake collected by a gaming licensee.

12 (d) Gross table game revenue shall not include;

13 (1) Counterfeit cash or chips;

14 (2) Currency of other countries received in the playing of a table game, except to the
15 extent that the coin or currency are readily convertible to cash; and

16 (3) Cash taken in a fraudulent act perpetrated against a gaming licensee for which
17 the gaming licensee is not reimbursed.

18 (e) A noncashable promotional credit shall be excluded from the calculation of gross
19 table game revenue.

20 XXIX. “Holding company” means a corporation, limited liability company, association, firm,
21 partnership, trust, or other form of business organization, other than an individual, which directly or
22 indirectly owns, has the power or right to control, or has the power to vote a significant part of the
23 outstanding voting securities of a corporation or any other form of business organization which is a
24 gaming applicant or gaming license pursuant to this chapter provided, however, that a “holding
25 company”, in addition to any other reasonable use of the term, shall be construed as indirectly
26 holding or owning any such power, right, or security if it does so through an interest in a subsidiary
27 or any successive subsidiaries, notwithstanding how many such subsidiaries may intervene between
28 the holding company and a gaming applicant or gaming licensee.

29 XXX. “Host community” means a municipality in which a gaming location is located or in
30 which a gaming applicant has proposed locating a gaming location.

31 XXXI. “Impacted live entertainment venue” means a not-for-profit or municipally-owned
32 performance venue located in New Hampshire and operating at the time this chapter takes effect
33 that is designed in whole or in part for the presentation of live concerts, comedy or theatrical
34 performances, which the commission determines experiences, or is likely to experience, a negative
35 impact from the development or operation of a licensee live entertainment venue at a gaming
36 location.

37 XXXII. “Immediate family” means an individual’s spouse, domestic partner, partner in a

1 civil union, child, parent, or sibling, whether by the whole or half blood, by marriage, adoption, or
2 natural relationship, residing in the same household.

3 XXXIII. “Independent testing laboratory” means a person engaged in the testing and
4 certification of slot machines and the equipment, systems, and software utilized to collect, monitor,
5 interpret, analyze, authorize, issue, redeem, report, and audit data with regard to activity at slot
6 machines and electronic table games.

7 XXXIV. “Institutional investor” means any of the following entities having an ownership
8 interest in a gaming applicant, gaming licensee, or gaming location: a corporation, bank, insurance
9 company, pension fund or pension fund trust, retirement fund, including funds administered by a
10 public agency, employees’ profit-sharing fund or employees’ profit-sharing trust, an association
11 engaged, as a substantial part of its business or operation, in purchasing or holding securities, or any
12 trust in respect of which a bank is a trustee or co-trustee, investment company registered under the
13 federal Investment Company Act of 1940, collective investment trust organized by banks under part
14 9 of the Rules of the Comptroller of Currency, closed end investment trust, chartered or licensed life
15 insurance company or property and casualty insurance company, investment advisor registered
16 under the federal Investment Advisers Act of 1940, and such other persons as the commission may
17 reasonably determine to qualify as an institutional investor for the purposes of this chapter.

18 XXXV. “Intermediary company” means a corporation, association, firm, partnership, trust,
19 or other form of business organization, other than an individual, which is a holding company with
20 respect to a corporation or other form of business organization which is a gaming applicant or
21 gaming licensee and is a subsidiary with respect to a holding company.

22 XXXVI. “Jackpot” means any cash, cash equivalent, ticket, annuity, or merchandise to be
23 paid to a player as a result of a specific combination of characters on a slot machine.

24 XXXVII. “Junket” means an arrangement intended to induce a person to come to a gaming
25 location to gamble, where the person is selected or approved for participation on the basis of the
26 person’s ability to satisfy a financial qualification obligation related to the person’s ability or
27 willingness to gamble or on any other basis related to the person’s propensity to gamble and
28 pursuant to which and as consideration for which, any of the cost of transportation, food, lodging,
29 and entertainment for the person is directly or indirectly paid by a gaming licensee or an affiliate of
30 the gaming licensee.

31 XXXVIII. “Junket enterprise” means a person, other than a gaming applicant or gaming
32 licensee, who employs or otherwise engages the services of a junket representative in connection
33 with a junket to a licensed gaming location, regardless of whether or not those activities occur
34 within the state.

35 XXXIX. “Junket representative” means a person who negotiates the terms of, or engages in
36 the referral, procurement or selection of persons who may participate in, a junket to a gaming
37 location, regardless of whether or not those activities occur within the state.

1 XL. “Key employee” means any individual employed by a gaming applicant, gaming licensee,
2 or holding, intermediary, or subsidiary company required to qualify in accordance with 284-B:17, VII
3 in a director or department head capacity and who is authorized to make discretionary decisions that
4 regulate or affect slot machine and/or table game operations, including, but not limited to, a general
5 manager, assistant manager, shift managers, director of slot machine operations, director of table
6 game operations, pit boss, director of finance, comptroller, cashiers’ cage manager and shift
7 supervisor, director of internal audit, director of surveillance, director of security, director of
8 marketing, director of information technology, director of food and beverage and any employee who
9 supervises the operations of these departments or to whom these department directors or
10 department heads report, and such other positions which the commission shall designate for reasons
11 consistent with the policies of this chapter.

12 XLI. “Licensee live entertainment venue” means any indoor space at a gaming location
13 designed principally for the purpose of the presentation of live concerts, comedy or theatrical
14 performances; provided that this definition shall not include any space the principal purpose of
15 which is the sale of food or beverage, including any restaurant or bar holding an on-premises liquor
16 license pursuant to RSA 178.

17 XLII. “Management company” means a person, subject to a commission approved
18 management contract with a gaming licensee, that is responsible for the management of all or part
19 of the operation of a gaming floor.

20 XLIII. “Management contract” means a contract, subcontract, or collateral agreement
21 between a management company and a gaming licensee providing for the management of all or part
22 of a gaming floor.

23 XLIV. “Major policymaking position” means the executive director of the gaming control
24 division, any individual who reports directly to the executive director of the gaming control division,
25 the director of problem gambling and research, and any other individual so designated by the
26 commission.

27 XLV. “Minimum theoretical payout percentage” means the total value of jackpots expected
28 to be paid by a slot machine divided by the total value of slot machine wagers expected to be made on
29 that slot machine during a game cycle calculated in accordance with rules adopted by the
30 commission consistent with this chapter.

31 XLVI. “Money” means cash or instruments that are convertible to cash in any negotiable
32 currency.

33 XLVII. “Multi-casino progressive system” means a system approved by the commission
34 pursuant to which a common progressive jackpot is offered on slot machines that are interconnected
35 in more than one casino within or outside the state.

36 XLVIII. “Noncashable promotional credit” means a credit or other electronic thing of value
37 utilized to play a slot machine or electronic table game that activates play but is not convertible to

1 cash at the conclusion of play.

2 XLIX. “Non-gaming employee” means an individual, not otherwise included in the definition
3 of a key employee or gaming employee, who is employed by a gaming applicant or gaming licensee to
4 include an employee providing security services in a gaming location other than on the gaming floor
5 or in a restricted area, a bartender, cocktail server or other person engaged solely in preparing or
6 serving food or beverages, clerical or secretarial personnel, a parking attendant, a janitorial, stage,
7 sound and light technician, or other employee so designated by the commission.

8 L. “Non-gaming vendor” means a person providing goods and services not included in the
9 definition of a gaming vendor including, but not limited to, construction companies, vending machine
10 providers, linen suppliers, garbage handlers, maintenance companies, limousine services, food
11 purveyors or suppliers of alcoholic beverages.

12 LI. “Officer” means the chief executive officer, chief financial officer, chief operating officer,
13 chief information officer, chief compliance officer, and chief legal officer of a corporation, or their
14 equivalents in any unincorporated entity.

15 LII. “Person” means an individual, limited liability company, proprietorship, firm,
16 partnership, joint venture, syndicate, business trust, labor organization, company, corporation,
17 association, committee, government entity, or other legal entity.

18 LIII. “Player” means an individual who plays a slot machine or a table game at a gaming
19 location licensed by the commission.

20 LIV. “Player tracking system” means the collective hardware, software, communications
21 technology, and other ancillary equipment used to collect, monitor, interpret, analyze, authorize,
22 report and audit data with regard to player activity generally or on an individual basis at a slot
23 machine.

24 LV. “Principal” means a person associated with a gaming applicant or gaming licensee
25 required to be qualified for licensure in accordance with RSA 284-B:17, VII in conjunction with a
26 gaming license application and includes the following persons:

27 (a) An officer or director of a gaming applicant or gaming licensee.

28 (b) A person, including a shareholder, general partner, limited partner, or member or
29 manager of a limited liability company who directly or indirectly holds more than 5 percent of a legal
30 or beneficial interest in, or ownership of the securities of, a gaming applicant or gaming licensee.

31 (c) A person who has a controlling interest in a gaming applicant or gaming licensee.

32 (d) A person who has the ability to elect one or more members of the board of directors of
33 a gaming applicant or gaming licensee or to otherwise manage, control, influence, or affect a gaming
34 applicant or gaming licensee.

35 (e) A person who is a lender or other licensed financial institution of a gaming applicant
36 or gaming licensee, other than a bank or lending institution which makes a loan or holds a mortgage
37 or other lien acquired in the ordinary course of business.

1 (f) An institutional investor who directly or indirectly holds more than 5 percent of a
2 legal or beneficial interest in, or ownership of the securities of, a gaming applicant or gaming
3 licensee.

4 (g) An underwriter of a gaming applicant or gaming licensee.

5 (h) A person with an ownership or financial interest in a gaming location required to be
6 qualified for licensure in accordance with this chapter in conjunction with a gaming license
7 application.

8 (i) Any other person associated with a gaming applicant or gaming licensee required to
9 be qualified for licensure in accordance with this chapter in conjunction with a gaming license
10 application.

11 LVI. “Progressive controller” means a device independent of the operating system of a slot
12 machine that calculates and transmits to a slot machine the amount of an available progressive
13 jackpot based on a pre-established rate of progression and denomination of a slot machine.

14 LVII. “Promotional play” means an award by a gaming licensee of cashable and noncashable
15 credits on a slot machine or table game:

16 (a) Directly or indirectly to a player.

17 (b) With or without regard to the:

18 (1) Identity of the player; or

19 (2) Player’s level of gaming activity.

20 LVIII. “Promotional play system” means the collective hardware, software, communications
21 technology, and other ancillary equipment used to facilitate the award of promotional play at a slot
22 machine or table game by means of either a:

23 (a) Promotional play instrument.

24 (b) Download from the system to a slot machine.

25 LVIX. “Rake” means a set fee or percentage assessed by a gaming licensee for providing the
26 services of a dealer, gaming table or location, to allow the play or operation of a table game at which
27 a player competes against another player.

28 LX. “Restricted area” means that part of a gaming location directly related to the operation
29 of the gaming floor where access is specifically designated by the commission as restricted, including,
30 but not limited to:

31 (a) Cashier’s cage, including a satellite cashiers’ cage and ancillary offices.

32 (b) A room or location in which any central computer system resides.

33 (c) Count room and trolley storage areas.

34 (d) Areas designated for the storage, repair or destruction of slot machines, associated
35 equipment and table game devices.

36 (e) Information technology department operations centers.

37 (f) Progressive controller locations.

1 (g) Surveillance monitoring rooms.

2 (h) Vault and armored car bay locations.

3 (i) Any other area that a gaming licensee, with the authorization of the commission,
4 designates as restricted in its system of accounting and internal control or that the commission
5 designates as restricted at the gaming location.

6 LXI. "Slot data system" means the collective hardware, software, communications
7 technology, and other ancillary equipment used to collect, monitor, interpret, analyze, authorize,
8 report, and audit data with regard to activity at a slot machine, including slot machine meter
9 readings, error conditions, security, accounting, player tracking, and productivity analysis.

10 LXII. "Slot machine" means a mechanical, electrical, or other device, contrivance, or
11 machine which, upon insertion of a coin, ticket, or similar object therein, or upon payment of any
12 consideration whatsoever, is available to play or operate, the play or operation of which, whether by
13 reason of the skill of the operator or application of the element of chance, or both, may deliver or
14 entitle the person playing or operating the machine to receive cash or tickets to be exchanged for
15 cash, or to receive merchandise or any thing of value, whether the payoff is made automatically from
16 the machine or in any other manner, except that the cash equivalent value of any merchandise or
17 other thing of value shall not be included in determining the payout percentage of a slot machine.
18 Slot machine shall not include a redemption slot machine or redemption poker machine available in
19 a family entertainment center pursuant to RSA 647:2, II(f).

20 LXIII. "Subsidiary" means a corporation, a significant part of whose outstanding equity
21 securities are owned, subject to a power or right of control, or held with power to vote, by a holding
22 company or an intermediary company, or a significant interest in a firm, association, partnership,
23 trust, or other form of business organization, other than an individual, which is owned, subject to a
24 power or right of control, or held with power to vote, by a holding company or an intermediary
25 company.

26 LXIV. "Table game" means:

27 (a) A game in the form of baccarat, big six wheel, blackjack, craps, double attack
28 blackjack, mini-baccarat, mini-craps, mini-dice, pai gow, red dog, roulette, sic bo, casino war, poker
29 including Asia poker, Boston 5 stud poker, Caribbean stud poker, Colorado hold 'em poker, double
30 cross poker, double down stud poker, fast action hold 'em, flop poker, four card poker, let it ride
31 poker, pai gow poker, pokette, Spanish 21, Texas hold 'em bonus poker, 3-card poker, 2-card joker
32 poker, ultimate Texas hold 'em, or winner's pot poker.

33 (b) Any variations or composites of such games, provided that such variations or
34 composites are found by the commission to be suitable for use after an appropriate test or
35 experimental period under such terms and conditions as the commission shall deem appropriate.

36 (c) Any other banking or percentage game played with cards, dice, tiles, dominoes, or
37 other equipment or an electronic, electrical or mechanical device played for money or other

1 representation of value which is determined by the commission to be compatible with the public
2 interest and to be suitable for casino use after such appropriate test or experimental period as the
3 commission shall deem appropriate.

4 (d) The term table game shall not include games of chance pursuant to RSA 287-D, bingo
5 and lucky 7 under RSA 287-E, pari-mutuel racing pursuant to RSA 284, raffles pursuant to
6 RSA 287-A, or lottery pursuant to RSA 284:21-h and RSA 287-F.

7 LXV. "Table game device" includes, but is not limited to, a gaming table, cards, dice, chips,
8 shufflers, tiles, dominoes, wheels, a drop box, or any other equipment used or consumed in
9 connection with the operation of a table game.

10 LXVI. "Ticket" means an instrument that upon insertion into a slot machine bill validator
11 entitles the player inserting the ticket to credits on a slot machine corresponding to the amount
12 printed on the ticket.

13 LXVII. "Wager" means a sum of money or representative of value that is risked on an
14 occurrence for which the outcome is uncertain.

15 284-B:3 Gaming Commission.

16 I. There shall be a New Hampshire gaming commission. The gaming commission shall be
17 an executive branch agency entitled to defense and indemnity under RSA 99-D. It shall consist of 5
18 members who shall be appointed and may be removed for cause by the governor with the advice and
19 consent of the council.

20 (a) One member of the commission shall be appointed for one year, one for 2 years, one
21 for 3 years, and one for 4 years, and upon the expiration of their terms of office their successors shall
22 be appointed for a term of 4 years. The fifth member of the commission, who shall be appointed as
23 chair of the commission by the governor with the advice and consent of the council, shall be
24 appointed for 4 years and may be reappointed thereafter.

25 (b) At least one member of the commission shall have a background in accounting or
26 finance.

27 (c) At least one member of the commission shall have a background in law enforcement
28 or criminal or regulatory prosecution.

29 (d) Any vacancy on the commission shall be filled by appointment for the unexpired
30 term. The chair shall serve in that capacity throughout the term of appointment and until a
31 successor shall be appointed. Prior to appointment to the commission, an individual shall be subject
32 to a background investigation with his or her suitability determined in accordance with the same
33 standards for good character, honesty, integrity and financial stability applied to a key employee of a
34 gaming licensee under this chapter.

35 II. The gaming commission shall have responsibility for the administration and enforcement
36 of the New Hampshire state lottery in accordance with the provisions of RSA 284:21-a through
37 RSA 284:21-v, for racing and charitable gaming in accordance with the provisions of RSA 284,

1 RSA 287-D and RSA 287-E, for redemption slot machines and redemption poker machines in a
2 family entertainment center under RSA 647:2 and for the administration and enforcement of gaming
3 in New Hampshire in accordance with the provisions of this chapter.

4 (a) The gaming commission shall assume the powers, rights, duties, and responsibilities
5 granted to the state lottery commission under RSA 284 and any rules issued pursuant thereto, and
6 any reference to the state lottery commission in RSA 284 or any other statutory cites, and any rules
7 issued pursuant thereto, including without limitation the reference in RSA 287-F:5, except for the
8 references in the provisions of RSA 284:21-a through RSA 284:21-d regarding the creation and
9 membership of the state lottery commission and except as the context may otherwise require and
10 shall be deemed to refer to the gaming commission, provided that the gaming commission may
11 delegate to the state lottery commission such powers, rights, duties, and responsibilities as it deems
12 in the best interest of the state lottery, and provided further that the gaming commission shall not
13 delegate its power to issue rules, nor its power to appoint the lottery executive director, and provided
14 further that the gaming commission may discontinue or adjust the terms of such delegation at any
15 time.

16 (b) The gaming commission shall assume the powers, rights, duties, and responsibilities
17 granted to the state racing and charitable gaming commission under RSA 284, RSA 287-D and
18 RSA 287-E, and any rules issued pursuant thereto, and any reference to the state racing and
19 charitable gaming commission in RSA 284, RSA 287-D and RSA 287-E or any other statutory cites,
20 and any rules issued pursuant thereto, except for the references in the provisions of RSA 284:6-a, I
21 regarding the creation and membership of the racing and charitable gaming commission and except
22 as the context may otherwise require shall be deemed to refer to the gaming commission, provided
23 that the gaming commission may delegate to the state racing and charitable gaming commission
24 such powers, rights, duties, and responsibilities as it deems in the best interest of racing and
25 charitable gaming, and provided further that the gaming commission shall not delegate its power to
26 issue rules, nor its power to appoint the racing and charitable gaming executive director, nor its
27 power to license a primary game operator or game operator employer, and provided further that the
28 gaming commission may discontinue or adjust the terms of such delegation at any time.

29 (c) The gaming commission shall be granted all powers, rights, duties and
30 responsibilities necessary to authorize, limit, and regulate the operation of redemption slot machines
31 and redemption poker machines in family entertainment centers under RSA 647:2 provided that the
32 commission may delegate such powers, rights, duties, and responsibilities as it deems in the best
33 interest of the state, provided that the gaming commission shall not delegate its power to issue rules,
34 and provided further that the gaming commission may discontinue or adjust the terms of such
35 delegation at any time.

36 (d) The gaming commission shall be advised in the exercise of its powers and rights and
37 in the performance of its duties and responsibilities under this chapter by the gaming regulatory

1 oversight authority in accordance with the provisions of RSA 284-A.

2 III. Three of the members of the gaming commission shall constitute a quorum to do
3 business. It shall be the duty of a secretary to the gaming commission appointed by the chair to keep
4 a record of all proceedings of the commission and to preserve all books, documents, and records
5 addressed to its care. Commission members shall be part-time except that the commission chair
6 shall be full-time and shall be the chief administrative and enforcement officer of the commission.
7 The office of the chair and the commission shall be staffed with such legal, financial and technical
8 experts as are required to fulfill the purposes of this chapter.

9 IV. Members of the gaming commission shall give bond to the state in such amount as shall
10 be determined under the provisions of RSA 93-B.

11 V. Each member of the gaming commission shall receive a salary in accordance with
12 RSA 94:1-a, II and shall be allowed reasonable expenses, including transportation, incurred in the
13 performance of the member's duties.

14 VI. The gaming commission shall have an office in Concord or in a municipality that borders
15 Concord.

16 VII. The compensation of the commissioners, expenses of the commissioners, compensation
17 of assistants and other necessary expenses of the gaming commission, including suitable furniture,
18 equipment, supplies, and office expenses shall be charged to and paid out of the funds received under
19 the provisions of this chapter and of RSA 284, RSA 287-D, RSA 287-E, RSA 287-F and RSA 647:2,
20 provided that the commission shall allocate such expenses for payment from each such source of
21 funds in approximate proportion to the commission's costs of administering and regulating
22 respectively the lottery and gaming activities administered by the commission pursuant to those
23 provisions. The commission shall submit an operating budget based on accounting units or other
24 budgetary units required by the general court. The commission shall submit its budget in the same
25 format and at the same time as other state agencies. However, the commission may transfer funds
26 between line items within and among any budgetary unit. The commission shall submit reports
27 annually 60 days after the close of each fiscal year to the fiscal committee of the general court
28 detailing all transfers made during the last fiscal year and the reasons for such transfers.

29 (a) Notwithstanding any provision of law to the contrary all expenses incurred by the
30 gaming commission prior to the issuance of an operation certificate to a gaming licensee pursuant to
31 284-B:32 of this chapter shall be charged to and paid from the funds received under the provisions of
32 RSA 284, RSA 284-B, RSA 287-D, RSA 287-E, RSA 287-F and RSA 647:2.

33 (b) Such funds shall be available as of the effective date of this chapter for expenses
34 incurred by the gaming commission and shall be reimbursed in accordance with the provisions of
35 284-B:18, IV.

36 VIII. The gaming commission shall establish a code of ethics for all commissioners and
37 employees of the commission. A copy of the code shall be filed with the attorney general's office. The

1 code shall include provisions reasonably necessary to carry out the purposes of this chapter and any
2 other laws subject to the jurisdiction of the commission including, but not limited to:

3 (a) Prohibiting the receipt by a commissioner or employee or his or her immediate family
4 of any commission, bonus, discount, gift, tip, gratuity, compensation, travel, lodging, or other thing of
5 value, except for items valued at \$25 or less, directly or indirectly, from a gaming licensee, principal
6 licensee, key employee licensee, gaming vendor licensee or applicant, or other person subject to the
7 jurisdiction of the commission.

8 (b) Prohibiting the participation by commissioners and employees in a particular matter
9 that affects the financial interest of a commissioner or employee or a family member of a
10 commissioner or employee.

11 (c) Providing for recusal of a commissioner due to a potential conflict of interest.

12 (d) Prohibiting the solicitation of funds by a commissioner or employee for any
13 charitable, educational, religious, health, fraternal, civic, or other nonprofit entity from a gaming
14 applicant, gaming licensee, or person that is an applicant for or holder of a license, registration, or
15 permit under this chapter.

16 IX. No commissioner or employee shall own, or be in the employ of, or own any stock in, a
17 person that holds a license or registration under this chapter nor shall they have, directly or
18 indirectly, a pecuniary interest in, or be connected with, any such person or be in the employ of, or
19 connected with, a person financing any such person, provided, however, that an immediate family
20 member of a commissioner or employee holding a major policymaking positions shall not own, or be
21 in the employ of, or own stock in, a person that holds a license or registration under this chapter. A
22 commissioner or employee shall not personally, or through a partner or agent, render professional
23 services to, or make or perform any business contract with or for a person that holds a license or
24 registration under this chapter, provided that a partner or other person related to a commissioner or
25 employee may render professional services or make or perform any business contract with the prior
26 approval of the commission upon a finding by the commission that the professional relationship or
27 contract will not create the appearance of a conflict of interest and does not evidence a conflict of
28 interest in fact. Immediately upon assuming office, each commissioner and employee of the
29 commission shall swear or affirm that the commissioner or employee complies with these
30 prohibitions.

31 X. No commissioner or employee of the commission shall during the period commencing 3
32 years prior to employment, have held any direct or indirect interest in, or have been employed by a
33 person that holds a license or registration under this chapter.

34 XI. No commissioner shall hold a direct or indirect interest in, or be employed by, a gaming
35 applicant or person that holds a license or registration under this chapter for a period of 3 years after
36 the termination of employment with the commission.

37 XII. No employee of the gaming commission holding a major policymaking position as

1 defined in this chapter shall acquire an interest in, or accept employment with, a gaming applicant
2 or person that holds a license or registration under this chapter for a period of 2 years after the
3 termination of employment with the commission, provided, however, that if the employment of an
4 employee holding a major policymaking position at any time during the 5 years preceding a
5 termination, is terminated as a result of a reduction in the workforce of the commission, the
6 employee may, after one year following the termination of employment with the commission, accept
7 employment with a gaming applicant or person that holds a license or registration under this
8 chapter upon application to and with the prior approval of the commission, upon a finding that the
9 employment will not create the appearance of a conflict of interest and does not evidence a conflict of
10 interest in fact. The commission shall act upon an application within 30 days of receipt.

11 XIII. No employee of the commission in a non-major policymaking position shall acquire an
12 interest in, or accept employment with, a gaming applicant or person that holds a license or
13 registration under this chapter for a period of one year after the termination of employment with the
14 commission, provided, however, that if the employment of an employee holding a non-major
15 policymaking position at any time during the 5 years preceding a termination, is terminated as a
16 result of a reduction in the workforce of the commission, the employee may immediately accept
17 employment with a gaming applicant or person that holds a license or registration under this
18 chapter upon application to and with the prior approval of the commission, upon a finding that the
19 employment will not create the appearance of a conflict of interest and does not evidence a conflict of
20 interest in fact. The commission shall act upon an application within 30 days of receipt.

21 XIV. No commissioner or employee of the commission or division of state police gaming
22 enforcement unit shall place a wager in a gaming location, provided, however, that an employee may
23 place a wager in the performance of the employee's official duties.

24 XV. Commissioners and employees holding major policymaking positions as determined by
25 the commission, shall be sworn to the faithful performance of their official duties. Commissioners
26 and employees holding major policymaking positions shall:

27 (a) Conduct themselves in a manner so as to render decisions that are fair and impartial
28 and in the public interest.

29 (b) Avoid impropriety and the appearance of impropriety in all matters under their
30 jurisdiction.

31 (c) Avoid all prohibited ex parte communications and the disclosure of confidential
32 information.

33 (d) Require staff and personnel subject to their direction and control to observe the same
34 standards of fidelity and diligence.

35 (e) Disqualify themselves from proceedings in which their impartiality might reasonably
36 be questioned.

37 (f) Refrain from financial or business dealings which would tend to reflect adversely on

1 impartiality

2 284-B:4 Divisions of State Lottery, Racing and Charitable Gaming, and Gaming Control.

3 I. There shall be established within the gaming commission a lottery division, a racing and
4 charitable gaming division, and a gaming control division.

5 II.(a) The executive director of the lottery division shall be the executive and administrative
6 head of the division and shall be responsible for supervision and management of the division and the
7 administrative units created within it. The executive director of the lottery division shall be
8 appointed by the commission and shall report to the chair of the commission for administrative
9 matters, daily supervision, policy, purpose, responsibility, and authority. Upon the effective date of
10 this chapter, the person who was executive director for the state lottery commission immediately
11 prior to the effective date shall become the executive director of the lottery division. Any
12 subsequently appointed executive director shall be subject to a background investigation with his or
13 her suitability determined in accordance with the same standards for good character, honesty,
14 integrity and financial stability applied to a key employee of a gaming licensee under this chapter.

15 (b) The lottery division by and through its executive director shall administer the
16 procedures associated with the operation of the state lottery under RSA 284:21-a through
17 RSA 284:21-v, RSA 287-F, all other provisions of law relating to the operation of the state lottery,
18 and the rules adopted pursuant thereto, shall have primary responsibility for the audit, compliance,
19 and regulatory enforcement functions required to effect the purposes of RSA 284:21-a through
20 RSA 284:21-v, RSA 287-F, all other provisions of law relating to the operation of the state lottery,
21 and the rules adopted pursuant thereto, and shall support the work of the lottery commission in its
22 performance of such powers, rights, duties and responsibilities as may be delegated to it by the
23 gaming commission. The lottery division shall cooperate with the attorney general and the division
24 of state police gaming enforcement unit in the enforcement of this chapter.

25 III.(a) The executive director of the racing and charitable gaming division shall be the
26 executive and administrative head of the division and shall be responsible for supervision and
27 management of the division and the administrative units created within it. The executive director of
28 the racing and charitable gaming division shall be appointed by the commission and shall report to
29 the chair of the commission for administrative matters, daily supervision, policy, purpose,
30 responsibility and authority. Upon the effective date of this chapter, the person who was executive
31 director for the state racing and charitable gaming commission immediately prior to the effective
32 date of this chapter shall become the executive director of the racing and charitable gaming division.
33 Any subsequently appointed executive director shall be subject to a background investigation with
34 his or her suitability determined in accordance with the same standards for good character, honesty,
35 integrity, and financial stability applied to a key employee of a gaming licensee under this chapter.

36 (b) The division of racing and charitable gaming by and through its executive director
37 shall administer the procedures associated with the conduct of racing and charitable gaming under

1 RSA 284, RSA 287-D, RSA 287-E, all other provisions of law related to racing and charitable gaming,
2 and the rules adopted pursuant thereto, shall have primary responsibility for the audit, compliance
3 and regulatory enforcement functions required to effect the purposes of RSA 284, RSA 287-D,
4 RSA 287-E, all other provisions of law related to racing and charitable gaming, and the rules
5 adopted pursuant thereto, and shall support the work of the racing and charitable gaming
6 commission in its performance of such powers, rights, duties, and responsibilities as may be
7 delegated to it by the gaming commission. The division of racing and charitable gaming shall
8 cooperate with the attorney general and the division of state police gaming enforcement unit in the
9 enforcement of this chapter.

10 IV.(a) The executive director of the gaming control division shall be the executive and
11 administrative head of the division and shall be responsible for supervision and management of the
12 division and the administrative units created within it. The executive director of gaming control
13 shall be appointed by the commission and shall report to the chair of the commission for
14 administrative matters, daily supervision, policy, purpose, responsibility and authority. Prior to
15 appointment as executive director, an individual shall be subject to a background investigation with
16 his or her suitability determined in accordance with the same standards for good character, honesty,
17 integrity, and financial stability applied to a key employee of a gaming licensee under this chapter.

18 (b) The division of gaming control by and through its executive director shall administer
19 the procedures associated with the licensing, registration, and permitting of persons under this
20 chapter and the rules adopted pursuant thereto and shall have primary responsibility for the audit,
21 compliance, and regulatory enforcement functions required to effect the purposes of this chapter and
22 its rules. The division of gaming control shall cooperate with the attorney general and the division of
23 state police gaming enforcement unit in the enforcement of this chapter.

24 (c) The division of gaming control shall be present at a gaming location at such times,
25 under such circumstances, and to such extent as the commission deems appropriate to fulfill its
26 responsibilities under this chapter. Provision of onsite office space to accommodate the division of
27 gaming control shall be provided as an element of an operation certificate under RSA 284-B:32.

28 284-B:5 General and Specific Powers of the Gaming Commission.

29 I. The gaming commission shall have general and exclusive regulatory authority and
30 responsibility over the conduct of gaming and related activities as described in this chapter and the
31 rules adopted pursuant thereto. The commission shall enforce the provisions of this chapter and any
32 rules and shall ensure the integrity of the acquisition and operation of slot machines, associated
33 equipment, and table game devices and shall have sole regulatory authority over every aspect of the
34 authorization, operation, and play of slot machines and table games.

35 II. The gaming commission shall employ in its division of gaming control individuals,
36 including the executive director of the division of gaming control provided for in RSA 284-B:4, as
37 necessary to carry out the powers and duties of the commission as they relate to gaming conducted

1 under this chapter. The commission may, should it determine it necessary to fulfill the purposes of
2 this chapter, designate certain professional employees with specialized gaming expertise as serving
3 at its pleasure.

4 III. The gaming commission shall employ a director of problem gambling and research, who
5 shall have, in the commission’s judgment, relevant experience in the field of problem gambling and
6 research or in related fields, who shall report to the chair and shall advise the chair on all matters
7 relating to problem gambling and research, provided that the commission may authorize customary
8 marketing research required by the lottery to be conducted independently of the director of problem
9 gambling and research.

10 IV. The gaming commission and its chair shall cooperate with the gaming regulatory
11 oversight authority pursuant to the provisions of RSA 284-A and shall perform such functions as are
12 assigned to it by RSA 284-A.

13 V. The gaming commission shall make an annual report to the governor in accordance with
14 RSA 20:7, including therein an account of its actions, receipts derived under this chapter and under
15 the provisions of RSA 284:21-a through RSA 284:21-v, regarding the state lottery, RSA 284,
16 RSA 287-D and RSA 287-E regarding racing and charitable gaming, RSA 647:2 regarding
17 redemption slot machines and redemption poker machines and slot machines and table games
18 operated pursuant to this chapter, the practical effects of the application thereof, and any
19 recommendation for legislation which the commission deems advisable.

20 VI. The gaming commission shall award, issue, accept, approve, renew, revoke, suspend,
21 condition, or deny issuance or renewal of a gaming license, principal license, key employee license,
22 gaming vendor license, gaming employee registration, non-gaming employee permit, non-gaming
23 vendor registration, and any additional licenses, registrations, or permits as may be required under
24 this chapter.

25 VII. The gaming commission may require individuals who are prospective and existing
26 commission employees and independent contractors, applicants, licensees, registrants, and
27 permittees to submit to fingerprinting by the division of state police or other designated entity for
28 purposes of verifying the identity of the individual and obtaining records of criminal arrests and
29 convictions and to exchange fingerprint data with, and to receive criminal history record and
30 background information from, the department of safety, division of state police, the attorney general,
31 the Federal Bureau of Investigation or other source consistent with applicable federal and state
32 laws, rules and regulations.

33 VIII. The gaming commission may require individuals who are prospective and existing
34 commission employees and independent contractors, applicants, licensees, registrants, and
35 permittees to submit photographs for purposes of verifying the identity of the individual and
36 obtaining records of criminal arrests and convictions.

37 IX. The gaming commission may conduct investigations through its staff into the conduct of

1 gaming and gaming operations and may test compliance with the requirements of this chapter and
2 the rules adopted pursuant thereto.

3 X. The gaming commission may initiate a regulatory enforcement action through a referral
4 to the attorney general for prosecution, and may decide, after hearing, any action against a licensee,
5 registrant, permittee, or other person under this chapter, or the rules adopted pursuant thereto, and
6 may impose sanctions upon finding a violation.

7 XI. The gaming commission may collect any fee, tax, penalty or interest required to be
8 collected pursuant to the provisions of this chapter and the rules adopted pursuant thereto.

9 XII. Subject to the standards enumerated in this chapter, the gaming commission shall not
10 approve an application for, or award, issue, accept, or renew a license, registration, or permit unless
11 it is satisfied, at a minimum, that the applicant has demonstrated by clear and convincing evidence
12 that the applicant is a person of good character, honesty, and integrity and is a person whose prior
13 activities, criminal record, if any, reputation, habits, and associations do not pose a threat to the
14 public interest or the effective regulation and control of slot machine or table game operations or
15 create or enhance the danger of unsuitable, unfair, or illegal practices, methods, and activities in the
16 conduct of slot machine or table game operations or the carrying on of the business and financial
17 arrangements incidental thereto.

18 XIII. The gaming commission may adopt rules necessary for the effective and efficient
19 administration and enforcement of this chapter.

20 XIV. The gaming commission may be present at any gaming location at such times, under
21 such circumstances, and to such extent as it deems appropriate to conduct reviews of gaming
22 operations through observation and other reasonable means to assure compliance with this chapter
23 and the rules adopted pursuant thereto.

24 XV. The gaming commission may conduct financial and operational reviews and compliance
25 audits of gaming operations at such times, under such circumstances, and to such extent as it deems
26 appropriate including reviews of accounting, administrative and financial records, and internal
27 control systems, procedures, and records utilized by a gaming licensee.

28 XVI. The gaming commission may request and receive information, materials and any other
29 data from a licensee, registrant, permittee, or applicant under this chapter in such manner as it
30 deems appropriate.

31 XVII. The gaming commission may receive complaints from the public relating to the
32 conduct of gaming operations.

33 XVIII. The gaming commission may certify the revenue of any gaming licensee in such
34 manner as it deems appropriate.

35 XIX. The gaming commission may create, maintain, and administer a list of all excluded
36 individuals.

37 XX. The gaming commission may create, maintain, and administer a list of all self-excluded

1 individuals and to decide all matters relating to the administration of that program.

2 XXI. At its discretion, the gaming commission may issue, revoke, suspend, condition, or deny
3 an operation certificate to a gaming licensee.

4 XXII. The gaming commission may request any and all records maintained by local,
5 municipal, state, or federal agencies relative to a gaming applicant or gaming licensees.

6 XXIII. The gaming commission shall have the power and duty, subject to all applicable
7 provisions of state law:

8 (a) To pay or satisfy obligations of the commission.

9 (b) To sue.

10 (c) To contract and execute instruments as necessary to carry out the powers and duties
11 of the commission. Except for a contract related to a central computer system, all contracts entered
12 into by the commission during the 2-year period following the effective date of this chapter shall not
13 exceed a term of 2 years.

14 (d) To sell, transfer, convey, and dispose of tangible or intangible property owned by the
15 commission.

16 (e) To establish, charge, and collect any fee, tax, penalty, or interest authorized by this
17 chapter.

18 (f) To administer oaths, examine witnesses, and issue subpoenas compelling the
19 attendance of witnesses or the production of documents, records, or other evidence, or to designate
20 officers or employees to perform these duties.

21 (g) To retain attorneys, with the approval of the attorney general, accountants, auditors,
22 and financial and other experts to render services as necessary.

23 (h) To require a background investigation on a gaming applicant, gaming, licensee, and
24 an applicant for, or holder of, a principal license, key employee license, and gaming vendor license
25 and, in the exercise of its discretion, on an applicant for, or holder of, a gaming employee
26 registration, non-gaming employee permit, and non-gaming vendor registration under the
27 jurisdiction of the commission.

28 (i) To enter into agreements with the attorney general and department of safety, division
29 of state police and other persons as necessary to carry out the powers and duties of the commission
30 including, but not limited to, agreements relating to reimbursement of actual costs for prosecutions
31 of regulatory and criminal violations and for background and other investigations performed
32 pursuant to this chapter.

33 (j) For purposes of licensing and enforcement including, but not limited to, background
34 investigations, to receive information otherwise protected.

35 (k) For purposes of licensing and enforcement including, but not limited to, background
36 investigations to receive and share information with other gaming regulating entities pursuant to an
37 information sharing agreement.

1 XXIV. The commission, by and through the division of gaming control, shall possess
2 pursuant to such delegation of authority by the attorney general, such law enforcement powers as
3 are required to effectuate the purposes of this chapter including, but not limited to, access to records
4 and databases reserved for access by law enforcement.

5 XXV. The commission may through its employees, without notice and without a warrant:

6 (a) Inspect and examine a gaming location where slot machine and table game
7 operations are conducted as defined in this chapter, where associated equipment and table game
8 devices used in the conduct thereof are manufactured, sold, distributed, or serviced or where records
9 related to such gaming activity are prepared or maintained.

10 (b) Inspect all slot machines, associated equipment, table game devices, and related
11 supplies at a gaming location.

12 (c) Seize summarily and remove from a gaming location slot machines, associated
13 equipment, table game devices, and related supplies for the purposes of examination and inspection.

14 (d) Inspect, examine, and audit all books, records, and documents pertaining to a gaming
15 licensee's operations.

16 (e) Seize, impound, or assume physical control of any book, record, ledger, slot machine,
17 associated equipment, table game device and its contents, or a count or its equipment.

18 XXVI. The commission may delegate its authority to perform any of its functions under this
19 chapter or the rules adopted pursuant thereto to an employee of the commission, provided, however,
20 that any delegation expressly state whether the action or decision of the employee is to be deemed
21 the final action of the commission, without approval, ratification, or other further action by the
22 commission, and provided further that an action or decision by an employee of the commission
23 pursuant to delegated authority shall be presented for review to the commission upon timely request
24 by any party adversely affected by such determination.

25 XXVII. The commission may require a gaming applicant or gaming licensee to submit all
26 contracts for services where the annual amount to be expended by the gaming applicant or gaming
27 licensee is over \$500,000 to the commission and to provide such further information regarding
28 vendors as the commission deems appropriate.

29 XXVIII. The commission may require a labor organization, union, or affiliate seeking to
30 represent employees at a gaming location to be registered by the commission.

31 XXIX. The commission may require a gaming licensee to sell state lottery tickets at its
32 gaming location in an area as near as practicable to the cashiers' cage.

33 XXX. The commission, in consultation with the attorney general, shall adopt rules, an
34 organizational structure, and referral practices with the attorney general designed to prevent
35 commingling of legal advisory, investigatory, prosecutorial, and adjudicatory functions.

36 284-B:6 Exercise of the Commission's Power to Sanction.

37 I. Without limiting the authority of the attorney general the commission may, following

1 appropriate hearings and factual determinations, impose administrative sanctions against any
2 person for any violation of this chapter, the rules adopted by the commission or any law related to
3 gaming in this state including the following:

4 (a) Conditions upon, suspension, or revocation of a license, registration, permit, or other
5 authorization issued pursuant to this chapter.

6 (b) Assessment of civil penalties in such monetary amounts as may be deemed necessary
7 to punish misconduct and to deter future violations.

8 (c) Ordering restitution of any moneys or property unlawfully obtained or retained by a
9 person.

10 (d) Issuance of a cease and desist order which specifies the conduct which is to be
11 discontinued, altered, or implemented by the person. If the commission finds that a gaming licensee
12 is engaged in an act or practice that would cause irreparable harm to the security and integrity of a
13 gaming location or the interests of this state in ensuring the security and integrity of gaming under
14 this chapter, it may issue a temporary suspension of the license. A gaming licensee who has been
15 issued a temporary order of suspension by the commission shall be entitled to a full hearing before
16 the commission on such suspension within 7 days after the order is issued. At the conclusion of the
17 hearing, the commission may issue a final order to condition, suspend, or revoke the license in
18 question.

19 (e) Issuance of letters of reprimand or censure, which shall be made a permanent part of
20 the file of each person so sanctioned.

21 (f) Imposition of any or all of the foregoing sanctions in combination with each other.

22 II.(a) In determining an appropriate administrative sanction in a particular case, the
23 commission shall consider:

24 (1) The risk to the public and to the integrity of slot machine or table game
25 operations created by the conduct of the person.

26 (2) The seriousness of the conduct of the person and whether the conduct was
27 purposeful or with knowledge that it was in contravention of the provisions of this chapter or the
28 rules adopted by the commission.

29 (3) Any justification or excuse for such conduct.

30 (4) The prior history of the person involved with respect to gaming activity.

31 (5) The corrective action taken by the person to prevent future misconduct of a like
32 nature from occurring.

33 (6) In the case of a monetary penalty, the amount of the penalty in relation to the
34 misconduct and the financial means of the person.

35 (b) It shall be no defense to disciplinary action before the commission that a person
36 inadvertently, unintentionally, or unknowingly violated a provision of this chapter or the rules
37 adopted pursuant thereto provided that the commission may consider such factors in determining

1 the degree of the penalty to be imposed.

2 III. The commission may impose any schedule or terms of payment of a civil penalty as it
3 deems to be in the best interest of the state.

4 IV. The expense of investigation and any proceeding under this section before the
5 commission, including, but not limited to, that related to an employee shall be fully recoverable from
6 the gaming licensee unless the commission determines otherwise.

7 V. Any decision of the commission imposing an administrative sanction under this chapter
8 shall be a final, binding, non-appealable determination which shall not be subject to legal challenge
9 except as enumerated in RSA 284-B:25, XIII and RSA 284-B:25, XIV.

10 VI. Any decision of the commission imposing an administrative sanction under this chapter
11 shall be evidenced by a written decision.

12 VII. A gaming applicant, gaming licensee, and an applicant for, or holder of, a principal
13 license, key employee license, gaming employee registration, non-gaming employee permit, gaming
14 vendor license, non-gaming vendor registration, or other person shall be guilty of a class B felony if
15 they purposely:

16 (a) Fail to report, pay, or truthfully account for and pay over any application fee,
17 investigative fee, initial license fee, renewal fee, or other fee, tax, penalty or interest required to be
18 collected pursuant to the provisions of this chapter and the rules adopted pursuant thereto.

19 (b) Attempt in any manner to evade or defeat an application fee, investigative fee, initial
20 license fee, renewal fee, or other fee, tax, penalty or interest required to be collected pursuant to the
21 provisions of this chapter and the rules adopted pursuant thereto.

22 VIII. A gaming applicant, gaming licensee, and an applicant for, or holder of, a principal
23 license, key employee license, gaming employee registration, non-gaming employee permit, gaming
24 vendor license, non-gaming vendor registration, or other person shall be guilty of a class B felony if
25 they permit a slot machine, associated equipment, table game, or a table game device to be operated,
26 transported, repaired, or opened in a gaming location by a person other than a person that is
27 licensed registered, permitted, or otherwise authorized by the commission pursuant to this chapter.

28 IX. A gaming applicant, gaming licensee, and an applicant for, or holder of, a principal
29 license, key employee license, gaming employee registration, non-gaming employee permit, gaming
30 vendor license, non-gaming vendor registration, or other person shall be guilty of a class B felony if
31 they manufacture, supply, or place a slot machine, associated equipment, a table game, or a table
32 game, device into play or display slot machines, associated equipment, a table game, or table game
33 device in a gaming location without the authorization of the commission pursuant to this chapter.

34 X. Except in the case where a completed renewal application and fee, if required, has been
35 received by the commission but has not yet been acted upon by the commission, a gaming applicant,
36 gaming licensee, and an applicant for, or holder of, a principal license, key employee license, gaming
37 employee registration, non-gaming employee permit, gaming vendor license, non-gaming vendor

1 registration, or other person shall be guilty of a misdemeanor if they manufacture, supply, operate,
2 carry on, or expose for play a slot machine, associated equipment, a table game, or table game device
3 after the person’s license, registration, permit or other authorization has expired and prior to the
4 actual renewal of the license.

5 XI. An individual shall be guilty of a misdemeanor if while in a gaming location the
6 individual knowingly uses currency other than legal tender of the United States to initiate play at a
7 slot machine or table game with the intent to cheat or defraud a gaming licensee, a gaming location,
8 or the state, or to damage a slot machine, associated equipment, a table game, or table game device.

9 XII. An individual shall be guilty of a class B felony if in playing a game in a gaming location
10 the individual uses or assists another in the use of, a computerized, electronic, electrical, or
11 mechanical device which is designed, constructed, or programmed specifically for use in obtaining an
12 advantage at playing a slot machine or table game, unless the advantage obtained can be assessed a
13 monetary value or loss of \$75,000 or less in which case the offense shall be a misdemeanor provided,
14 however, that an authorized employee of a gaming licensee or an authorized employee of the
15 commission may possess a computerized, electronic, electrical, or mechanical device which is
16 designed, constructed, or programmed specifically for use in obtaining an advantage at playing a slot
17 machine or table game or other cheating device in the performance of his or her employment for
18 training, investigative, or testing purposes only. Any computerized, electronic, electrical, or
19 mechanical device used in violation of this section shall be subject to seizure by the commission and
20 forfeiture. A gaming licensee shall conspicuously post notice of this prohibition and the penalties
21 provided for under this section in a location and in a manner determined by the commission.

22 XIII. An individual shall be guilty of a class B felony if the individual:

23 (a) Uses or possesses counterfeit, marked, loaded or tampered with table game devices
24 including chips, associated equipment, or other cheating devices in the conduct of gaming under this
25 chapter, except that an authorized employee of a licensee or an authorized employee of the
26 commission may possess and use counterfeit chips or table game devices or associated equipment
27 that have been marked, loaded or tampered with, or other cheating devices in performance of his or
28 her employment for training, investigative, or testing purposes.

29 (b) Except in connection with his or her employment duties, knowingly possesses or uses
30 while in a gaming location a key or device designed for the purpose of or suitable for, opening or
31 entering a slot machine, a slot machine cash storage box, a table game drop box, or similar coin or
32 storage box.

33 XIV. A person shall be guilty of a class B felony if the person possesses a slot machine,
34 associated equipment, a table game, a table game device, or other equipment or material knowing
35 that it has been manufactured, distributed, sold, tampered with, or serviced in violation of the
36 provisions of this chapter with the intent to use the slot machine, associated equipment, a table
37 game, table game device, or other equipment or material as though it had been manufactured,

1 distributed, sold, tampered with, or serviced pursuant to this chapter.

2 XV. A person shall be guilty of a class B felony if the person sells, offers for sale, represents,
3 or passes off as lawful a slot machine, associated equipment, a table game, a table game device, or
4 other equipment or material which the person knows has been manufactured, distributed, sold,
5 tampered with, or serviced in violation of this chapter.

6 XVI. An individual shall be guilty of a misdemeanor if the individual works or is employed
7 in a position the duties of which require licensing, registration, permitting or other authorization
8 under the provisions of this chapter without first obtaining the requisite license, registration or
9 permit.

10 XVII. A person shall be guilty of a misdemeanor if the person employs or continues to
11 employ an individual in a position the duties of which require a license, registration, permit or other
12 authorization under the provisions of this chapter if the individual is either:

13 (a) Not licensed, registered, permitted or otherwise authorized under the provisions of
14 this chapter.

15 (b) Is prohibited from accepting employment from a gaming licensee, principal licensee,
16 or gaming vendor licensee.

17 XVIII. An individual excluded from a gaming location under RSA 284-B:41 shall be guilty of
18 a class A felony if the individual enters a gaming location and wagers, plays, or attempts to play a
19 slot machine or table game at a gaming location.

20 XIX. An individual that engages in illegal conduct relating to the purchase, consumption,
21 possession, or transportation of liquor or malt or brewed beverages in a gaming location commits a
22 non-gambling offense.

23 284-B:7 Powers of the Attorney General.

24 I. Notwithstanding any other provision of law, the attorney general shall have the
25 independent authority, on his or her own motion to take such actions as may be necessary in his or
26 her judgment to ensure compliance with the provisions of this chapter and the rules adopted
27 pursuant thereto.

28 II. The attorney general shall act as legal counsel to the commission.

29 III. The responsibilities of the attorney general shall include, but not be limited to:

30 (a) Perform in a timely manner all background investigations referred by the
31 commission or undertaken on the attorney general's motion in connection with a license,
32 registration, permit or other authorization required pursuant to this chapter.

33 (b) Issue timely reports to the commission in accordance with RSA 284-B:20 expressing
34 an opinion with regard to each person referred for investigation as to whether the person is suitable
35 to hold a gaming license, principal license, key employee license, gaming vendor license, gaming
36 employee registration or non-gaming vendor registration, or other commission required
37 authorization in this state.

1 (c) Prosecute all regulatory violations referred by the commission or undertaken on the
2 attorney general’s motion and all criminal violations under this chapter.

3 (d) Investigate any alleged regulatory violations of this chapter or the rules adopted
4 pursuant thereto upon a referral by the commission.

5 (e) Investigate alleged criminal activity and administrative violations under laws other
6 than this chapter impacting the operation of a gaming location.

7 (f) Receive and act on any referral from the commission, host community, the attorney
8 general’s motion, or other person of a complaint relating to an alleged criminal violation of this
9 chapter.

10 (g) Provide advice and assistance, upon request or on his or her motion, to the
11 commission in the consideration and adoption of rules.

12 (h) Recommend persons to be placed on a list of excluded persons to be maintained by
13 the commission.

14 IV. The commission shall notify the attorney general of any known or suspected criminal
15 activity or administrative violations under law other than this chapter impacting the operation of a
16 gaming location or implementation and enforcement of the provisions of this chapter.
17 Notwithstanding any provisions relating to the confidentiality of any information acquired under
18 this chapter, the commission shall share such information with the attorney general as may be
19 deemed necessary by the attorney general to ensure compliance with the provisions of this chapter.

20 V. The attorney general shall delegate to the commission, by and through its division of
21 gaming control, such law enforcement powers as the attorney general deems are required by the
22 commission to effectuate the purposes of this chapter including, but not limited to, access to records
23 and databases reserved for access by law enforcement.

24 VI. The commission, the division of state police gaming enforcement unit, and the attorney
25 general shall cooperate on the regulatory and criminal implementation and enforcement of this
26 chapter, which shall include cooperation with municipal and county attorney offices and with local
27 law enforcement.

28 284-B:8 Powers of the Division of State Police Gaming Enforcement Unit.

29 I. The commissioner of safety acting through the division of state police gaming enforcement
30 unit established by RSA 21-P:7-d, may take such actions as may be necessary in his or her judgment
31 to fulfill the responsibilities of the division of state police under this chapter and the rules adopted
32 pursuant thereto.

33 II. The division of state police gaming enforcement unit shall have primary law enforcement
34 authority over the gaming floor and restricted areas in the gaming location. It shall have concurrent
35 law enforcement authority over all other areas of the gaming location with the local law enforcement
36 agency having the primary enforcement responsibility.

37 III. The division of state police and its gaming enforcement unit shall:

1 (a) Ensure the timely processing of fingerprints and criminal history record checks in
2 connection with a license, registration, permit or other authorization required pursuant to this
3 chapter.

4 (b) Notwithstanding RSA 106-B:15, investigate alleged criminal activity and criminal
5 violations involving the gaming floor and restricted areas of a gaming location.

6 (c) Notwithstanding RSA 106-B:15, receive and investigate with regard to any referral
7 by the commission, a host community or other person relating to alleged criminal activity and
8 criminal violations involving the gaming floor and restricted areas of a gaming location.

9 (d) Participate in any hearing conducted by the commission.

10 (e) Provide advice and assistance, upon request or on his or her motion, to the
11 commission in the adoption of rules.

12 (f) Recommend, with respect to persons to be placed on a list of excluded persons to be
13 maintained by the commission.

14 (g) Discharge other responsibilities as may be provided in law.

15 III. The division of state police gaming enforcement unit shall be present at a gaming
16 location, at such times, under such circumstances, and to such extent as it deems appropriate to
17 fulfill its responsibilities under this chapter. Provision of on site office space to accommodate the
18 gaming enforcement unit shall be provided as an element of an operation certificate under RSA 284-
19 B:32 of this chapter.

20 IV. The commission shall notify the division of state police gaming enforcement unit of any
21 known or suspected criminal law violations that are related in any way to implementation and
22 enforcement of the provisions of this chapter. Notwithstanding any provisions relating to the
23 confidentiality of any information acquired under this chapter, the commission shall share such
24 information with the division of state police gaming enforcement unit as may be deemed necessary
25 by the commissioner of safety to ensure compliance with the provisions of this chapter.

26 V. The commission, the division of state police gaming enforcement unit and the attorney
27 general shall cooperate on the regulatory and criminal implementation and enforcement of this
28 chapter, which efforts shall include cooperation with municipal and county attorney offices and with
29 local law enforcement.

30 284-B:9 Rulemaking.

31 I. The commission shall adopt rules under RSA 541-A necessary to meaningfully and
32 efficiently regulate slot machine and table game operations and to implement, administer and
33 enforce a comprehensive regulatory scheme which shall include, but not be limited to rules relevant
34 to:

35 (a) Methods, content, and forms, consistent with RSA 284-B:17, pertaining to the
36 application to be completed by a gaming applicant and an applicant for any other license,
37 registration, permit and or authorization issued pursuant to this chapter.

1 (b) The form for delivery of an application pursuant to this chapter.

2 (c) Procedures for fingerprinting of an individual gaming applicant and an individual
3 applicant for any other license, registration, permit and or authorization awarded, issued, or
4 accepted pursuant to this chapter.

5 (d) Systems and methods for controlling access to a gaming floor and restricted areas
6 within a gaming location and for ensuring the safety and security of a gaming location and a gaming
7 licensee’s players, employees, and invitees.

8 (e) Methods for notifying a gaming applicant and an applicant for any other license,
9 registration, permit and or authorization, issued pursuant to this chapter.

10 (f) The time allotted to the attorney general to conduct and report to the commission on
11 a background investigation related to an applicant for a principal license, key employee license,
12 gaming vendor license, or other license under this chapter. The rules shall balance the efficient
13 administration of the licensing process with the need to ensure licenses are issued to person meeting
14 the suitability standards of this chapter. The rules shall be developed after consultation with the
15 attorney general and the division of state police.

16 (g) Disqualification and rehabilitation standards applicable to an applicant for a gaming
17 employee registration, non-gaming employee permit, or non-gaming vendor registration.

18 (h) Procedures, consistent with RSA 284-B:22, addressing the decision of the commission
19 on a gaming license application including, but not limited to:

20 (1) Administrative procedures applicable to the conduct of a gaming license hearing.

21 (2) Rules relating to:

22 (A) Content of the statement of conditions appended to a gaming license;

23 (B) Annual reporting to the commission with regard to compliance; and

24 (C) Consequences for non-compliance with the statement of conditions.

25 (3) Rules relating to the renewal of a gaming license.

26 (4) Criteria for evaluating an application for a gaming license consistent with this
27 chapter.

28 (5) Standards for monitoring and enforcing conditions placed by the commission on a
29 gaming license; and

30 (6) Procedures for monitoring and enforcing a gaming licensee’s compliance with its
31 capital investment commitment.

32 (i) Licensing procedures, consistent with RSA 284-B:17, VII, addressing a principal
33 license including, but not limited to:

34 (1) A system of classification and standard of review for principals;

35 (2) An application and review process and time frame;

36 (3) Application, investigation, and renewal fees consistent with the annual fee
37 schedule adopted and published by the commission;

- 1 (4) A waiver process;
- 2 (5) Administrative procedures applicable to the conduct of hearings related to a
3 principal license including, but not limited to:
- 4 (A) Rules of evidence;
- 5 (B) Notice requirements; and
- 6 (C) Rules permitting an applicant to raise an objection to the conduct of a
7 hearing procedure, process, or ruling of the commission;
- 8 (6) Rules relating to the renewal of a principal license;
- 9 (7) An abbreviated investigative process under RSA 284-B:20 applicable to a
10 principal license granted pursuant to this chapter;
- 11 (j) Licensing procedures, consistent with RSA 284-B:25, addressing individuals employed
12 by a gaming applicant or gaming licensee including, but not limited to:
- 13 (1) A system of classification for individuals employed by a gaming licensee;
- 14 (2) Application, investigation, and review processes and time frames;
- 15 (3) Application, investigation, and renewal fees for each category of license,
16 registration, or permit consistent with the annual fee schedule adopted and published by the
17 commission;
- 18 (4) Standards of review;
- 19 (5) Administrative procedures applicable to the conduct of hearings related to a key
20 employee license, gaming employee registration, and non-gaming employee permit;
- 21 (6) Procedures, if determined by the commission to be appropriate, for issuance of a
22 temporary key license, gaming employee registration, non-gaming employee permit, or other
23 employee authorization;
- 24 (7) Rules relating to the renewal of a license, registration, or permit; and
- 25 (8) An abbreviated investigative process, consistent with RSA 284-B:20, applicable to
26 any license, registration, permit, or employee authorization granted pursuant to this chapter other
27 than a competitively awarded gaming license where abbreviated licensing shall not be available.
- 28 (k) Licensing procedures, consistent with RSA 284-B:29, addressing persons doing
29 business with a gaming applicant or gaming licensee including, but not limited to:
- 30 (1) A system of classification for persons doing business with a gaming applicant or
31 licensee;
- 32 (2) An application, investigation and review process;
- 33 (3) Application, investigation, and renewal fees for each category of license or
34 registration consistent with the annual fee schedule adopted and published by the commission;
- 35 (4) Exemption criteria and processes;
- 36 (5) Interim authorization and emergency authorization processes;
- 37 (6) Standards of review;

1 (7) Administrative procedures applicable to the conduct of hearings related to a
2 gaming vendor license and non-gaming vendor registration; and

3 (8) An abbreviated investigative process under RSA 284-B:20 applicable to any
4 license, registration, or authorization granted pursuant to this section.

5 (l) The issuance, suspension and revocation of an operation certificate pursuant to this
6 chapter and the approval of a temporary gaming location.

7 (m) The submission, content of, acceptance by the commission and amendment of a
8 gaming licensee’s system of internal controls.

9 (n) The maintenance and retention of a licensee’s books, records, and documents.

10 (o) The prohibition on credit and to play with credit cards and debit cards.

11 (p) The provision of complimentary services.

12 (q) Betting limits and disclosure requirements applicable to a cashless wagering system.

13 (r) Disclosure requirements applicable to a player tracking system.

14 (s) Tips and gratuities.

15 (t) Exclusion of individuals under the age of 21 from a gaming location.

16 (u) Exclusion of individuals from a gaming location.

17 (v) Self-exclusion of individuals from a gaming location.

18 (w) Comprehensive, New Hampshire specific technical standards and requirements
19 applicable to gaming equipment including, but not limited to:

20 (1) Receipt, review, distribution, and the commission approval process associated
21 with the certification reports issued by independent testing laboratories pursuant to paragraphs V
22 and VI of this section;

23 (2) If the commission elects to employ a central computer system, the
24 communications protocol and technical standards for such system;

25 (3) Mechanical and electrical reliability of slot machines and associated equipment;

26 (4) Security features preventing tampering with slot machines and associated
27 equipment;

28 (5) Comprehensibility to the player of wagering options and rules of play;

29 (6) Noise and light levels generated by slot machines;

30 (7) Design features necessary to ensure the accurate recording of transactions, to
31 protect a player from fraud or deception, and to minimize any potential negative consequences
32 associated with the play of a slot machine including, but not limited to:

33 (A) A prohibition on the use of reflexive software which, for the purposes of this
34 section, shall be defined as any software that has the ability to manipulate and/or replace a
35 randomly generated outcome for the purposes of changing the result on a slot machine;

36 (B) A requirement that a slot machine utilize one, or a combination of more than
37 one random number generators working collectively, to determine the occurrence of a specific card,

1 number, symbol, or stop;

2 (C) A requirement that once a random selection has occurred that the slot
3 machine display an accurate representation of the randomly-selected outcome and that it be
4 prohibited from making a secondary decision which affects the result shown to the player on the slot
5 machine; and

6 (D) A requirement that where a slot machine includes a strategy choice, meaning
7 that a particular play option requires use of skill to consistently achieve the best result, that the slot
8 machine include in its rules of play mathematically sufficient information for a player to use optimal
9 skill unless the player is not required to make an additional wager and cannot lose any credits
10 earned prior to the strategy choice.

11 (8) Slot machine and table game circulation and density requirements;

12 (9) Progressive slot machines including multi-casino progressive systems;

13 (10) Review processes and product approval standards related to table game devices;

14 (11) Rules of the game for each table game permitted under this chapter;

15 (12) Review processes and testing and approval standards applicable to variations or
16 composites of table games; and

17 (13) Physical and logical access to computer systems, including but not limited to,
18 systems meeting the definition of associated equipment and the location of the primary and back-up
19 system attendant to each.

20 (x) The payout percentage of a slot machine.

21 (y) Minimum and maximum wagers and content of a gaming guide.

22 (z) Gaming ticket expiration, unclaimed tickets, cash and prizes.

23 (aa) The collection of any fee, tax, penalty, or interest required to be collected pursuant
24 to the provisions of this chapter.

25 (bb) The adoption of an annual fee schedule specifying application, investigation, and
26 renewal fees that are not expressly specified in this chapter and that relate to any license,
27 registration, permit, or authorization awarded, issued, or accepted pursuant to this chapter, which
28 fee schedule shall cover the reasonable costs associated with processing an application or renewal or
29 conducting an investigation, including the criminal history record check and any background
30 investigation required under this chapter.

31 (cc) Financial reports required to be submitted by a gaming licensee and the timing on
32 the submission of and form thereof.

33 (dd) The submission to the commission of an annual audit prepared by a certified public
34 accountant licensed to do business in this state attesting to the financial condition of a licensee
35 accompanied by such reports and opinions as the commission shall require.

36 (ee) Rules applicable to advertising by or on behalf of a gaming applicant or gaming
37 licensee and the commission's role in the approval thereto designed to:

1 (1) Ensure that advertising is in no way deceptive, that it contains messages
2 identifying sources for help and assistance with problem gambling, and that it promotes the
3 purposes of this chapter; and

4 (2) Ensure that any advertising plan developed and implemented by a gaming
5 applicant or gaming licensee is consistent with the department of resources and economic
6 development's program of information and publicity to attract tourists, visitors, industrial concerns,
7 and other interested persons from outside the state to the state of New Hampshire, to publicize the
8 family-friendly attributes and natural beauty of the state, and to encourage, coordinate, and
9 participate in the efforts of other public and private organizations or groups of citizens in order to
10 publicize the facilities, industrial advantages, and other attractions of the state for the same
11 purposes.

12 (ff) If the commission elects to employ a central computer system, rules establishing a
13 process for selecting and licensing a provider of a central computer system.

14 (gg) Establishing a process pursuant to which an independent testing laboratory
15 establishes that it meets the criteria required by this chapter to offer services in this state.

16 (hh) The qualifications of, and the conditions pursuant to which state licensed attorneys,
17 engineers, accountants, and others shall be permitted to practice before the commission or to submit
18 materials on behalf of any applicant, licensee, registrant, or permittee provided, however, that no
19 member of the legislature, nor any firm with which said member is associated, shall be permitted to
20 appear or practice or act in any capacity whatsoever before the commission regarding any matter
21 whatsoever, nor shall any member of the immediate family of the governor or of a member of the
22 legislature be permitted to so practice or appear in any capacity whatsoever before the commission
23 regarding any matter whatsoever, provided, however, that the commission may provide by rule for
24 the waiver of these prohibitions for an immediate family member or firm with which said member is
25 associated based on full disclosure of the nature of the practice or appearance and a finding that a
26 potential conflict is minimal or non-existent.

27 (ii) The conditioning, suspension or revocation of a gaming license and any other license,
28 registration, permit or authorization awarded, issued or accepted pursuant to this chapter.

29 (jj) Hearings before the commission pertaining to an alleged regulatory violation and
30 sanctions and penalties applicable thereto.

31 (kk) Requiring a gaming applicant, gaming licensee, and principal licensee to comply
32 with state and local building codes, local zoning ordinances and bylaws, and any other applicable
33 land use regulations.

34 (ll) Ensuring that all employees of a gaming licensee are properly trained in their
35 respective duties and responsibilities.

36 (mm) The conduct of junkets and conditions of junket agreements between a gaming
37 licensee and a junket representative.

1 (nn) Providing for the monitoring and enforcement of representations and commitments
2 made by a gaming licensee in its license application, including, but not limited to, representations
3 and commitments made pursuant to RSA 284-B:17, IV(f) relative potential negative consequences
4 associated with gambling and the operation of its gambling location.

5 (oo) Providing for the implementation of problem gambling, public health, and related
6 research strategies consistent with applicable provisions of this chapter.

7 (pp) Criteria to be applied by the commission in determining whether a live
8 entertainment venue is impacted and establishing standards for monitoring and enforcing a gaming
9 licensee's agreement with an impacted live entertainment venue, provided, however, that in
10 adopting such rules the commission shall require the consideration of factors which include, but are
11 not limited to, the venue's distance from the gaming location, venue capacity, and the type of
12 performances offered by that venue.

13 (qq) The completeness review applied to an application for a principal license, key
14 employee license, gaming employee registration, non-gaming employee permit, gaming vendor
15 license, non-gaming vendor registration, or other authorization filed with the commission.

16 (rr) Requiring a gaming licensee to update certain enumerated information in its
17 application to the commission at least one time during the 10 year duration of a gaming license and
18 rules consistent therewith for other licensees, registrants, and permittees if deemed appropriate.

19 (ss) The appointment of a conservator to temporarily manage and operate the business
20 of a suspended or revoked gaming licensee.

21 (tt) Notice of, and commission approval of, a transfer of an interest in a gaming license, a
22 gaming licensee, or gaming location including, but not limited to, a transfer of an interest in a
23 gaming license, gaming licensee, or gaming location not meeting the principal licensing threshold of
24 RSA 284-B:24.

25 (uu) Amounts related to expired tickets and unclaimed cash and winnings reverting to
26 the state.

27 (vv) The power of the commission to delegate its authority to perform any of its functions
28 under this chapter or the regulations adopted pursuant thereto to an employee of the commission,
29 which rules shall include, but not be limited to, a right of appeal to the commission where a
30 delegated action is to be deemed the final action of the commission, provided, that a commission
31 action shall thereafter be subject to review in accordance with the procedures specified in RSA 284-
32 B:25, XIII and RSA 284-B:25, XIV, and provided further that the commission shall not delegate its
33 power to issue rules.

34 (ww) Commission approval of a management contract.

35 II. The commission shall initiate the rulemaking process immediately upon the effective
36 date of this chapter.

37 III. A request for applications under RSA 284-B:17 shall not occur prior to adoption of

1 licensing rules. Operating rules shall not be prerequisite to a request for applications.

2 IV. A license, registration, or permit, including a gaming license, shall not be issued prior to
3 the adoption of, at a minimum, licensing and operating rules.

4 284-B:10 Central Computer System.

5 I. Pursuant to an open competitive bidding process conducted in accordance with the
6 provisions of RSA 21-I, the commission may acquire and operate a central computer system into
7 which all slot machines shall be connected.

8 II. Any central computer system acquired and operated by the commission shall be capable
9 of:

10 (a) Continuously monitoring, retrieving, and auditing the operations, financial data, and
11 program information of all slot machines.

12 (b) Allowing the commission to account for all money inserted in and payouts made from
13 a slot machine.

14 (c) Disabling from operation or play a slot machine as the commission deems necessary
15 to carry out the provisions of this chapter.

16 (d) Supporting and monitoring a progressive jackpot system capable of operating one or
17 more progressive jackpots.

18 (e) Providing any other function that the commission considers necessary.

19 III. The central computer system shall employ a widely accepted gaming industry
20 communications protocol, as approved by the Gaming Standards Association, to facilitate the ability
21 of slot machine manufacturers to communicate with the central computer system.

22 IV. Except as provided in paragraph II(b), the commission shall not permit a gaming
23 licensee to have access to, or obtain information from, the central computer system unless it
24 determines that such access does not in any way affect the integrity or security of the central
25 computer system and is relevant to the legitimate operation of its slot machines.

26 284-B:11 Records; Confidentiality.

27 I. The commission shall keep and maintain a list of all applications it receives under this
28 chapter together with a record of each action taken with respect to an applicant. Except as provided
29 in paragraph IV of this section, a file, including the criminal records of an applicant under this
30 chapter and the record of the actions of the commission shall be open to public inspection provided,
31 however, that information regarding an applicant whose license, registration, or permit has been
32 denied, revoked, or not renewed shall be removed from the list after 5 years from the date of such
33 action.

34 II. The commission shall publish on the commission's Internet website a complete list of all
35 persons who applied for or hold a license, registration, permit, or other authorization pursuant to
36 this chapter during the preceding calendar year including principal licensees thereof and the status
37 of the application or license, registration, permit, or other authorization, provided, however, that

1 information regarding an applicant whose license, registration, or permit has been denied, revoked,
2 or not renewed shall be removed from the list after 5 years from the date of such action.

3 III. The commission shall maintain such other files and records as the commission
4 determines are necessary. All records maintained by the commission may be maintained in digital
5 or other format, provided that such information can be produced in written form upon the request of
6 the commission.

7 IV. All personal, financial, and proprietary information and data of a gaming applicant,
8 gaming licensee or applicant for, or holder of any other license, registration, permit, or other
9 authorization pursuant to this chapter including its principals and key employees, other than their
10 criminal records, required by the commission to be furnished to it, or which may otherwise be
11 obtained, shall be considered confidential and shall not be disclosed except in the course of the
12 necessary administration of this chapter, or upon the lawful order of a court of competent
13 jurisdiction, or, with the approval of the attorney general, to a duly authorized law enforcement
14 agency. Notwithstanding this paragraph, the division of state police, the commission, and the
15 attorney general may share information as is appropriate under this chapter.

16 V. For the purposes of this section, the proprietary information and data of a gaming
17 applicant or gaming licensee shall include, but not be limited to, marketing and player incentive
18 business intelligence and plans, security and surveillance procedures and protocols, the internal
19 controls required under RSA 284-B:33, all operations related submissions required by the
20 commission to be furnished to it under this chapter, and any other information or documentation
21 designated as proprietary by the commission.

22 VI. All records, information, or data maintained or kept by the commission shall be
23 maintained or kept at the office of the commission or another site designated by the commission for
24 that purpose.

25 VII. Notice of the contents of any information or data to be released consistent with
26 paragraph IV of this section, except to a duly authorized law enforcement agency, shall be given to
27 the person that is the subject of the release in a manner prescribed by the rules adopted by the
28 commission so that the applicant or licensee has the opportunity to object to such release.

29 VIII. With regard to meetings, minutes, and records of the commission, the commission shall
30 notice all proceedings and shall make and keep a record of all proceedings held at public meetings of
31 the commission. A verbatim transcript of those proceedings shall be prepared by the commission
32 upon the request of any commissioner or upon the request of any other person and the payment by
33 that person of the costs of preparation. A copy of the transcript shall be made available to any
34 person upon request and payment of the costs of preparing the copy.

35 284-B:12 Employees and Contractors.

36 I. The commission, the attorney general, and the division of state police gaming enforcement
37 unit may from time to time contract for such legal, financial, economic, or security consultants, and

1 any other technical and professional services as it deems necessary for the discharge of its duties
2 under this chapter.

3 II. The commission may employ certain assistants, and contract with certain individuals or
4 entities experienced in the regulation of gaming to carry out the provisions of this chapter. Such
5 assistants and employees shall receive compensation at rates to be established by the department of
6 administrative services, division of personnel.

7 284-B:13 Annual Report to the General Court.

8 I. No later than November 1 of each calendar year, the commission shall provide a report to
9 the fiscal committee of the general court regarding the generation of revenues of slot machines and
10 table games by a gaming licensee.

11 II. The legislative budget assistant, and any expert consultants hired to assist the legislative
12 budget assistant in carrying out his or her duties, shall have access to any information, including
13 confidential information, the legislative budget assistant may request for the purpose of conducting
14 audits of the commission pursuant to RSA 14:31-a. If the legislative budget assistant or any expert
15 consultant requires access to confidential information, the commission shall furnish the information
16 and the legislative budget assistant or any expert consultant shall be subject to the same restrictions
17 and penalties regarding the disclosure of the information as the original custodian of the
18 information. This paragraph shall not be construed to authorize disclosure to any member of the
19 legislature. Any confidential information provided to the legislative budget assistant under this
20 section shall be subject to the provisions of RSA 14:31, IV.

21 284-B:14 Number of Gaming Licenses.

22 I. The commission shall award not more than one category 1 gaming license and not more
23 than one category 2 gaming license, as defined in paragraphs II and III of this section, for 2 separate
24 gaming locations.

25 II. The category 1 license shall authorize:

26 (a) The operation of not more than 160 table games, provided that the licensee's
27 application shall propose operation of at least 80 table games; and

28 (b) The operation of no more than 3,500 slot machines, provided that the licensee's
29 application shall propose operation of at least 2,000 slot machines.

30 III. The category 2 license shall authorize:

31 (a) The operation of no more than 80 table games, provided that the licensee's
32 application shall propose operation of at least 25 table games; and

33 (b) The operation of no more than 1,500 slot machines, provided that the licensee's
34 application shall propose operation of at least 750 slot machines.

35 IV. No entity shall hold both the category 1 and category 2 licenses.

36 V. There shall be a moratorium on the issuance of any gaming licenses in addition to the 2
37 authorized by this section for a period of 10 years from the date of the issuance of the category 2

1 licensee. Thereafter, the commission shall not be given the authority to issue any additional licenses
2 unless the issuance of such licenses is approved by a 2/3 vote of both houses of the general court.

3 284-B:15 Procedures for Adoption by Local Community.

4 I. Any municipality desiring to permit a gaming location may adopt the provisions of
5 RSA 284-B to allow the operation of slot machines and table games at a specific location in the
6 following manner:

7 (a) In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the
8 questions shall be placed on the warrant of an annual or special town meeting, by the governing
9 body or by petition pursuant to RSA 39:3.

10 (b) In a city or town that has adopted a charter pursuant to RSA 49-C or RSA 49-D, upon
11 request of a gaming applicant to authorize the operation of slot machines and table games at a
12 specific location within the municipality in accordance with the provisions of RSA 284-B, the
13 governing body shall place the question on the ballot to be voted upon at the next regularly
14 scheduled municipal or biennial election unless such election is more than 90 days from the request.
15 In such circumstance, the governing body shall place the question on the ballot for a special election
16 called for the purpose of voting on said question and which special election shall occur within 75 days
17 after the request is made. Such special election shall be held at the usual ward polling places by the
18 regular election officials.

19 (c) In any unincorporated place, and notwithstanding any other provision of law to the
20 contrary, upon the request of a gaming applicant to authorize the operation of slot machines and
21 table games at a specific location within the unincorporated place to either the moderator of the
22 unincorporated place if the unincorporated place is organized to vote pursuant to RSA 668:1, or the
23 clerk of the designated town if the unincorporated place is not organized for voting as provided in
24 RSA 668:2, the moderator or the clerk shall place the question on the ballot to be voted upon at the
25 next regularly scheduled biennial election. The ballot shall be given to the individuals who are
26 domiciled in such unincorporated place who are registered to vote.

27 (d) If a majority of those voting on the question vote “Yes,” RSA 284-B shall apply in
28 such town or city and the operation of slot machines and table games shall be permitted at a specific
29 location within such town, city, or unincorporated place in accordance with RSA 284-B. If a majority
30 of those voting on the question vote “No” the question may be voted on at a subsequent time in
31 accordance with this section provided, however, the town may consider the question at no more than
32 one special meeting and the annual town meeting in the same calendar year after a “No” vote. A city
33 or town subject to subparagraph I(b) may consider the question at no more than one special election
34 and a regular municipal or biennial election in the same calendar year after a “No” vote.

35 (e) The wording of the question shall be substantially as follows: “Shall we adopt the
36 provisions of RSA 284-B allowing the operation of slot machines and table games at [insert the name
37 of the proposed gaming location] located within the [insert name of town, city, or unincorporated

1 place]”?

2 II. When a gaming applicant requests a town, city, or unincorporated place to act under
3 paragraph I, the gaming applicant shall pay all costs associated with carrying out the actions under
4 this section.

5 284-B:16 Gaming License Authorization; Hours of Operation.

6 I. A gaming license issued by the commission shall authorize an applicant to possess,
7 conduct and operate slot machines and table games at a gaming location.

8 II. A gaming licensee may operate up to 24 hours a day on every day of the year with a
9 gaming day commencing at 6:00 AM and ending at 5:59 AM.

10 III. A gaming licensee may operate only on the days and during the hours authorized by the
11 commission in the operation certificate issued pursuant to RSA 284-B:32.

12 284-B:17 Gaming License Application Requirements.

13 I. The commission shall issue a request for applications:

14 (a) For a category 1 gaming license within 30 days of the adoption of licensing rules in
15 accordance with RSA 284-B:9, IV; and

16 (b) For the category 2 license within one year after the issuance of the request for
17 applications for the category 1 license. The request for applications shall require all gaming license
18 applications to be submitted to the commission no later than 120 days after the publication of the
19 request, provided, however, that an applicant who has paid the full application and investigation
20 fees required by RSA 284-B:18 may receive one extension of up to 30 days upon a finding of good
21 cause shown by the commission. Applications received after the deadline shall not be reviewed by
22 the commission. The commission shall approve, approve with conditions, or deny all applications
23 submitted in accordance with the provisions of this chapter and any applicable rules promulgated by
24 the commission.

25 II. Requests for applications pursuant to paragraph I of this section shall be advertised in a
26 newspaper of general circulation in the state, in Commerce Business Daily or an equivalent
27 publication, and on the official internet website of the commission.

28 III. An applicant for a gaming license shall submit the following documentation, as
29 reasonably applicable to status as an individual, corporation, limited liability company or other form
30 of business enterprise, for consideration by the commission.

31 (a) A fully executed and complete application on forms prescribed by the commission
32 which may include, but need not be limited to, a multi-jurisdictional personal history and/or business
33 entity disclosure form and any New Hampshire supplements to those forms. An application shall be
34 deemed complete in accordance with RSA 284-B:19.

35 (b) The application shall include any and all information requested by the commission
36 including, but not limited to, information regarding:

37 (1) The applicant’s criminal history including a sworn statement with regard to all

1 arrests and citations for non-traffic offenses that includes, at a minimum, a description of the
2 circumstances surrounding the arrest or issuance of the citation, the specific offense charged and the
3 ultimate disposition of the charge, including details of any dismissal, plea bargain, conviction,
4 sentence, pardon, expungement, or other order or disposition;

5 (2) Fingerprints for each individual applicant and a written consent for a criminal
6 history record check for the applicant;

7 (3) All civil actions, including bankruptcy filings, to which the applicant was a party
8 during the past 10 years; including, but not limited to, actions resulting in a civil judgment;

9 (4) Information and documentation demonstrating by clear and convincing evidence
10 the applicant's financial stability including, but not limited to, bank references, business and
11 personal income and disbursement schedules, tax returns and other reports and actions filed with
12 government agencies, details with regard to any bankruptcy filing, whether or not dismissed,
13 business and personal accounting check records and ledgers, and other relevant source documents
14 covering at least the 10 year period immediately prior to the date of filing of the application;

15 (5) Information and documentation demonstrating by clear and convincing evidence
16 the applicant's good character, honesty and integrity including, but not limited to, information
17 pertaining to family, habits, character, reputation, criminal history, business activities, financial
18 affairs, and business, professional, and personal associates, covering at least the 10-year period
19 immediately prior to the date of filing of the application;

20 (6) Information and documentation with regard to all contributions, donations,
21 loans, or any other financial transactions to or from a gaming entity or operator in the past 5 years;

22 (7) Full name, address, date of birth, a photograph, and other personal identifying
23 information; and

24 (8) Such other information as the commission shall deem relevant to its
25 consideration of the application including documentation and information that predates the 10-year
26 period immediately prior to the date of filing of the application.

27 IV. An applicant for a gaming license shall also submit the following documentation, as
28 reasonably applicable to status as an individual, corporation, limited liability company, or other form
29 of business enterprise, for consideration by the commission:

30 (a) Information and documentation demonstrating by clear and convincing evidence that
31 the applicant has sufficient business ability and experience to establish and maintain a successful
32 gaming operation, including, but not limited to, information demonstrating the experience of the
33 applicant in developing, constructing, and managing a gaming operation.

34 (b) Information and documentation in the form of a payment bond, letter of credit,
35 guaranty of private equity, or other funds which demonstrate cash and reserve availability
36 supporting the applicant's ability to pay the license fee required pursuant to this chapter.

37 (c) If the applicant held or holds a gaming license in another jurisdiction that fact shall

1 be disclosed to the commission and the applicant shall submit a letter of reference as appropriate
2 from the relevant gaming enforcement or control agency which sets forth the experience of that
3 agency with the applicant and the gaming operation with which the applicant was or is associated.
4 If no letter of reference is issued and received within 30 days of a written request, a statement under
5 oath that the person is or was during the period of licensure in good standing with the relevant
6 gaming enforcement or control agency may be substituted in lieu of a letter of reference.

7 (d) If directed to do so by the commission, an application to any federal or state agency
8 deemed appropriate by the commission for agency records pertaining to the applicant under the
9 Freedom of Information Act (5 U.S.C. sec. 552) and the subsequent provision of the complete record
10 received from said agency, provided, however, that nothing shall preclude the commission from
11 awarding or issuing a license prior to receipt of any information so requested.

12 (e) Documentation to support the applicant's ability to pay, exchange, refinance, or
13 extend debts, including long-term and short-term principal and interest and capital lease
14 obligations, which will mature or otherwise come due and payable during the gaming license term, or
15 to otherwise manage such debts and any default with respect to such debts.

16 (f) Documentation supporting the applicant's recognition of its obligation to identify,
17 address, and minimize any potential negative consequences associated with gambling and the
18 operation of its gaming location including, but not limited to, the following:

19 (1) Demonstration of an adequately funded commitment to combat problem
20 gambling to include efforts directed at prevention, intervention, treatment, and research;

21 (2) Provision of rent free on-site space for an independent substance abuse and
22 mental health counseling service to be selected by the commission;

23 (3) Commitment to the prominent display throughout the gaming location of
24 information on the signs of problem gambling and how to access assistance;

25 (4) Commitment to the full implementation of the exclusion and self-exclusion rules
26 promulgated by the commission;

27 (5) Maintenance of a smoke-free environment within enclosed places within the
28 gaming location consistent with RSA 155:66;

29 (6) Commitment to the full implementation of other problem gambling and public
30 health strategies deemed appropriate by the commission; and

31 (7) Commitment to the full implementation of procedures and controls precluding
32 the offer of alcoholic beverages free of charge for consumption at the gaming location; and

33 (8) Commitment to the operation of a gaming location that provides or facilitates the
34 availability of childcare services to employees but does not provide for or facilitate such services for
35 the convenience of players.

36 (g) A workforce development plan that advances job growth, positive economic
37 development and fulfills the related purposes of this chapter by:

1 (1) Incorporating an affirmative action program pursuant to which the applicant
2 guarantees to provide equal opportunities to all persons qualified for licensure, registration, or
3 permitting in all employment categories, including persons with disabilities;

4 (2) Providing outreach to, and maximizing use of, the state’s existing labor force and
5 requiring an accurate estimate and encouragement of, the utilization of the existing labor force in
6 New Hampshire;

7 (3) Providing an accurate estimate of the number of construction jobs the gaming
8 location will generate;

9 (4) Providing an equal opportunity plan for construction jobs, as delivered by a
10 contractor or subcontractor, that includes specific goals for utilization of women, minorities, and
11 veterans;

12 (5) Identifying and describing workforce training programs to be offered by the
13 applicant or its agents;

14 (6) Addressing the applicant’s plan for providing childcare for children of employees;

15 (7) Providing a plan for funding and maintaining hiring, training, and management
16 practices that promote the development of a skilled and diverse workforce;

17 (8) Providing a plan to achieve business participation by women, minorities, and
18 veterans; and

19 (9) Identifying a method for assessing on an annual basis the applicant’s compliance
20 with its workforce development plan and the submission of a written assessment to the commission;
21 and

22 (h) Such other information as the commission shall deem relevant to its consideration of
23 the application.

24 V. An applicant for a gaming license shall also submit to the commission the following
25 documentation regarding the gaming location and gaming operation proposed by the applicant.

26 (a) Evidence that the applicant has obtained local approval in accordance with RSA 284-
27 B:10.

28 (b) Details with regard to the amount and timing of its proposed capital investment,
29 which capital investment must meet or exceed the minimum capital investment requirements
30 established by RSA 284-B:23.

31 (c) A complete description of the proposed gaming location, including architectural
32 renderings, a site plan and proposed gaming floor plan identifying type and number of slot machines
33 and table games, and the names and addresses of the architects, engineers, and designers to be
34 utilized.

35 (d) Documentation as to the assessed value of the land to be developed as a gaming
36 location as of the date of application as well as ownership of the land over the past 10 years,
37 including all interests, options, and agreements related to the land during that period.

1 (e) A timeline on construction that includes details regarding each stage of construction
2 for the gaming location to include a completion date for each stage of construction as well as for
3 infrastructure improvements and representations with regard to the ability of the applicant to
4 comply with statutory, regulatory, and technical standards including, but not limited to, those
5 related to zoning, infrastructure, and environmental considerations applicable to the design and
6 development of the proposed gaming location.

7 (f) A description of the supporting amenities and ancillary entertainment services to be
8 offered at the proposed gaming location, including the number of hotels and rooms, if any,
9 restaurants and other amenities located within the proposed gaming location and how they measure
10 in quantity and quality to other area amenities.

11 (g) The number of employees and independent contractors required to operate the
12 proposed gaming location, including detailed information as to the projected breakdown between full
13 and part time employees and independent contractors and proposed pay ranges and benefit packages
14 for each category of employee or contractor.

15 (h) Documentation to support the applicant’s ability to make necessary capital and
16 maintenance expenditures in a timely manner that are adequate to ensure maintenance of a
17 superior, first-class gaming location.

18 (i) Evidence in the form of completed studies and/or reports issued by independent,
19 recognized experts in the most relevant field to establish how the gaming location and gaming
20 operation proposed by the applicant addresses or impacts the following:

21 (1) The availability of local resources to support services and amenities necessary to
22 accommodate projected guest volume in the form of transportation, regional geography, work force
23 demographics, rooms and meals, utilities, and law enforcement;

24 (2) The immediate and long range financial feasibility of the applicant’s proposed
25 gaming location and operation including a projection of the revenues to be produced by the operation
26 of slot machines and table games at the gaming location, the ability to achieve positive gross
27 operating profit on an annual basis in a specific time frame, and the estimated municipal and state
28 tax revenue to be generated by the gaming location, as supported by an expert experienced in the
29 field of gaming;

30 (3) Economic and environmental benefits to the region and the state from the
31 project, including the ability of the applicant’s proposed gaming location and operation, both in its
32 construction and its operation, to provide new and sustainable jobs for the community and to meet
33 the highest practicable energy efficiency and environmental sustainability standards;

34 (4) The accessibility of the proposed gaming location to public transportation and
35 public highway infrastructures;

36 (5) The ability of the design of the proposed gaming location to enhance tourism and
37 development and to create commercial development opportunities for the community and its

1 compatibility with historic uses, regional branding and local zoning ordinances;

2 (6) The impact on the local and regional community, including:

3 (A) Impact on the local and regional economies, including but not limited to,
4 cultural institutions and small businesses in the host community and surrounding communities; and

5 (B) Costs and benefits to the host and surrounding communities in the form of
6 jobs, revenues, business development, and social issues associated with the gaming location; and

7 (7) Signed agreements between the impacted live entertainment venue and the
8 applicant setting forth the agreement of the parties with regard to mitigation of any potential
9 negative impact resulting from the construction and operation of a licensee live entertainment venue
10 at a gaming location in proximity to the impacted live entertainment venue, provided, however, that
11 the agreement shall include, but not be limited to, terms relating to cross marketing, limitations to
12 exclusivity arrangements with performers, coordination of performance schedules, promotions, and
13 ticket prices.

14 (8) A description of any licensee live entertainment venue proposed, which space
15 shall not have a seating capacity in excess of 1,500 seats; provided that this restriction on seating
16 capacity shall not be applied to limit the attendance at any outdoor event hosted by the facility.

17 (j) Such other information as the commission shall deem relevant to its consideration of
18 the application.

19 VI. If the applicant for a gaming license is a corporation, limited liability company, or other
20 form of business enterprise, the applicant shall also provide or ensure the submission of the
21 following information:

22 (a) The ownership, organization, financial structure, and nature of all businesses
23 operated by the applicant including the name of the state under the laws of which each business is
24 formed and the location of its principal place of business.

25 (b) The names and personal employment and criminal histories of all officers, directors,
26 and key employees of the applicant.

27 (c) The names of all holding, intermediary, and subsidiary companies of the applicant.

28 (d) With regard to any holding, intermediary, or subsidiary company the ownership,
29 organization, financial structure and nature of all businesses operated by each company and, to the
30 extent required by paragraph VII and the rules adopted by the commission, the names and personal
31 employment and criminal histories of all officers, directors and key employees of such holding,
32 intermediary, and subsidiary companies.

33 (e) The rights and privileges acquired by the holders of different classes of authorized
34 securities in the applicant including the names, addresses, and amounts held by all holders of such
35 securities.

36 (f) The terms upon which securities in the applicant have been or are to be offered.

37 (g) Any other indebtedness or security devices utilized by the applicant.

1 (h) The extent of the equity security holdings in the applicant of all officers, directors,
2 and key employees together with their remuneration in the form of salary, wages, fees, or otherwise.

3 (i) A description of all bonus and profit-sharing arrangements.

4 (j) Details with regard to any management or inter-company shared service agreements
5 or functional equivalent thereof.

6 (k) A listing of stock options existing or to be created.

7 (l) Documentation establishing that the applicant and any holding, intermediary or
8 subsidiary company required to qualify in conjunction with the gaming license application pursuant
9 to paragraph VII are qualified to do business in the state of New Hampshire.

10 (m) If a direct or indirect interest in the applicant is a trust, the application shall
11 disclose the names and addresses of all trustees and beneficiaries and shall provide details with
12 regard to their respective interests.

13 (n) Such other information as the commission shall deem relevant to its consideration of
14 the application.

15 VII. All persons associated with a gaming applicant or gaming licensee meeting the
16 definition of a principal in RSA 284-B:2 shall be qualified for licensure in accordance with this
17 chapter in conjunction with a gaming license application.

18 (a) The commission shall adopt rules consistent with this chapter and the efficient
19 administration of the licensing process relating to:

20 (1) A system of classification and standards of review for principals;

21 (2) An application and review process and time frame;

22 (3) Application, investigation, and renewal fees consistent with the annual fee
23 schedule adopted and published by the commission;

24 (4) A waiver process;

25 (5) Administrative procedures applicable to the conduct of hearings related to a
26 principal license including, but not limited to:

27 (A) Rules of evidence;

28 (B) Notice requirements; and

29 (C) Rules permitting an applicant to raise an objection to the conduct of a
30 hearing procedure, process or ruling of the commission;

31 (6) Rules relating to the renewal of a license;

32 (7) An abbreviated licensing process under RSA 284-B:20 of this chapter applicable
33 to any license, registration, permit, or employee authorization granted pursuant to this section;

34 (8) Such other procedures as are necessary to efficiently implement and administer
35 this paragraph.

36 (b) A principal license issued pursuant to this chapter shall expire 5 years from the date
37 of issuance subject to renewal pursuant to this chapter.

1 (c) An individual required to qualify and be licensed as a principal pursuant to this
2 paragraph shall be required, at a minimum, to establish by clear and convincing evidence his or her
3 qualification in accordance with the standards applicable to a key employee under this chapter with
4 the exception of any requirement related to residency.

5 (d) A person other than an individual required to qualify and be licensed as a principal
6 pursuant to this paragraph shall be required, at a minimum, to establish by clear and convincing
7 evidence financial stability, good character, honesty, and integrity to the same standard as a gaming
8 licensee.

9 (e) The commission may waive a principal license requirement pursuant to this
10 paragraph for a person directly or indirectly holding more than a 5 percent ownership interest in the
11 securities in a publically traded company upon a showing by the person seeking the waiver that they
12 do not have the ability to elect one or more members of the board of directors of a gaming applicant
13 or gaming licensee or to otherwise manage, control, influence, or affect the affairs or operations of a
14 gaming applicant or gaming licensee or its holding, intermediary, or subsidiary company.

15 (f) The commission may waive a principal license requirement pursuant to this
16 paragraph for an institutional investor holding up to 15 percent of the stock of a gaming applicant or
17 gaming licensee upon a showing by the person seeking the waiver that the applicant purchased the
18 securities for investment purposes only and does not have the ability to, or the intention of,
19 managing, controlling, or otherwise influencing or affecting the affairs or operations of a gaming
20 applicant or gaming licensee or its holding, intermediary, or subsidiary company. An institutional
21 investor granted a waiver that subsequently determines to manage or control or to take an action
22 that potentially influences or affects the affairs or operations of an applicant or gaming license or its
23 holding, intermediary or subsidiary company shall be licensed under this chapter before the
24 institutional investor takes such action. The commission may, at any time, make a determination
25 that an institutional investor is in a position to control, manage, or otherwise influence or affect a
26 gaming applicant or gaming licensee and, on that basis, may require an institutional investor,
27 regardless of the extent of the ownership interest, to be licensed as a principal under this chapter.

28 (g) The commission may waive a principal license requirement pursuant to this
29 paragraph in accordance with rules adopted by the commission requiring a showing that the person
30 seeking the waiver does not have the ability to, or the intention of, managing, controlling, or
31 otherwise influencing or affecting the affairs or operations of a gaming applicant or gaming licensee
32 or its holding, intermediary, or subsidiary company. In no event, however, shall the commission
33 waive the requirements of this paragraph for a person holding more than 15 percent of a gaming
34 applicant or gaming licensee.

35 VIII. An applicant for a principal license shall submit the following documentation, as
36 reasonably applicable to status as an individual, corporation, limited liability company, or other form
37 of business enterprise, for consideration by the commission:

1 (a) A description of the relationship triggering the requirement to be licensed as a
2 principal under paragraph VII.

3 (b) A fully executed and complete application on forms prescribed by the commission.
4 An application shall be deemed complete in accordance with RSA 284-B:19.

5 (c) All documentation, fingerprints and consents required of a gaming license applicant
6 under paragraph III.

7 (d) All documentation required of a gaming license applicant under subparagraph IV(a).

8 (e) The documentation related to a similar gaming license, registration, permit, or other
9 authorization required of a gaming licensee applicant under subparagraph IV(c).

10 (f) Where applicable, all documentation required of a gaming license applicant under
11 paragraph VI.

12 (g) Such other information as the commission shall deem relevant to its consideration of
13 the application.

14 IX. The hearing, decision, and appeal procedures enumerated in RSA 284-B:25, X through
15 RSA 284-B:25, XIV shall also apply to an applicant for or holder of a principal license.

16 X. A principal license for which a completed renewal application and fee, if required, has
17 been received by the commission shall continue in effect unless and until the commission sends
18 written notification to the holder that the commission has denied the renewal of the principal
19 license.

20 284-B:18 Gaming License Fees; License Term.

21 I. The commission shall collect in conjunction with either a category 1 gaming license
22 application or a category 2 gaming license application a nonrefundable gaming license application
23 fee in the amount of \$400,000 to cover the cost of processing and reviewing an application. If the cost
24 of processing and reviewing the application exceeds the amount of the initial application fee, the
25 commission may impose upon the applicant an additional fee sufficient to cover any documented
26 shortfall which the applicant shall pay to the commission within 15 days of the date of an invoice.
27 The amount shall be deposited in the gaming regulatory fund and shall be available to the state in
28 the fiscal year received.

29 II. The commission shall collect in conjunction with a gaming license application, and
30 transmit to the attorney general, a nonrefundable gaming license investigation fee in the amount of
31 \$100,000 to cover the cost of the background investigation. If the cost of the background
32 investigation exceeds the amount of the initial application fee, the commission may impose upon the
33 applicant an additional fee sufficient to cover any documented shortfall which the applicant shall pay
34 to the commission, for transmission to the attorney general, within 15 days of the date of an invoice.
35 The amount shall be deposited in the gaming regulatory fund and shall be available to the state in
36 the fiscal year received.

37 III. Upon an award of a gaming license, the commission shall collect an initial license fee in

1 the following amounts:

2 (a) In the case of a category 1 gaming license, a fee of \$80,000,000; and

3 (b) In the case of a category 2 gaming license, a fee \$40,000,000. Such fees shall be paid
4 to the gaming regulatory fund within 30 days of the award of the license.

5 IV. Upon payment of a license fee by a gaming licensee under this chapter, the commission
6 shall fully reimburse funds received:

7 (1) By the commission from activities authorized by RSA 284, RSA 287-D, RSA 287-
8 E, and RSA 287-F in proportion to the expenses of the commission borne by each such activity in the
9 administration of this chapter as authorized by RSA 284-B:3, VII (a), prior to the payment of the
10 license fee.

11 (2) By the gaming regulatory oversight authority from activities authorized by
12 RSA 284 and RSA 287-F in proportion to the expenses of the authority borne by each such activity in
13 the administration of RSA 284-A.

14 (b) The general court shall determine the distribution of the balance of the initial license
15 fee revenue after the reimbursements required by RSA 284-B:18, IV, provided that distributions
16 shall include the following:

17 (1) Distributions to host or near-by municipalities deemed sufficient by the general
18 court to offset costs incurred by such municipalities attributable to a gaming location's placement.

19 (2) Revenue in an amount determined by the general court shall be paid to the state
20 treasurer and credited to the commissioner of the department of health and human services to
21 support programs established by RSA 172 to fund baseline research into the prevalence of problem
22 gambling in New Hampshire prior to the expansion of gaming as authorized by this chapter, to
23 identify and assess the treatment needs of individuals with compulsive and problem gambling
24 disorders, to identify effective programming to prevent and control compulsive and problem
25 gambling, and to examine the connections between gambling disorders and drug and alcohol
26 addiction disorders.

27 (3) Distributions to the state treasurer for transfer to the commission, attorney
28 general and department of safety in amounts equal to any costs of regulatory control over a gaming
29 licensee that are not covered by any other designated source of funding in this chapter.

30 (c) Upon receipt of the license fee, and satisfaction of any additional conditions precedent
31 imposed by the commission, the commission shall issue the gaming license.

32 (d) The amount shall be deposited in the gaming regulatory fund and shall be available
33 to the state in the fiscal year received.

34 V. A gaming license shall expire 10 years from the date of issuance of the gaming license
35 subject to renewal pursuant to this chapter.

36 (a) The commission shall adopt rules consistent with this chapter relating to procedures
37 for renewal of a gaming license, including an application and review process and such other

1 procedures as are necessary to implement this paragraph.

2 (b) The commission shall collect a license renewal fee in the amount of \$1,500,000 which
3 shall be paid to the state treasurer by the gaming licensee within 30 days of the award of the
4 renewal of the license. The general court shall determine the distribution of the license renewal fee.
5 Upon receipt of the renewal fee, and satisfaction of any additional conditions precedent imposed by
6 the commission, the commission shall issue the gaming license renewal. The amount shall be
7 deposited in the gaming regulatory fund and shall be available to the state in the fiscal year
8 received.

9 VI. There is established in the office of the state treasurer a nonlapsing fund to be know as
10 the gaming regulatory fund to be administered by the gaming commission which shall be kept
11 distinct and separate from all other funds. All moneys in the gaming regulatory fund shall be
12 nonlapsing and continually appropriated to the gaming commission for the purpose of distribution
13 under this section.

14 284-B:19 Application Completeness Review.

15 I. For the purposes of this section, a complete application under this chapter is an
16 application that is timely received, accompanied by all applicable fees and includes all information
17 and documentation required by this chapter, any rules adopted by the commission and any
18 instructions prescribed by the commission in connection with the application process.

19 II. The content of an application made pursuant to this chapter shall be subject to the
20 confidentiality requirements of RSA 284-B:11.

21 III. The commission shall examine each application for a gaming license, principal license,
22 key employee license, gaming employee registration, non-gaming employee permit, gaming vendor
23 license, non-gaming vendor registration, or other authorization filed pursuant to this chapter for
24 completeness.

25 IV. The commission shall apply the following completeness review procedures to a gaming
26 license application.

27 (a) If the commission determines a gaming license application to be incomplete, the
28 commission shall provide a written notification of incompleteness to the applicant within 30 days of
29 actual receipt by the commission of the application. The notification of incompleteness shall include
30 an explanation of the reason the application was deemed incomplete. If a written notice of
31 incompleteness is not issued by the commission within 30 days of actual receipt, the application shall
32 be deemed complete and the applicant notified to that effect.

33 (b) Upon receipt of a first written notice of incompleteness, an applicant shall have 15
34 business days from the date of the written notice of incompleteness to submit to the commission the
35 information requested. The applicant shall not include in its resubmission information unrelated to
36 the deficiencies enumerated in the commission's notice. The commission shall review the additional
37 information submitted by the applicant within 10 business days of actual receipt by the commission.

1 (1) If the additional information is satisfactory, the commission shall notify the
2 applicant in writing that the gaming license application has been deemed complete;

3 (2) If the gaming license application remains incomplete, the commission shall
4 provide a second written notice of incompleteness to the applicant. The second notice of
5 incompleteness shall include a explanation of the reason the application was deemed incomplete and
6 shall allow the applicant an additional 10 business days from the date of the second written notice of
7 incompleteness to provide any requested information. The applicant shall not include in its
8 resubmission information unrelated to the deficiencies enumerated in the commission’s notice. The
9 commission shall review the additional information submitted by the applicant within 10 business
10 days of actual receipt by the commission:

11 (A) If the additional information is satisfactory, the commission shall notify the
12 applicant in writing that the gaming license application has been deemed complete; and

13 (B) If the gaming license application remains incomplete, the commission shall
14 provide a third and final written notice of incompleteness to the applicant. The third and final notice
15 of incompleteness shall include an explanation of the reason the application was deemed incomplete
16 and shall allow the applicant an additional 3 business days from the date of the third and final
17 written notice of incompleteness to provide any requested information. The applicant shall not
18 include in its resubmission information unrelated to the deficiencies enumerated in the commission’s
19 notice. The commission shall review the additional information submitted by the applicant within
20 10 business days of actual receipt by the commission;

21 (3) If the additional information is satisfactory, the commission shall notify the
22 applicant in writing that the gaming license application has been deemed complete; and

23 (4) If the gaming license application remains incomplete after a third and final
24 notice of incompleteness the application shall be administratively denied by the commission.

25 V. The commission shall adopt rules consistent with this chapter relative to the
26 completeness review applied to an application for a principal license, key employee license, gaming
27 employee registration, non-gaming employee permit, gaming vendor license, non-gaming vendor
28 registration, or other authorization filed with the commission. The rules shall provide for a form of
29 notice to the applicant and a time frame for notice of deficiency and resubmission by an applicant
30 consistent with the efficient administration of the licensing process.

31 VI. An applicant for a license may withdraw a complete application only with the approval of
32 the commission.

33 284-B:20 License Background Review.

34 I. Upon a determination by the commission that a gaming license, principal license, key
35 employee license, gaming vendor license, or other license application is complete, the commission
36 shall request that the attorney general commence an investigation into the suitability of the
37 applicant.

1 II. The full investigative file related to a background investigation performed in connection
2 with a license application shall be subject to the confidentiality requirements of RSA 284-B:11.

3 III. In any investigation conducted pursuant to this chapter the attorney general or any duly
4 authorized member of the attorney general’s staff may require by subpoena or otherwise the
5 attendance of witnesses and the production of such correspondence, documents, books, and papers as
6 he or she deems advisable and may administer oaths and take the testimony of witnesses.

7 IV. In conducting a background investigation for a license under this chapter the attorney
8 general shall consider the suitability of the applicant including, but not limited to:

9 (a) Financial stability.

10 (b) Good character, honesty, and integrity.

11 (c) Business ability and gaming experience.

12 (d) Where applicable, the applicant’s history of compliance in other regulated gaming
13 jurisdictions including, but not limited to, a letter of reference or sworn statement of good standing
14 produced in accordance with RSA 284-B:17, IV(c).

15 (e) Where applicable, the suitability of all principals required to qualify in conjunction
16 with the gaming license application in accordance with RSA 284-B:17, VII.

17 (f) Whether the applicant is disqualified from receiving a license under RSA 284-B:21.

18 (g) The applicant’s ability, if required, to demonstrate rehabilitation in accordance with
19 RSA 284-B:21.

20 V. The attorney general may include in the scope of his or her investigation any other
21 information that the attorney general, in the exercise of his or her sole discretion, may deem
22 relevant.

23 VI. Where the commission finds, after study and comparison of applicable licensing
24 standards, that the licensing standards of another jurisdiction within the United States or Canada
25 are comprehensive, thorough, and require a suitability assessment substantially similar to this
26 chapter, the commission may prescribe by rules consistent with this chapter, an abbreviated
27 investigative process pursuant to which the attorney general and/or commission may, but are not
28 obligated to, expedite an applicant’s background investigation or review by affording a degree of
29 deference to a license, registration, or permit held by an applicant in a jurisdiction found to be
30 comparable to New Hampshire. The availability of an abbreviated investigative process shall not
31 limit the discretion of or otherwise preclude the attorney general or commission from determining
32 that information it has independently or separately developed or received shall supersede or
33 outweigh a license, registration, or permit in good standing in a comparable state. An applicant’s
34 eligibility for an abbreviated investigation process shall not be construed to waive any fees
35 associated with an application. An abbreviated licensing process shall not be applied to an applicant
36 for a gaming license.

37 VII. The attorney general may contract for legal, financial, and other professional services as

1 he or she deems appropriate to discharge his or her duties under this chapter. The attorney general
2 may also outsource a background investigation to an entity with demonstrated experienced in
3 gaming related background investigations provided that any recommendation to the commission as
4 to the suitability of an applicant to hold a license is made by the attorney general.

5 VIII. In the course of its background investigation, the attorney general may draw upon the
6 department of safety, division of state police and any other state or federal law enforcement agency
7 or regulating authority he or she deems appropriate.

8 IX. The attorney general may obtain from, and provide to, a law enforcement agency,
9 regulating authority or other domestic, federal, or foreign jurisdiction, including the Federal Bureau
10 of Investigation, pertinent information regarding an applicant or licensee and may transmit or
11 receive such information electronically.

12 X. The attorney general's report to the commission with regard to an applicant's background
13 investigation shall state whether or not in his or her opinion the person is suitable to hold, or to
14 qualify in conjunction with, a license in New Hampshire. The attorney general shall determine the
15 extent to which and the manner in which investigative results are reported to the commission and, if
16 reported, whether such results are to retain their confidential character.

17 XI. The attorney general's report to the commission with regard to an applicant for a gaming
18 license's background investigation shall be submitted to the commission within 120 days of the date
19 of the commission's referral of a complete application to the attorney general unless the attorney
20 general determines that additional time is needed and notifies the commission that good cause exists
21 for an extension to a date certain. Nothing herein shall limit the attorney general to one extension
22 for good cause.

23 XII. The commission shall prescribe rules consistent with this chapter, after consultation
24 with the attorney general and division of state police, relative to the time allotted to the attorney
25 general to conduct and report to the commission on a background investigation related to an
26 applicant for a principal license, key employee license, gaming vendor license, or other background
27 investigation performed pursuant to this chapter. The rules shall be consistent with the efficient
28 administration of the licensing process.

29 284-B:21 Grounds for Denial of a License.

30 I. The commission shall deny an application for a gaming license, principal license, key
31 employee license, gaming vendor license, or other license filed pursuant to this chapter where it
32 determines the applicant to be disqualified on the basis of any of the following criteria:

33 (a) Failure of the applicant to prove by clear and convincing evidence that the applicant
34 is qualified in accordance with the provisions of this chapter.

35 (b) Failure of the applicant to provide information, documentation, and assurances
36 required by this chapter or requested by the commission, failure of the applicant to reveal any fact
37 material to qualification or the supplying of information which is untrue or misleading as to a

1 material fact pertaining to the qualification criteria or other requirements of this chapter.

2 (c) The conviction of the applicant:

3 (1) For a felony or other crime involving embezzlement, theft, fraud or perjury in any
4 jurisdiction; or

5 (2) Any other offense under present New Hampshire or federal law which indicates
6 that licensure of the applicant would be inimical to the policies of this chapter or injurious to the
7 interests of the state in issuing a license, provided, however, that disqualification shall not be
8 automatic if the conviction:

9 (A) Did not occur within the 10-year period immediately preceding application
10 for licensure provided the applicant demonstrates its rehabilitation and the commission finds, after
11 hearing, that the applicant has established by clear and convincing evidence that automatic
12 disqualification pursuant to this paragraph is not justified; or

13 (B) Has been the subject of a judicial order of expungement or sealing.

14 (d) Current prosecution or pending charges in any jurisdiction for any of the offenses
15 enumerated in subparagraph (c), provided, however, that at the request of the applicant or the
16 person charged, the commission may defer decision upon such application during the pendency of
17 such charge.

18 (e) The pursuit by the applicant of economic gain in an occupational manner or context
19 which is in violation of the criminal or civil public policies of this state, if such pursuit creates a
20 reasonable belief that the participation of such person in gaming operations would be inimical to the
21 policies of this chapter or injurious to the interests of the state in issuing a license. For purposes of
22 this paragraph, occupational manner or context shall be defined as the systematic planning,
23 administration, management, or execution of an activity for financial gain.

24 (f) The identification of the applicant as a career offender or a member of a career
25 offender cartel in a manner that creates a reasonable belief that the association is of such a nature
26 as to be inimical to the policies of this chapter or injurious to the interests of the state in issuing a
27 gaming license. For purposes of this paragraph, career offender shall be defined as any person
28 whose behavior is pursued in an occupational manner or context for the purpose of economic gain,
29 utilizing such methods as are deemed criminal violations of the public policy of this state. A career
30 offender cartel shall be defined as any group of persons who operate together as career offenders.

31 (g) Failure by the applicant to make required payments in accordance with a child
32 support order or repay any other debt owed to the state, unless such applicant provides proof to the
33 commission's satisfaction of payment of, or arrangement to pay, any such debts prior to licensure.

34 (h) The commission may allow an applicant for a principal license that is unable to
35 demonstrate by clear and convincing evidence the financial stability, good character, honesty, and
36 integrity required by this chapter the opportunity to completely divest the interest in the applicant
37 and, after such divestiture, may proceed with its assessment of the suitability of the gaming

1 applicant.

2 (i) The applicant is an elected official of the general court, executive council, or executive
3 branch of the state of New Hampshire, an employee of the attorney general’s office or the
4 department of safety on a full-time, part-time, or contractual basis, or has held any such position at
5 any time during the previous 2 years.

6 II. The commission shall adopt rules consistent with this chapter and the efficient
7 administration of licensing relating to disqualification and rehabilitation applicable to an applicant
8 for a gaming employee registration, non-gaming employee permit, or non-gaming vendor
9 registration.

10 284-B:22 Gaming License Decision.

11 I. The commission shall adopt rules consistent with this chapter relative to:

12 (a) Administrative procedures applicable to the conduct of a gaming license hearing
13 under this chapter including, but not limited to:

- 14 (1) Rules applicable to a competitive gaming license selection hearing;
- 15 (2) Special rules of evidence applicable to a gaming license hearing;
- 16 (3) Notice requirements applicable to a hearing; and
- 17 (4) Rules permitting an applicant to raise an objection to the conduct of a hearing
18 procedure, process or ruling of the commission as it relates to its own hearing or to the hearing of a
19 competing applicant.

20 (b) Rules relating to the statement of conditions appended by the commission to a
21 gaming license issued pursuant to this chapter requiring:

22 (1) That the statement of conditions enumerate, at a minimum, conditions which are
23 precedent to the issuance of a gaming license, conditions which are precedent to the commencement
24 of gaming operations at a gaming location and conditions which are ongoing throughout the license
25 term;

26 (2) Annual reporting to the commission with regard to compliance with the statement
27 of conditions; and

28 (3) Consequences for non-compliance with the statement of conditions.

29 (c) Rules relating to the renewal of a gaming license.

30 (d) Criteria for evaluating an application for a gaming license consistent with this
31 chapter including, but not limited to, that relating to local approval of the gaming location under
32 RSA 284-B:15, an evaluation of architectural design and concept excellence, integration of the
33 gaming location into its surroundings, potential access to multi-modal means of transportation,
34 tourism appeal, level of capital investment commitment, financial stability of the applicant, and the
35 applicant’s financial plan.

36 (e) Standards for monitoring and enforcing conditions placed by the commission on a
37 gaming license including those related to an impacted live entertainment venue and host

1 community.

2 (f) Procedures for monitoring and enforcing a gaming licensee’s compliance with its
3 capital investment commitment.

4 II. The commission may contract for such legal, financial, and other professional services as
5 it deems appropriate to assist it in the discharge of its duties under this chapter.

6 III. In any decision by the commission relating to the issuance of a license, the commission
7 shall consider the attorney general’s report provided pursuant to RSA 284-B:20, XI; provided that,
8 notwithstanding any other provision of law, no person shall be issued or hold a license under this
9 chapter if in the opinion of the attorney general such person is not suitable to hold such a license.

10 IV. If there is only one complete application for a gaming license pending, then upon receipt
11 of the report of the attorney general on the applicant’s suitability to hold a gaming license in New
12 Hampshire the commission shall schedule and conduct a licensing hearing to determine whether the
13 applicant meets the standards for licensure set forth in this chapter.

14 V. The commission shall conduct a hearing with regard to an application under paragraph
15 IV within 60 days of actual receipt by the commission the attorney general’s suitability report. At
16 the licensing hearing, the commission shall first consider whether the applicant is able to
17 demonstrate by clear and convincing evidence its financial stability, good character, honesty,
18 integrity, business ability and gaming experience in accordance with this chapter. If the commission
19 determines that the applicant is unable to establish the required suitability the commission shall not
20 give further consideration to the application. Any determination including, but not limited to, that
21 relating to the standards for licensure set out in this chapter shall be made by majority vote of
22 eligible commission members. Any commission member who has a personal or business conflict with
23 any application shall not vote on such application. The licensing decision shall be in the form of an
24 approval, denial, or an approval with conditions of a gaming license.

25 VI. If there is more than one gaming license application deemed complete by the
26 commission, upon receipt of all of the reports of the attorney general on an applicant’s suitability to
27 hold a gaming license in New Hampshire the commission shall commence consideration of each
28 application in a competitive process pursuant to which each application is evaluated in relationship
29 to each other application. Within 30 days of actual receipt by the commission of all of the attorney
30 general’s suitability reports the commission shall schedule a competitive hearing and shall instruct
31 each applicant to file prehearing memoranda as prescribed by the commission which shall include, at
32 a minimum, a summary of evidence each applicant intends to present in support of its application for
33 licensure. Competing applications shall be heard separately by the commission at one hearing to be
34 held no more than 75 days of actual receipt by the commission of all of the attorney general’s
35 suitability reports unless the commission determines that additional time is needed and notifies the
36 applicants that good cause exists for an extension of the hearing date to a date certain. Nothing
37 herein shall limit the commission to one extension for good cause. An applicant shall have no right

1 to cross-examine the witnesses of a competing applicant but there shall be a right to raise an
2 objection to the conduct of a hearing procedure, process, or ruling of the commission as it relates to
3 the applicant or a competitor applicant.

4 VII. At the competitive hearing the commission shall first consider whether each applicant
5 is able to demonstrate by clear and convincing evidence its financial stability, good character,
6 honesty, integrity, business ability, and gaming experience in accordance with this chapter. If the
7 commission determines that an applicant is unable to establish the required suitability the
8 commission shall not give further consideration to the application.

9 VIII. At the competitive hearing the commission shall determine, based on the evidence
10 submitted, including completed studies and/or reports issued by independent, recognized experts in
11 the most relevant fields, which suitable applicants demonstrate superiority in meeting the standards
12 set forth in this chapter. In making its determination the commission shall consider the following
13 relevant factors.

14 (a) Business and market factors including:

15 (1) Highest potential benefit and highest prospective total revenues to be derived by
16 the state;

17 (2) Potential gaming revenues to be generated by a gaming location based upon
18 expert market analysis;

19 (3) The extent to which the proposed gaming location could be expected to encourage
20 New Hampshire gaming participants to remain in the state;

21 (4) The extent to which the proposed gaming location could be expected to be a
22 substantial regional and national tourist destination;

23 (5) The extent to which the proposed gaming location could be expected to create
24 commercial development, opportunities for the community consistent with historic uses, regional
25 branding, and local zoning ordinances;

26 (6) The applicant's proposed capital investment in the gaming location and operation
27 and the expected competitiveness of the proposed gaming operation;

28 (7) The extent to which the proposed gaming location will preserve existing
29 New Hampshire jobs and the number of net new full-time and part-time jobs to be created;

30 (8) The applicant's plan to identify, address, and minimize any potential negative
31 consequences associated with gambling and the operation of its gaming location including, but not
32 limited to, an adequately funded commitment to combat compulsive gambling to include efforts
33 directed at prevention, intervention, treatment and research;

34 (9) The impact on the host community and municipalities in the region; and

35 (10) Such other considerations as the commission shall deem relevant to business
36 and market factors.

37 (b) Economic development factors, including:

- 1 (1) The applicant’s workforce development plan;
- 2 (2) Any additional economic development planned in the area of the proposed
- 3 gaming location; and
- 4 (3) Such other considerations as the commission shall deem relevant to economic
- 5 development factors.
- 6 (c) Site location factors including
- 7 (1) Existing transportation infrastructure surrounding the proposed gaming
- 8 location;
- 9 (2) Any negative impact, if any, of a proposed gaming location on the host
- 10 community;
- 11 (3) The need for additional public infrastructure expenditures at the proposed
- 12 gaming location;
- 13 (4) The analysis related to impacted live entertainment venues as described in
- 14 paragraph IX.
- 15 (5) Such other considerations as the commission shall deem relevant to site location.

16 IX. The commission shall identify live entertainment venues to be designated as impacted
17 live entertainment venues pursuant to this chapter, provided, however, that any live entertainment
18 venue that has negotiated an agreement with an applicant that was submitted with the application
19 shall be considered an impacted live entertainment venue by the commission. If the commission
20 determines a live entertainment venue to be an impacted live entertainment venue and the
21 applicant has not submitted a fully executed agreement with that live entertainment venue in the
22 application filed pursuant to RSA 284-B:17, the applicant shall negotiate a signed agreement with
23 that live entertainment venue within 21 days of the award of a gaming license and no gaming license
24 shall be issued prior to the execution and submission to the commission of that agreement. In the
25 event an applicant awarded a license by the commission and an impacted live entertainment venue
26 cannot reach an agreement, the commission, in making its decision on issuance of the gaming
27 license, shall consider the reasons for such failure to agree in relation to the standards for licensure
28 set forth in this chapter. A gaming licensee’s compliance with an agreement with an impacted live
29 entertainment venue shall be a condition of licensure enumerated in its statement of conditions and
30 shall be considered upon a gaming licensee’s application for renewal of a gaming license.

31 X. During the course of its review of an application, the commission shall take reasonable
32 measures to prohibit and prevent all ex parte communication relating to the merits of an application.

33 XI. Any licensing determination including, but not limited to, that related to the selection of
34 an applicant shall be made by majority vote of eligible commission members. Any commission
35 member who has a personal or business conflict with any application shall not vote on such
36 application. The actual selection decision shall be in the form of an approval or an approval with
37 conditions. Unsuccessful applicants that were nonetheless found to be suitable in accordance with

1 paragraph VII of this section shall be deemed “denied on the basis of a competitive process.”
2 Applicants failing to meet the standards for suitability set forth in paragraph VII shall be denied.

3 XII. Any decision of the commission approving a gaming license application, approving an
4 application with conditions, or denying an application shall be issued by the commission within 30
5 days of the conclusion of the hearing conducted pursuant to this section is a final, binding, non-
6 appealable determination which is not subject to legal challenge except as permitted by this chapter.

7 XIII. An award by the commission of a gaming license shall be evidenced by a written
8 decision with detailed findings accompanied by a statement of conditions enumerating those
9 conditions precedent to the issuance by the commission of a gaming license, conditions that are
10 precedent to the commencement of gaming operations at a gaming location, and conditions that are
11 ongoing during the pendency of the license term.

12 XIV. A gaming applicant or gaming licensee aggrieved or dissatisfied with a final decision of
13 the commission shall have the right to immediate appeal from a final decision to the supreme court
14 pursuant to RSA 541.

15 XV. The provisions of RSA 541 shall govern all appeals under this section, provided that any
16 request for rehearing provided for by RSA 541 shall be presented as a request for reconsideration to
17 the commission within 10 calendar days of the commission’s decision and the commission’s decision
18 on said request shall be issued within 10 days of the presentation of the request.

19 XVI. The appellant’s burden of proof in any appeal to the supreme court under this section
20 shall be as provided for by RSA 541:13.

21 XVII. A gaming license issued by the commission shall expire 10 years from the date of
22 issuance subject to renewal pursuant to this chapter.

23 XVIII. The division of state police shall promptly notify the commission in the event an
24 applicant or licensee is arrested for a crime or offense in this state after the date the background
25 check was performed.

26 XIX. A gaming license for which a completed renewal application and fee, if required, has
27 been received by the commission shall continue in effect unless and until the commission sends
28 written notification to the holder that the commission has denied the renewal of the gaming license.

29 284-B:23 Minimum Capital Investment.

30 I. A gaming licensee shall be required as a condition of licensure to make the capital
31 investment in the gaming location proposed in its gaming license application, which amount shall
32 meet or exceed:

33 (a) In the case of the category 1 gaming licensee, \$450,000,000 exclusive of land
34 acquisition, off-site improvement costs, and license fees; or

35 (b) In the case of the category 2 gaming licensee, \$125,000,000 exclusive of land
36 acquisition, off-site improvement costs, and license fees.

37 II. The full capital investment required under this section shall be made within 5 years of

1 the date of issuance of a gaming license.

2 III. In addition to the requirements of paragraph I, beginning with the sixth year after
3 receiving a gaming license, a gaming licensee shall make, or cause to be made, on an annual basis
4 capital expenditures to its gaming location in a minimum aggregate amount equal to 3.5 percent the
5 total gross gaming revenues derived from the gaming location, provided, however, that a gaming
6 licensee may make capital expenditures in an amount less than 3.5 percent per year as part of a
7 multi-year capital expenditure plan approved by the commission.

8 IV. A gaming licensee who fails to obtain an operation certificate under RSA 284-B:32
9 within one year after the date specified in the construction timeline submitted with its application
10 and incorporated by the commission as a condition on the gaming license:

11 (a) May, if the commission finds good cause for such action after a hearing in accordance
12 with this chapter, be subject to suspension or revocation of the gaming license.

13 (b) May, if found by the commission after a hearing in accordance with this chapter to
14 have acted in bad faith in its application, be assessed a fine by the commission of up to \$50,000,000.

15 V. Concurrent with the payment of the license fee required pursuant to RSA 284-B:18, III,
16 the gaming licensee shall be required to deposit 10 percent of the total capital investment proposed
17 in its application into an interest-bearing account under the control of the commission. Moneys
18 received from the gaming licensee shall be held in escrow until the final stage of construction, as
19 detailed in the timeline of construction submitted with the licensee's application and incorporated by
20 the commission as a condition on the gaming license, at which time the deposit, together with any
21 accrued interest, shall be returned to the applicant to be applied for the final stage of construction.
22 Should the licensee be unable or unwilling to complete the gaming location in accordance with the
23 timeline, the deposit shall be forfeited to the state in accordance with the conditions on the license
24 related to the construction timeline. The commission may, in lieu of a cash deposit, accept a
25 performance or deposit bond in an amount equivalent to 10 percent of the total capital investment
26 proposed in the application provided it determines that the bond would be a functional equivalent of
27 the deposit and would timely ensure the intended forfeiture to the state.

28 284-B:24 Revocable Privilege; Limits on License Transfer and Transfer of an Interest.

29 I. Any gaming license issued by the commission shall be a revocable privilege and may be
30 conditioned, suspended, or revoked upon a finding by the commission that such action is necessary to
31 accomplish the purposes of this chapter as a result of:

32 (a) A breach of a condition enumerated or inferred in the statement of conditions
33 applicable to the gaming license, including failure to timely complete any phase of construction of the
34 gaming location or to comply with any representation or promise made to the commission, the
35 attorney general, division of state police gaming enforcement unit or other state entity in connection
36 with a gaming license.

37 (b) Any action or event that constitutes grounds for denial of a gaming license under

1 RSA 284-B:21.

2 (c) A finding by the commission that a gaming licensee no longer meets the standards for
3 suitability set forth in this chapter.

4 (d) Such other finding as the commission deems relevant.

5 II. A gaming license issued by the commission pursuant to this chapter is transferrable with
6 the prior approval of the commission pursuant to rules adopted by the commission consistent with
7 this chapter. A person seeking to acquire a gaming license through a transfer shall qualify for
8 licensure under this chapter. The commission shall reject a gaming license transfer to an unsuitable
9 person and may reject a proposed transfer that, in the opinion of the commission, would be
10 disadvantageous to the interests of the state. A transfer of a gaming license without the prior
11 approval of the commission shall result in the immediate and automatic termination of the gaming
12 license.

13 III. An interest in a gaming licensee or gaming location substantial enough to trigger a
14 requirement that a person qualify as a principal licensee in accordance with RSA 284-B:17, VII is
15 transferrable with the prior approval of the commission pursuant to rules adopted by the commission
16 consistent with this chapter. A person seeking to acquire an interest in a gaming licensee or gaming
17 location shall qualify for licensure under this chapter. The commission shall reject a transfer of an
18 interest in a gaming licensee or gaming location to an unsuitable person and may reject a proposed
19 transfer that, in the opinion of the commission, would be disadvantageous to the interests of the
20 state. A transfer of an interest in a gaming licensee or gaming location meeting the requirements of
21 this paragraph without the prior approval of the commission may result in the termination of a
22 gaming license.

23 IV. The commission shall adopt rules consistent with this chapter relating to notice of, and
24 commission approval of, a transfer of a gaming license and the transfer of an interest in a gaming
25 licensee or gaming location including, but not limited to, a transfer not meeting the principal
26 licensing threshold of paragraph III.

27 284-B:25 Individuals Employed by a Gaming Licensee

28 I. The commission shall adopt rules consistent with this chapter relating to:

29 (a) A system of classification for individuals employed by a gaming licensee, which
30 classification system shall include, but need not be limited to, a key employee license, gaming
31 employee registration and non-gaming employee permit based on the degree of connection to the
32 operation, maintenance, security and accounting functions associated with a slot machine or table
33 game, access to the gaming floor or a restricted area or such other criteria as the commission shall
34 deem appropriate.

35 (b) Application, investigation, and review processes and time frames.

36 (c) Application, investigation, and renewal fees for each category of license, registration,
37 or permit consistent with the annual fee schedule adopted and published by the commission.

1 (d) Standards of review.

2 (e) Administrative procedures applicable to the conduct of hearings related to a key
3 license, gaming employee registration, and non-gaming employee permit including, but not limited
4 to:

5 (1) Rules of evidence;

6 (2) Notice requirements;

7 (3) Rules permitting an applicant to raise an objection to the conduct of a hearing
8 procedure, process or ruling of the commission; and

9 (4) Any delegation of commission authority specific to registrations and permits.

10 (f) Procedures for issuance of a temporary key license, gaming employee registration,
11 non-gaming employee permit, or other employee authorization if the commission determines that
12 such procedures are necessary to the efficient implementation of this chapter.

13 (g) Rules relative to the renewal of a license, registration, or permit.

14 (h) A term for any employee license, registration, permit, or employee authorization
15 granted pursuant to this chapter.

16 II. A key employee license, gaming employee registration, a non-gaming employee permit,
17 and any other employment related authorization issued pursuant to this chapter shall expire 5 years
18 from the date of issuance subject to renewal pursuant to this chapter.

19 III. In connection with a key employee license, gaming employee registration, non-gaming
20 employee permit, or other employee authorization, the commission shall be authorized to exchange
21 fingerprint data with, and to receive criminal history record and background information from, the
22 department of safety, division of state police, the office of the attorney general, the Federal Bureau of
23 Investigation, or other sources consistent with applicable federal and state laws, rules, and
24 regulations.

25 IV. No gaming applicant, gaming licensee, or holding, intermediary, or subsidiary company
26 required to qualify in conjunction with a gaming license under this chapter shall employ or otherwise
27 allow an individual to perform the duties of a key employee unless the person is the holder of a valid
28 key employee license issued by the commission.

29 V. No gaming licensee shall employ or otherwise allow an individual to perform duties
30 requiring a gaming employee registration, non-gaming employee permit, or other employee
31 authorization required pursuant to this chapter unless the person is registered, permitted, or
32 otherwise authorized by the commission.

33 VI. A gaming licensee shall not utilize an independent contractor to perform duties
34 requiring a key employee license, gaming employee registration, non-gaming employee permit, or
35 other employee authorization required pursuant to this chapter without the prior approval of the
36 commission.

37 VII. An independent contractor of a gaming licensee authorized by the commission to

1 perform duties requiring a key employee license, gaming employee registration, non-gaming
2 employee permit, or other employee authorization required pursuant to this chapter shall be subject
3 to all of the provisions of this chapter applicable to an employee of a gaming licensee.

4 VIII. During the course of its review of any application, the commission shall take
5 reasonable measures to prohibit and prevent all ex parte communication relating to the merits of
6 such application.

7 IX. In any decision relating to a key employee license, and with regard to a gaming employee
8 registration subject to a background investigation under RSA 284-B:27, II, the commission shall
9 consider, the attorney general's report provided pursuant to RSA 284-B:20; provided that,
10 notwithstanding any other provision of law, no person shall be issued or shall hold a license under
11 this chapter if in the opinion of the attorney general such person is not suitable to hold such a
12 license.

13 X. Any licensing determination including, but not limited to, that related to a key license,
14 gaming employee registration, non-gaming employee permit, or other employee authorization shall
15 be made by majority vote of eligible commission members. Any commission member who has a
16 personal or business conflict with any application shall not vote on such application.

17 XI. Any decision of the commission approving an application, approving an application with
18 conditions, or denying an application under this section shall be issued by the commission within 30
19 days of the conclusion of the hearing conducted pursuant to this section and is a final, binding, non-
20 appealable determination which is not subject to legal challenge except as permitted by this chapter.

21 XII. The issuance by the commission of a license, registration, permit, or other employee
22 authorization shall be evidenced by a written decision.

23 XIII.(a) Within 30 days after any order or decision has been made by the commission, any
24 party to the action or proceeding before the commission, or any person directly affected thereby, may
25 apply for a rehearing in respect to any matter determined in the action or proceeding, or covered or
26 included in the order, specifying in the motion all grounds for rehearing, and the commission may
27 grant such rehearing if in its opinion good reason for the rehearing is stated in the motion.

28 (b) Such motion shall set forth fully every ground upon which it is claimed that the
29 decision or order complained of is unlawful or unreasonable. No appeal from any order or decision of
30 the commission shall be taken unless the appellant shall have made application for rehearing as
31 herein provided, and when such application shall have been made, no ground not set forth therein
32 shall be urged, relied on, or given any consideration by the court, unless the court for good cause
33 shown shall allow the appellant to specify additional grounds.

34 (c) Upon the filing of such motion for rehearing, the commission shall within 10 days
35 either grant or deny the same, or suspend the order or decision complained of pending further
36 consideration, and any order of suspension may be upon such terms and conditions as the
37 commission may prescribe.

1 (d) Within 30 days after the application for a rehearing is denied, or, if the application is
2 granted, then within 30 days after the decision on such rehearing, any party aggrieved or
3 dissatisfied by any final decision of the commission under this section shall have the right to appeal
4 from a final decision to the superior court. The petition shall set forth that such decision or order is
5 arbitrary or capricious or not made in compliance with law, and shall specify the grounds on which
6 such claim is made.

7 XIV. The appellant’s burden of proof in any appeal to the superior court under this section
8 shall be as provided for by RSA 541:13.

9 XV. A key employee license, gaming employee registration and non-gaming employee permit
10 issued by the commission shall expire 5 years from the date of issuance subject to renewal pursuant
11 to this chapter.

12 XVI. A key employee license, gaming employee registration and non-gaming employee
13 permit for which a completed renewal application and fee, if required, has been received by the
14 commission shall continue in effect unless and until the commission sends written notification to the
15 holder that the commission has denied the renewal of the gaming license, registration, or permit.

16 XVII. The division of state police shall promptly notify the commission in the event an
17 applicant for or key employee licensee, gaming employee registrant, or non-gaming employee
18 permittee is arrested for a crime or offense in this state after the date the background check was
19 performed.

20 284-B:26 Key Employee Licensing.

21 I. A key employee of an applicant, gaming licensee, or principal licensee required to qualify
22 in conjunction with a gaming license under RSA 284-B:17, VII shall submit to the commission the
23 following information, documentation, and assurances:

24 (a) A description of the applicant’s employment responsibilities.

25 (b) A fully executed and complete application on forms prescribed by the commission.
26 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
27 B:19.

28 (c) All documentation, fingerprints, and consents required of a gaming license applicant
29 under RSA 284-B:17, III.

30 (d) All documentation required of a gaming license applicant under RSA 284-B:17, IV(a).

31 (e) If applicable, the documentation related to a similar gaming license, registration,
32 permit, or other authorization required of a gaming licensee applicant under RSA 284-B:17, IV(c).

33 (f) Such other information as the commission shall deem relevant to its consideration of
34 the application.

35 II. Upon a determination by the commission that a key employee license application is
36 complete in accordance with RSA 284-B:19, the commission shall request that the attorney general
37 commence an investigation into the suitability of the applicant in accordance with RSA 284-B:20. In

1 conducting its background investigation the attorney general shall consider the suitability of the
2 applicant including, but not limited to:

- 3 (a) Financial stability.
- 4 (b) Good character, honesty, and integrity.
- 5 (c) Business ability and gaming experience.
- 6 (d) Whether the applicant is disqualified from receiving a license under RSA 284-B:21.
- 7 (e) The applicant 's ability, if required, to demonstrate rehabilitation in accordance with
8 RSA 284-B:21.

9 III. Upon receipt of the report of the attorney general on an applicant's suitability to hold a
10 key employee license the commission shall conduct a licensing hearing in accordance with rules
11 adopted pursuant to 284-B:22 of this chapter to determine whether the applicant meets the
12 standards for licensure set forth in this chapter. In any decision by the commission relating to the
13 issuance of a license, the commission shall consider the attorney general's report provided pursuant
14 to RSA 284-B:20, XI provided that, notwithstanding any other provision of law, no person shall be
15 issued or hold such a license under this chapter if in the opinion of the attorney general such person
16 is not suitable to hold such license.

17 284-B:27 Gaming Employee Registration.

18 I. A gaming employee seeking to register with the commission shall submit to the
19 commission the following information, documentation, and assurances with regard to qualification
20 under this chapter:

- 21 (a) A description of the applicant's employment responsibilities.
- 22 (b) A fully executed and complete application on forms prescribed by the commission.
23 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
24 B:19.
- 25 (c) All documentation, fingerprints and consents required of a gaming license applicant
26 under RSA 284-B:12, III(b)(1) through (2).
- 27 (d) If applicable, the documentation related to a similar gaming license, registration,
28 permit or other authorization required of a gaming licensee applicant under RSA 284-B:17, IV(c).
- 29 (e) Such other information as the commission shall deem relevant to its consideration of
30 the application.

31 II. Upon a determination by the commission that a gaming employee registration
32 application is complete in accordance with RSA 284-B:19 the commission may request that the
33 attorney general commence an investigation into the suitability of the applicant or conduct within
34 the commission such other form of review as it deems appropriate. The commission shall register
35 the applicant provided it is able to establish, at a minimum:

- 36 (a) Good character, honesty, and integrity.
- 37 (b) That the applicant is not disqualified from receiving a license under rules adopted

1 pursuant to RSA 284-B:21 or is rehabilitated in accordance with rules adopted pursuant to RSA 284-
2 B:21 of this chapter.

3 284-B:28 Non-Gaming Employee Permit.

4 I. A non-gaming employee seeking to be permitted by the commission shall submit to the
5 commission the following information, documentation, and assurances with regard to qualification
6 under this chapter.

7 (a) A description of the applicant's employment responsibilities.

8 (b) A fully executed and complete application on forms prescribed by the commission.

9 An application shall be deemed complete in accordance with rules adopted pursuant to 284-B:19.

10 (c) All fingerprints and consents required of a gaming license applicant under RSA 284-
11 B:17, III(b)(2).

12 (d) Such other information as the commission shall deem relevant to its consideration of
13 the application.

14 II. Upon a determination by the commission that a non-gaming employee permit application
15 is complete in accordance with rules adopted pursuant to RSA 284-B:19, the commission shall permit
16 the applicant provided it is able to establish that the applicant is not disqualified from receiving a
17 permit under rules adopted pursuant to RSA 284-B:21 or is rehabilitated in accordance with rules
18 specific to permit applications adopted pursuant to RSA 284-B:21.

19 284-B:29 Persons Doing Business with a Gaming Licensee

20 I. The commission shall adopt rules consistent with this chapter relating to:

21 (a) A system of classification for persons doing business with a gaming applicant or
22 gaming licensee, which classification system shall include, but need not be limited to, a gaming
23 vendor license and non-gaming vendor registrant, based upon product type, amount of business
24 conducted, access to the gaming floor or any restricted area, or such other criteria deemed relevant
25 by the commission.

26 (b) Application, investigation, and review process.

27 (c) Application, investigation, and renewal fees for each category of license or registration
28 consistent with the annual fee schedule adopted and published by the commission.

29 (d) Exemption criteria and processes.

30 (e) An interim authorization and emergency authorization processes.

31 (f) Standards of review.

32 (g) Administrative procedures applicable to the conduct of hearings related to a key
33 license, gaming employee registration and non-gaming employee permit including, but not limited to:

34 (1) Rules of evidence;

35 (2) Notice requirements;

36 (3) Rules permitting an applicant to raise an objection to the conduct of a hearing
37 procedure, process or ruling of the commission; and

1 (4) Any delegation of commission authority specific to a registration.

2 (h) An abbreviated investigative process under RSA 284-B:22 applicable to any license,
3 registration or authorization granted pursuant to this section.

4 (i) Such other procedures as are necessary to efficiently implement and administer this
5 paragraph.

6 II. A gaming vendor license, a non-gaming vendor registration and any other vendor-related
7 authorization issued pursuant to this chapter shall expire 5 years from the date of issuance subject
8 to renewal pursuant to this chapter.

9 III. The commission may exempt a person or type of business from the requirements of this
10 section if the board determines the following:

11 (a) The person or type of business is regulated by an agency of the federal government,
12 an agency of the state, the New Hampshire supreme court, or any other regulatory oversight deemed
13 sufficient by the commission.

14 (b) The regulation of the person or type of business is determined not to be necessary in
15 order to protect the public interest or the integrity of gaming.

16 IV. The commission may require an employee of a vendor required to be licensed, registered,
17 or otherwise authorized under this section to become licensed, registered, or otherwise authorized
18 under this section if, after an analysis of the duties, responsibilities, and functions of the vendor
19 employee it determines that action to be necessary to protect the integrity of gaming.

20 V. The commission may permit a vendor required to be licensed, registered, or otherwise
21 authorized under this section to engage in business with an applicant or gaming licensee prior to
22 being licensed, registered, or otherwise authorized under this section if all of the following criteria
23 have been satisfied:

24 (a) A complete application has been filed with the commission.

25 (b) The gaming applicant or gaming licensee contracting or doing business with the
26 vendor certifies to the commission that it has performed due diligence on the person and believes
27 that the applicant meets the qualification to be a licensed, registered, or otherwise authorized under
28 this section.

29 (c) The person required to be licensed, registered, or otherwise authorized under this
30 section agrees in writing that the grant of interim authorization to conduct business prior to
31 commission action on its application does not create a right to continue to engage in business if the
32 commission determines that the applicant is not suitable or continued authorization is not in the
33 public interest.

34 (d) Nothing in this section shall be construed to prohibit the commission from rescinding
35 a grant of interim authorization if, at any time, the suitability of the person subject to interim
36 authorization is at issue or if the person fails to cooperate with the commission, the attorney general,
37 the division of state police or their agent.

1 VI. The commission shall establish a master vendor list to monitor all vendor contracts with
2 a gaming licensee which master list will also identify prohibited vendors.

3 (a) An gaming applicant or gaming licensee may not enter into an agreement or engage
4 in business with a person listed on the prohibited vendor list.

5 (b) The commission may prohibit a person required to be licensed, registered, or
6 otherwise authorized under this section from doing business with a gaming licensee if that person
7 fails to submit an application under this chapter.

8 (c) The commission may terminate any contract that has been entered into with an
9 unlicensed or unregistered gaming or non-gaming vendor.

10 VII. A gaming applicant or gaming licensee may utilize a vendor that has not been licensed,
11 registered, or otherwise authorized under this section by the commission when a threat to public
12 health, welfare, or safety exists or circumstances outside the control of the applicant or gaming
13 licensee require immediate action to mitigate damage or loss to the gaming location or to the state.
14 Any rules adopted shall include a requirement that the applicant or gaming licensee contact the
15 board immediately upon utilizing a vendor that would otherwise require licensing under this
16 chapter.

17 VIII. A person doing business with a gaming applicant or gaming licensee required to be
18 licensed, registered, or otherwise authorized under this section shall have the continuing duty to
19 provide any assistance or information required by the commission, the attorney general or the
20 division of state police and to cooperate in any inquiry, investigation, or hearing conducted by the
21 commission. If, upon issuance of a formal request to answer or produce information, evidence, or
22 testimony, a person doing business with an gaming applicant or gaming licensee required to be
23 licensed, registered or otherwise authorized under this section refuses to comply, the application,
24 license, registration, or authorization of such person may be denied, suspended, or revoked.

25 IX. In any decision relating to a gaming vendor license or non-gaming vendor registration
26 the commission shall consider the attorney general's report provided pursuant to RSA 284-B:20;
27 provided that, notwithstanding any other provision of law, no person shall be issued or hold a license
28 under this chapter if in the opinion of the attorney general such person is not suitable to hold a
29 license.

30 X. Any licensing determination including, but not limited to, that related to a gaming vendor
31 license or gaming vendor registration shall be made by majority vote of eligible commission
32 members. Any commission member who has a personal or business conflict with any application
33 shall not vote on such application.

34 XI. Any decision of the commission approving an application, approving an application with
35 conditions, or denying an application under this section shall be issued by the commission within 30
36 days of the conclusion of the hearing conducted pursuant to this section and is a final, binding, non-
37 appealable determination which is not subject to legal challenge except as permitted by this chapter.

1 XII. Any award by the commission of a license, registration, permit, or other employee
2 authorization shall be evidenced by a written decision.

3 XIII.(a) Within 30 days after any order or decision has been made by the commission, any
4 party to the action or proceeding before the commission, or any person directly affected thereby, may
5 apply for a rehearing in respect to any matter determined in the action or proceeding, or covered or
6 included in the order, specifying in the motion all grounds for rehearing, and the commission may
7 grant such rehearing if in its opinion good reason for the rehearing is stated in the motion.

8 (b) Such motion shall set forth fully every ground upon which it is claimed that the
9 decision or order complained of is unlawful or unreasonable. No appeal from any order or decision of
10 the commission shall be taken unless the appellant shall have made application for rehearing as
11 herein provided, and when such application shall have been made, no ground not set forth therein
12 shall be urged, relied on, or given any consideration by the court, unless the court for good cause
13 shown shall allow the appellant to specify additional grounds.

14 (c) Upon the filing of such motion for rehearing, the commission shall within 10 days
15 either grant or deny the same, or suspend the order or decision complained of pending further
16 consideration, and any order of suspension may be upon such terms and conditions as the
17 commission may prescribe.

18 (d) Within 30 days after the application for a rehearing is denied, or, if the application is
19 granted, then within 30 days after the decision on such rehearing, any party aggrieved or
20 dissatisfied by any final decision of the commission under this section shall have the right to appeal
21 from a final decision to the superior court. The petition shall set forth the grounds on which such
22 claim is made.

23 XIV. The appellant's burden of proof in any appeal to the superior court under this section
24 shall be as provided for by RSA 541:13.

25 XV. The division of state police shall promptly notify the commission in the event an
26 applicant for or gaming vendor licensee or non-gaming vendor registrant is arrested for a crime or
27 offense in this state after the date the background check was performed.

28 XVI. The commission may require a non-gaming vendor conducting over \$100,000 of
29 business with a gaming licensee within a 12-month period or \$250,000 of business with a gaming
30 licensee within a 3-year period to be licensed as a gaming vendor.

31 XVII. The commission may require a registered non-gaming vendor to be licensed as a
32 gaming vendor if, after an analysis of the functions of the vendor and its relationship with the
33 gaming applicant or gaming licensee it determines that action to be necessary to protect the integrity
34 of gaming.

35 XVIII. A gaming vendor license, a non-gaming vendor registration and any other
36 authorization for which a completed renewal application and fee, if required, has been received by
37 the commission shall continue in effect unless and until the commission sends written notification to

1 the holder that the commission has denied the renewal of the gaming license, registration or
2 authorization.

3 284-B:30 Gaming Vendor Licensing.

4 I. In connection with a gaming vendor license the commission shall be authorized to
5 exchange fingerprint data with, and to receive criminal history record and background information
6 from, the department of safety, division of state police, the office of the attorney general, the Federal
7 Bureau of Investigation or other source consistent with applicable federal and state laws and rules.

8 II. A gaming applicant or gaming licensee shall not conduct business with a person required
9 to be licensed as a gaming vendor pursuant to this chapter unless the person is licensed by the
10 commission or otherwise authorized to engage in business with an applicant or the gaming licensee
11 in accordance with RSA 284-B:29, V(a)-(d).

12 III. A gaming vendor license applicant shall submit to the commission the following
13 information, documentation and assurances with regard to qualification under this chapter:

14 (a) A description of the applicant's business relationship with a gaming licensee.

15 (b) A fully executed and complete application on forms prescribed by the commission.

16 An application shall be deemed complete in accordance with rules issued pursuant to RSA 284-B:19.

17 (c) All documentation, fingerprints, and consents required of a gaming license applicant
18 under 284-B:17, III of this chapter.

19 (d) All documentation required of a gaming license applicant under RSA 284-B:17, IV(a).

20 (e) The documentation related to a similar gaming license, registration, permit, or other
21 authorization required of a gaming licensee applicant under RSA 284-B:17, IV(c).

22 (f) If the applicant for a gaming vendor license is a corporation, limited liability company
23 or other form of business enterprise, all documentation required of a gaming license applicant under
24 RSA 284-B:17, VI and RSA 284-B:17, VII.

25 (g) Such other information as the commission shall deem relevant to its consideration of
26 the application.

27 IV. Upon a determination by the commission that a gaming vendor license application is
28 complete in accordance with RSA 284-B:19, the commission shall request that the attorney general
29 commence an investigation into the suitability of the applicant in accordance with RSA 284-B:20. In
30 conducting its background investigation the attorney general shall consider the suitability of the
31 applicant including, but not limited to:

32 (a) Financial stability.

33 (b) Good character, honesty, and integrity.

34 (c) Business ability and gaming experience.

35 (d) If applicable, the applicant's history of compliance in other regulated gaming
36 jurisdictions including, but not limited to, a letter of reference or sworn statement of good standing
37 produced in accordance with RSA 284-B:17, IV(c).

SB 366-FN-A-LOCAL – AS AMENDED BY THE SENATE
- Page 71 -

1 (e) Whether the applicant is disqualified from receiving a license under RSA 284-B:21.

2 (f) The applicant's ability, if required, to demonstrate rehabilitation in accordance with
3 RSA 284-B:21.

4 V. Upon receipt of the report of the attorney general on an applicant's suitability to hold a
5 gaming vendor license the commission shall conduct a licensing hearing in accordance with rules
6 adopted pursuant to RSA 284-B:29 to determine whether the applicant meets the standards for
7 licensure set forth in this chapter. In any decision by the commission relating to the issuance of a
8 gaming vendor license, the commission shall consider the attorney general's report provided
9 pursuant to RSA 284-B:20; provided that notwithstanding any other provision of law, no person shall
10 be issued or hold a license under this chapter if in the opinion of the attorney general such person is
11 not suitable to hold such a license.

12 284-B:31 Non-Gaming Vendor Registration.

13 I. In connection with a non-gaming vendor registration the commission shall be authorized
14 to exchange fingerprint data with, and to receive criminal history record and background
15 information from, the division of state police, the attorney general, the Federal Bureau of
16 Investigation or other source consistent with applicable federal and state laws and rules.

17 II. A gaming applicant or gaming licensee shall not conduct business with a person required
18 to be registered as a non-gaming vendor pursuant to this chapter unless the person is registered
19 with the commission.

20 III. A non-gaming vendor seeking to register with the commission shall submit to the
21 commission the following information, documentation, and assurances with regard to qualification
22 under this chapter.

23 (a) A description of the applicant's business relationship with a applicant or gaming
24 licensee.

25 (b) A fully executed and complete application on forms prescribed by the commission.
26 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
27 B:19.

28 (c) All documentation, fingerprints, and consents required of a gaming license applicant
29 under RSA 284-B:17, III(b)(1)-(2).

30 (d) The documentation related to a similar gaming license, registration, permit, or other
31 authorization required of a gaming licensee applicant under RSA 284-B:17, IV (c).

32 (e) Such other information as the commission shall deem relevant to its consideration of
33 the application.

34 IV. Upon a determination by the commission that a non-gaming vendor registration
35 application is complete in accordance with RSA 284-B:19, the commission shall register the applicant
36 provided it is able to establish, at a minimum:

37 (a) Good character, honesty, and integrity.

1 (b) If applicable, the applicant’s history of compliance in other regulated gaming
2 jurisdictions including, but not limited to, a letter of reference or sworn statement of good standing
3 produced in accordance with RSA 284-B:17, IV(c) of this chapter.

4 (c) Whether the applicant is disqualified from receiving a license under RSA 284-B:21.

5 (d) That the applicant is not disqualified from receiving a registration under rules
6 adopted pursuant to RSA 284-B:21 or is rehabilitated in accordance with rules adopted pursuant to
7 RSA 284-B:21.

8 284-B:32 Issuance of an Operation Certificate to a Gaming Licensee.

9 I. A gaming licensee shall not commence slot machine and table operations at a gaming
10 location without an operation certificate issued by the commission.

11 II. An operation certificate shall specify the date and time at which gaming operations may
12 commence and shall fix the maximum square footage of the gaming floor, the maximum number of
13 slot machines, and the maximum number of table games that may be operated by a gaming licensee
14 under the operation certificate. Once an operation certificate is issued by the commission, a gaming
15 licensee may not exceed the maximum square footage of gaming floor, slot machines, or table games
16 specified therein without the prior approval of the commission.

17 III. The commission may amend, modify, restrict, or limit an operation certificate and may
18 remove any restriction, limitation, or condition imposed on an operation certificate at any time
19 consistent with the purposes of this chapter and the rules adopted thereunder.

20 IV. The commission shall issue an operation certificate where it determines that the gaming
21 licensee has satisfied all conditions precedent to the commencement of gaming operations
22 enumerated in its statement of conditions, this chapter and the rules adopted by the commission
23 including the following requirements:

24 (a) That the gaming location complies with the provisions of this chapter and any
25 relevant rules adopted by the commission relative to:

26 (1) Communication systems and the ability of persons at the gaming location to
27 timely communicate with the commission, all law enforcement exercising criminal or regulatory
28 jurisdiction over the gaming location, and emergency first responders;

29 (2) A commission approved surveillance system and function:

30 (A) Configured to provide adequate and effective surveillance of all slot machines
31 and table games on the gaming floor;

32 (B) Enabled with a digital video recording format;

33 (C) Equipped with a monitoring station, for the exclusive use of the commission
34 and division of state police gaming enforcement unit, configured with full camera control capability
35 over the surveillance system and able to establish priority over a camera controlled by the gaming
36 licensee; and

37 (D) Meeting any minimum staffing requirements.

1 (3) A commission approved security system including required alarm systems and
2 meeting any minimum staffing requirements;

3 (4) An area for the detention of individuals taken into custody by any federal, state
4 or local law enforcement agency exercising proper jurisdiction over the gaming location;

5 (5) Signage;

6 (6) A count room and such other commission approved secure facilities as may be
7 required by the commission for the counting and storage of cash, tickets, checks, and other devices or
8 items of value used in wagering and for the inspection, counting, and storage of cards, dice, chips,
9 and other representatives of value;

10 (7) Office space for use by the commission and division of state police gaming
11 enforcement unit located within the gaming location in an area satisfactory to the commission and
12 equipped as specified by the commission including, at a minimum, computer terminals permitting
13 read-only access by authorized commission staff to any computerized video lottery monitoring
14 system, casino management system or player tracking system used by the gaming licensee; and

15 (8) If the commission elects to acquire a central computer system, data center space
16 for that system:

17 (A) Equipped with system appropriate HVAC;

18 (B) Supplied with system appropriate power including an uninterruptible back-
19 up power supply; and

20 (C) Subject to surveillance coverage and secured in a manner satisfactory to the
21 commission.

22 (b) All slot machines, associated equipment, and table game devices have been tested,
23 certified, or otherwise accepted or approved in accordance with this chapter and the rules adopted by
24 the commission.

25 (c) A floor plan depicting its gaming floor, all restricted areas, automatic teller machines,
26 and lottery ticket vending locations has been received and reviewed and/or approved in accordance
27 with this chapter and rules adopted by the commission.

28 (d) The gaming licensee's system of internal control, gaming equipment procedures and
29 technical standards, rules of the games, security and surveillance procedures, and any other pre-
30 opening submissions have been received and reviewed and/or approved in accordance with this
31 chapter and rules adopted by the commission.

32 (e) The gaming licensee is prepared to implement all operating procedures and systems,
33 including but not limited to, accounting and internal controls, and surveillance and security
34 procedures necessary to insure the safe conduct of slot machine and table game operations.

35 (f) The gaming licensee's employees are licensed, registered, or permitted by the
36 commission as required and trained in the performance of their responsibilities.

37 (g) The gaming location is prepared in all respects to receive the public.

1 (h) The gaming licensee has successfully completed a test period.

2 (i) The gaming licensee has filed an emergency response plan with the commission, the
3 division of state police gaming enforcement unit, and the fire department and police department of
4 the host community which includes:

5 (1) A layout identifying all relevant areas of the gaming location's safety support
6 systems and internal and external access routes;

7 (2) The location and inventory of emergency response equipment and the contact
8 information of the emergency response coordinator for the gaming licensee;

9 (3) The location of any hazardous substances and a description of any public health
10 or safety hazards present on site;

11 (4) A description of any special equipment needed to respond to an emergency at the
12 gaming location;

13 (5) An evacuation plan; and

14 (6) Any other information relating to emergency response requested by the
15 commission, the division of state police gaming enforcement unit, or the fire department or the police
16 department of the host community.

17 (j) The gaming licensee has complied with any additional conditions precedent to the
18 commencement of gaming operations imposed by the commission.

19 V. The commission may issue an operation certificate to a temporary gaming location and
20 may, on its own initiative, waive, relax, or permit deviations from the requirements of this chapter in
21 accordance with rules consistent with this chapter.

22 VI. A gaming licensee shall obtain an operation certificate for a permanent facility within 18
23 months of the date of issuance of an operation certificate on a temporary gaming location, unless an
24 extension is granted pursuant to paragraph VIII.

25 VII. A gaming licensee shall be responsible for all costs associated with the transition from a
26 temporary gaming location to a permanent gaming location, including the cost of relocation of the
27 commission's and division of state police gaming enforcement unit's on-site offices and any central
28 computer system.

29 VIII. If the commission determines upon the written petition of a gaming licensee that
30 extenuating circumstances beyond the control of the gaming licensee have prevented the gaming
31 licensee from complying with the permanent facility requirements of paragraph VI, the commission:

32 (a) May approve an extension of 6 months to comply.

33 (b) May not grant more than 2 extensions to a gaming licensee under this section.

34 IX. If a gaming licensee fails to timely obtain an operation certificate on a permanent
35 gaming location, including any commission approved extensions, its gaming license shall be revoked
36 and shall revert to the state.

37 284-B:33 A Gaming Licensee's System of Internal Controls.

1 I. A gaming licensee shall submit to the commission a written description of its system of
2 administrative and accounting procedures over slot machine and table game operations (collectively
3 its “internal controls”) at least 90 days before slot machine or table game operations are to
4 commence.

5 II. A gaming licensee’s internal controls shall, at a minimum, be designed to achieve the
6 following safeguards by providing for the following:

7 (a) Secure its assets and revenues.

8 (b) Reliable records, accounts, and reports on any transaction or financial event that
9 occurs in the operation of a slot machine or table game.

10 (c) If the commission elects to employ a central computer system, ensure that each slot
11 machine and fully automated electronic gaming table directly provides or communicates all required
12 activities and financial details to the central computer system.

13 (d) Ensure that transactions or financial events which occur in the operation of a slot
14 machine or table game are recorded as necessary to permit preparation of financial statements in
15 conformity with generally accepted accounting principles in the United States, this chapter and the
16 rules issued thereunder.

17 (e) Ensure any transaction or financial event that occurs in the operation of a slot
18 machine or table game is performed only in accordance with a gaming licensee’s general or specific
19 authorization as represented to the commission in its internal controls.

20 (f) Ensure that any transaction or financial event that occurs in the operation of a slot
21 machine and table game is recorded adequately to permit proper and timely reporting of gross
22 revenue and the calculation of fees, taxes and assessments related thereto.

23 (g) Ensure that access to assets is permitted only in accordance with a licensee’s general
24 or specific authorization as represented to the commission in its internal controls.

25 (h) Ensure that recorded accountability for assets is compared with actual assets at
26 reasonable intervals and appropriate action is taken with respect to any discrepancy.

27 (i) Ensure that all functions, duties, and responsibilities relating to slot machine or table
28 game operations are appropriately segregated and performed in accordance with sound financial
29 practices by competent, qualified personnel.

30 (j) Establish comprehensive procedures addressing all transactions and reconciliations
31 that routinely occur in the operation of a slot machine or table game including, but not limited to, the
32 following:

33 (1) The receipt, storage and disbursal of cash, cash equivalents, and chips used in
34 table games;

35 (2) Conversion of a cash equivalent to cash;

36 (3) Redemption of chips and other representations of value at a table game and the
37 payment of winnings and prizes;

- 1 (4) Recording of financial transactions pertaining to a table game;
- 2 (5) Transfer of chips and cash equivalents between a gaming table and the cashier's
- 3 cage;
- 4 (6) Transfer of a drop box from a gaming table to the count room and a slot cash
- 5 storage box from a slot machine to the count room;
- 6 (7) Payment of a manual jackpot and redemption of a ticket;
- 7 (8) Counting and recording of gross slot machine and table game revenue; and
- 8 (9) Collection and recording of revenue from poker and other table games when
- 9 played as non-banked games, including the type of rake utilized and the methodology for calculating
- 10 the amount of rake.
- 11 (k) Establish procedures and security standards for the receipt, use, and storage of table
- 12 game devices and associated equipment used in connection with table game and slot machine
- 13 operations;
- 14 (l) Establish procedures and rules governing the conduct of each table game and the
- 15 responsibility of employees in the conduct of each table game;
- 16 (m) Ensure, through the use of surveillance and security departments, that a gaming
- 17 location is secure during normal operations and during any emergencies due to malfunctioning
- 18 equipment, loss of power, natural disaster, or any other cause.
- 19 III. A gaming licensee's system of internal controls shall ensure the safeguards enumerated
- 20 in paragraph II and the written description submitted to the commission pursuant to paragraph I
- 21 shall include, at a minimum:
- 22 (a) Organization charts depicting the appropriate segregation of functions and
- 23 responsibilities between departments involved in the conduct of slot machine and table game
- 24 operations.
- 25 (b) A description of the duties and responsibilities of each employee position shown on
- 26 the organization charts, their respective lines of authority and whether that position requires a key
- 27 employee license, gaming employee registration, non-gaming employee permit or other commission
- 28 licensing designation.
- 29 (c) Procedures addressing the transactions, controls, and assurances enumerated in
- 30 paragraph II.
- 31 (d) A record retention policy addressing retention, storage and destruction of books,
- 32 records and documents.
- 33 (e) Procedures governing the authorization and documentation of gaming-related
- 34 promotions to be offered by the gaming licensee.
- 35 (f) Policies related to prevention of prohibited political contributions in accordance with
- 36 RSA 284-B:50 and the annual certification to the commission required by that section.
- 37 (g) Such other information, narratives, documents, or assurances as shall be required by

1 the commission.

2 IV. An initial internal control submission submitted pursuant to paragraph I shall be
3 accompanied by the following attestations and reports:

4 (a) An attestation by the gaming licensee’s chief executive officer or a designee with a
5 direct reporting relationship to the chief executive officer attesting that the officer believes, in good
6 faith, that the submitted internal controls conform to the requirements of the chapter and the rules
7 issued by the commission.

8 (b) An attestation by the chief financial officer or a designee with a direct reporting
9 relationship to the chief financial officer attesting that the officer believes, in good faith, that the
10 submitted internal controls are designed to provide reasonable assurance that financial reporting
11 conforms to generally accepted accounting principles in the United States and complies with
12 applicable laws and regulations, including this chapter and the rules issued by the commission.

13 (c) A report from an independent registered public accounting firm licensed to practice in
14 New Hampshire expressing an opinion regarding:

15 (1) The effectiveness of the design of the submitted system of internal controls over
16 financial reporting; and

17 (2) Whether the submitted system of internal controls materially deviates from the
18 requirements of applicable laws, rules, and regulations, this chapter and the rules issued by the
19 commission.

20 V. Any change to a gaming licensee’s internal controls shall be submitted to the commission
21 along with the certifications required by paragraph IV(a) and (b) at least 10 calendar days prior to
22 implementation. If the commission does not interpose an objection in writing, the gaming licensee
23 may implement the precise change submitted on the eleventh day following the date of submission to
24 the commission.

25 284-B:34 A Gaming Licensee’s Books, Records and Documents .

26 I. A gaming licensee shall maintain and retain all books, records, and documents pertaining
27 to the operation of slot machines and table games in accordance with such rules and at such location
28 as shall be authorized by the commission.

29 II. A gaming licensee shall maintain all books, records, and documents pertaining to the
30 operation of slot machines and table games immediately available for inspection upon request of the
31 commission, the division of state police gaming enforcement unit, the attorney general or agents
32 thereof during all hours of operation.

33 III. No later than 2 days after the date of filing with the applicable agency, a gaming
34 licensee shall file with the commission a copy of each Suspicious Activity Report-Casino and
35 Currency Transaction Report by Casino filed under 31 C.F.R. sections 1000-1099.

36 284-B:35 Prohibition on Credit and Play with Credit Cards or Debit Cards.

37 I. A gaming licensee shall not extend credit to a player at a gaming location.

1 II. A gaming licensee shall not permit or enable in any way the direct use of credit cards or
2 debit cards by a player at a slot machine or table game.

3 III. No credit card or debit card advance machine, kiosk, or booth shall be located on or
4 within 100 feet of a gaming floor.

5 IV. No automatic teller machine shall be located on or within 100 feet of a gaming floor.

6 V. A player may use a credit card or a debit card at a gaming location to purchase chips, slot
7 machine credits, or table game credits or for an advance of cash to be used at a slot machine or table
8 game, provided the purchase or advance is processed by a payment processor licensed and classified
9 as a gaming vendor providing services ancillary to gaming.

10 284-B:36 Complimentary Services.

11 I. The commission shall adopt rules consistent with this chapter relating to the direct or
12 indirect offer by a gaming licensee to a player and a player's guests of complimentary services. The
13 rules shall require a gaming licensee to provide such information as the commission shall require
14 with regard to complimentary services at least quarterly and shall further require more timely and
15 detailed disclosure to the commission where a player or a player's guests receive complimentary
16 services valued in excess of \$2,000 over a specified period.

17 II. A gaming licensee is prohibited from directly or indirectly offering alcoholic beverages
18 free of charge for consumption on its gaming floor.

19 III. The gaming licensee shall comply with the provisions of RSA 179:44, I, prohibiting the
20 provision of free drinks in any part of the gaming location.

21 284-B:37 Betting Limits and Disclosure Requirements Applicable to a Cashless Wagering
22 System.

23 I. A gaming licensee utilizing a cashless wagering system to facilitate cashless wagering
24 accounts shall allow a player to monitor and impose betting limits on his or her cashless wagering
25 account including, but not limited to, per bet limits, hourly limits, daily limits, weekly limits, and
26 monthly limits. A player may decrease and increase limits in the exercise of his or her discretion
27 provided, however, that a player shall not increase a betting limit more than once in a 24-hour
28 period.

29 II. A gaming licensee shall issue to a player who utilizes a cashless wagering system a
30 monthly statement, mailed to the player at the player's physical mailing address, which shall
31 include the player's total bets, wins, and losses as recorded by the cashless wagering system,
32 provided, however, that a player shall be given the opportunity to decline receiving a monthly
33 statement during the process of opening a wagering account, provided, however, that a player who
34 elects to receive a monthly statement may thereafter opt out of receiving monthly statements by
35 providing a written request to cease monthly statements to a gaming licensee.

36 III. A gaming licensee offering a cashless wagering system shall annually report to the
37 commission the amount of money spent and lost by players with wagering accounts aggregated by

1 zip code. Activity under this section shall be monitored by the commission.

2 IV. An individual who has self-excluded under this chapter shall not open a cashless
3 wagering account.

4 284-B:38 Disclosure Requirements Applicable to a Player Tracking System.

5 I. A gaming licensee utilizing a player tracking system to facilitate a player incentive
6 program shall issue to a player who participates in its incentive program a monthly statement,
7 mailed to the player at the player's postal mailing address, which shall include the player's total
8 bets, wins, and losses as recorded by the player tracking system.

9 (a) A player shall be given the opportunity to decline receiving a monthly statement
10 during the process of joining the incentive program.

11 (b) A player who elects to receive a monthly statement may thereafter opt out of
12 receiving monthly statements by providing a written request to cease monthly statements to a
13 gaming licensee.

14 II. A gaming licensee utilizing a player tracking system to facilitate a player incentive
15 program shall annually report to the commission the amount of money spent and lost by players
16 participating in its incentive program aggregated by zip code. Activity under this section shall be
17 monitored by the commission.

18 III. An individual who has self-excluded under this chapter shall not be permitted to join or
19 otherwise participate in an incentive program offered by a gaming licensee.

20 284-B:39 Tips and Gratuities.

21 I. The commission shall adopt rules consistent with applicable state law relating to the
22 acceptance, accounting for, and distribution of tips and gratuities received by an employee of a
23 gaming licensee from a player at a slot machine or table game.

24 II. No key employee, box person, floor person, or other gaming employee who serves in a
25 supervisory position shall solicit or accept, and no employee may solicit, a tip or gratuity from a
26 player at a slot machine or table game.

27 284-B:40 Exclusion of Individuals Under the Age of 21 from a Gaming Location.

28 I. Except as provided in paragraph II, no individual under the age of 21 shall be permitted
29 access to a gaming floor or restricted area or to otherwise place a wager on a slot machine or table
30 game.

31 II. An individual 18 years or older who is a commission licensed, registered, or permitted
32 employee of a gaming licensee may access a gaming floor or restricted area only at such times and to
33 the extent necessary to perform the duties the individual was employed to perform.

34 III. No gaming licensee shall conduct marketing and promotional communications or
35 otherwise target or incent to gamble an individual under the age of 21.

36 IV. An individual who is prohibited from gaming in a gaming location under this section
37 shall not collect any winnings or recover any losses arising as a result of prohibited gaming winnings

1 and any winnings shall be forfeited to the commission and deposited into the general fund.

2 V. A gaming licensee shall take all reasonable measures to prevent violations of the criminal
3 code provisions related to gambling by individuals under the age of 21 including the provisions set
4 forth in this chapter and at RSA 672.

5 284-B:41 Exclusion of an Individual from a Gaming Location.

6 I. The commission shall adopt rules consistent with this chapter relating to the exclusion of
7 an individual from a gaming location including, but not limited to, standards for exclusion,
8 administration of an exclusion list, and notice to gaming licensees of placement of an individual on
9 the exclusion list.

10 II. In determining whether an individual should be excluded from a gaming location the
11 commission shall assess whether the individual's presence in a gaming location is inimical or a
12 potentially injurious threat to the interest of the state, the gaming licensee or both. The commission
13 shall consider, at a minimum, the following factors:

14 (a) Whether an individual has been convicted of:

15 (1) A criminal offense under the laws of any state or the United States that is
16 punishable by more than 6 months in a state prison, a house of correction, or any comparable
17 incarceration;

18 (2) A crime of moral turpitude; or

19 (3) A violation of the gaming laws of any state.

20 (b) Whether an individual has violated or conspired to violate this chapter relating to:

21 (1) Failure to disclose an interest in a gaming licensee for which the individual is
22 required to obtain a license; or

23 (2) Willful evasion of fees or taxes.

24 (c) Whether an individual has a notorious or unsavory reputation that would adversely
25 affect public confidence and trust that the gaming industry is free from criminal or corruptive
26 elements.

27 (d) Whether an individual's presence is otherwise inimical or a potentially injurious
28 threat to the interests of the state, the gaming licensee or both.

29 III. No individual shall be placed by the commission on its exclusion list due to race, color,
30 religion, national origin, ancestry, sexual orientation, disability, or sex.

31 IV. No gaming license shall conduct marketing and promotional communications or
32 otherwise target or incent to gamble an individual placed by the commission on its exclusion list.

33 V. The commission may revoke, limit, condition, suspend, or fine a gaming licensee if the
34 licensee knowingly or recklessly fails to exclude or eject from its gaming location an individual
35 placed by the commission on its exclusion list.

36 VI. Whenever the commission places a name on the exclusion list, the commission shall
37 serve written notice upon that individual by personal service, registered or certified mail return

1 receipt requested to the last ascertainable address or by publication in a daily newspaper of general
2 circulation for one week.

3 VII. Within 30 days of receipt of service by mail or 60 days after the last publication under
4 paragraph VI an individual placed on the exclusion list may request an hearing before the
5 commission and show cause as to why the individual should be removed from the exclusion list.
6 Failure to demand a hearing within the time allotted in this section shall preclude the individual
7 from having a hearing but shall not affect the individual’s right to petition for judicial review.

8 VIII. Upon receipt of a demand for hearing, the commission shall set a time and place for the
9 hearing. This hearing shall be held not later than 30 days after receipt of the demand for the
10 hearing, unless the time of the hearing is changed by agreement of the commission and the
11 individual demanding the hearing.

12 IX. If upon completion of the hearing the commission determines that the individual was
13 wrongfully placed on the exclusion list, the commission shall remove the individual’s name from the
14 exclusion list and notify all gaming licensees. The decision shall be final.

15 X. Placement of an individual on the exclusion list shall be evidenced by a written decision.

16 XI.(a) Within 30 days after any order or decision has been made by the commission, any
17 party to the action or proceeding before the commission, or any person directly affected thereby, may
18 apply for a rehearing in respect to any matter determined in the action or proceeding, or covered or
19 included in the order, specifying in the motion all grounds for rehearing, and the commission may
20 grant such rehearing if in its opinion good reason for the rehearing is stated in the motion.

21 (b) Such motion shall set forth fully every ground upon which it is claimed that the
22 decision or order complained of is unlawful or unreasonable. No appeal from any order or decision of
23 the commission shall be taken unless the appellant shall have made application for rehearing as
24 herein provided, and when such application shall have been made, no ground not set forth therein
25 shall be urged, relied on, or given any consideration by the court, unless the court for good cause
26 shown shall allow the appellant to specify additional grounds.

27 (c) Upon the filing of such motion for rehearing, the commission shall within 10 days
28 either grant or deny the same, or suspend the order or decision complained of pending further
29 consideration, and any order of suspension may be upon such terms and conditions as the
30 commission may prescribe.

31 (d) Within 30 days after the application for a rehearing is denied, or, if the application is
32 granted, then within 30 days after the decision on such rehearing, any party aggrieved or
33 dissatisfied by any final decision of the commission under this section shall have the right to appeal
34 from a final decision to the superior court. The petition shall specify the grounds on which such
35 claim is made.

36 XII. The appellant’s burden of proof in any appeal to the superior court under this section
37 shall be as provided for by RSA 541:13.

1 XIII. An individual who is prohibited from gaming in a gaming location under this section
2 shall not collect any winnings or recover any losses arising as a result of prohibited gaming winnings
3 and any winnings shall be forfeited to the commission and deposited into the general fund.

4 XIV. A gaming licensee may also exclude or eject from its gaming location an individual who
5 is known to it to have been convicted of a misdemeanor or felony committed in the gaming location.
6 Nothing in this chapter shall limit the right of a gaming licensee to exercise its common law right to
7 exclude or eject permanently from its gaming location an individual who disrupts its gaming
8 operations, threatens the security of the gaming location or its employees, players and invitees or is
9 disorderly or intoxicated.

10 284-B:42 Self-Exclusion By an Individual From a Gaming Location.

11 I. The commission shall establish and administer a list of individuals voluntarily electing to
12 self-exclude themselves from a gaming location operated pursuant to this chapter. The commission
13 may further adopt provisions expanding the availability of self-exclusion to games of chance
14 conducted pursuant to RSA 287-D.

15 II. The commission shall adopt rules consistent with this chapter relating to the self-
16 exclusion of an individual from a gaming location including, but not limited to, multiple time periods
17 for self- exclusion, administration of, and removal from, the self-exclusion list, notice to gaming
18 licensees of placement of an individual on the self-exclusion list and forfeiture of winnings and
19 recovery of losses.

20 III. An individual may place his or her name on the self-exclusion list by filing a request
21 with the commission acknowledging that they are a problem gambler and by agreeing that, during
22 any period of voluntary exclusion, that they shall not collect any winnings or recover any losses
23 resulting from any gaming activity at a gaming location operated pursuant to this chapter.

24 IV. No gaming license shall:

25 (a) Authorize and conduct marketing and promotional communications or otherwise
26 target or incite to gamble an individual electing to place their name on the commission's self-
27 exclusion list.

28 (b) Provide complimentary services, check cashing privileges, incentive program
29 membership or other benefits to a person electing to place their name on the commission's self-
30 exclusion list.

31 V. The commission may revoke, limit, condition, suspend or fine a gaming licensee if the
32 licensee knowingly or recklessly fails to exclude or eject from its gaming location an individual
33 electing to place their name on the commission's self-exclusion list.

34 VI. Notwithstanding any other general or special law to the contrary, the commission's list
35 of individuals electing to place their name on the commission's self-exclusion list shall not be open to
36 public inspection.

37 VII. A gaming licensee receiving notice from the commission that an individual has elected

1 to place their name on the commission’s self-exclusion list shall not be precluded from disclosing the
2 identity of the self-excluding individual to affiliated gaming operations in other jurisdictions for the
3 limited purpose of assisting in the proper administration of responsible gaming programs operated
4 by affiliated gaming operations.

5 VIII. An individual who is prohibited from gaming in a gaming location under this section
6 shall not collect any winnings or recover any losses arising as a result of prohibited gaming winnings
7 and any winnings shall be forfeited to the commission and deposited into the general fund.

8 284-B:43 Authorized Gaming; Possession, Testing, and Certification.

9 I. This chapter shall not be construed to authorize any gaming other than in connection with
10 a slot machine and table game meeting the requirements of this chapter.

11 II. The commission shall adopt rules consistent with this chapter relating to gaming
12 equipment including, but not limited to, requirements addressing:

13 (a) Receipt, review, distribution, and the commission approval process associated with
14 the certification reports issued by independent testing laboratories pursuant to paragraphs V and
15 VI;

16 (b) If the commission elects to employ a central computer system, the communications
17 protocol and technical standards applicable thereto.

18 (c) Mechanical and electrical reliability of slot machines and associated equipment.

19 (d) Security features preventing tampering with slot machines and associated
20 equipment.

21 (e) Comprehensibility to the player of wagering options and rules of play.

22 (f) Noise and light levels generated by slot machines.

23 (g) Design features necessary to ensure the accurate recording of transactions, to protect
24 a player from fraud or deception, and to minimize any potential negative consequences associated
25 with the play of a slot machine including, but not limited to:

26 (A) A prohibition on the use of reflexive software which, for the purposes of this
27 section, shall be defined as any software that has the ability to manipulate and/or replace a
28 randomly generated outcome for the purposes of changing the result on a slot machine;

29 (B) A requirement that a slot machine utilize one, or a combination of more than
30 one random number generators working collectively, to determine the occurrence of a specific card,
31 number, symbol, or stop;

32 (C) A requirement that once a random selection has occurred that the slot
33 machine display an accurate representation of the randomly selected outcome and that it be
34 prohibited from making a secondary decision which affects the result shown to the player on the slot
35 machine; and

36 (D) A requirement that where a slot machine includes a strategy choice, meaning
37 that a particular play option requires use of skill to consistently achieve the best result, that the slot

1 machine include in its rules of play sufficient information for a player to use optimal skill unless the
2 player is not required to make an additional wager and cannot lose any credits earned prior to the
3 strategy choice.

4 (h) Slot machine and table game circulation and density requirements including, but not
5 limited to, those related to:

6 (1) Promotion of optimum physical safety, security, and the comfort of players;

7 (2) Creation and maintenance of a gracious playing environment; and

8 (3) Promotion of a competitive games mix.

9 (i) Progressive slot machines including multi-casino progressive systems.

10 (j) Commission review requirements and product approval standards related to table
11 game devices.

12 (k) Rules of the game for each table game permitted under this chapter which include a
13 prohibition on:

14 (1) Use of a shill or barker to induce an individual to enter a gaming floor or play a
15 table game;

16 (2) A dealer in a table game in which cards are dealt to deal cards by hand or other
17 than from a device specifically designed for that purpose unless otherwise permitted by the rules of
18 the commission; and

19 (3) A key employee, gaming employee directly involved with the conduct of gaming
20 operations, including but not limited to dealers, floor persons, box persons, security and surveillance
21 employees, or any other individual so designated by the commission from wagering at the gaming
22 location at which they are employed.

23 (l) Physical and logical access to computer systems, including but not limited to, systems
24 meeting the definition of associated equipment and the location of the primary and back-up system
25 attendant to each.

26 (m) Such other gaming equipment requirements as the commission shall deem
27 appropriate.

28 III. A gaming licensee shall only possess, maintain, offer for play, or exhibit a slot machine,
29 associated equipment, and table game devices on a gaming floor or in a restricted area approved by
30 the commission for the installation, inspection, repair, or storage of such equipment, provided,
31 however, that this limitation shall not apply to a licensed gaming vendor who operates a warehouse,
32 showroom, or sales facility within the state subject to the approval of the commission.

33 IV. Notwithstanding the provisions of paragraph III, the commission may allow the
34 collective hardware, software, communications technology, and other ancillary equipment used to
35 facilitate a multi-casino progressive system to reside outside a gaming location in a secure facility
36 inaccessible to the public and specifically designed for that purpose.

37 V. No slot machine shall be sold, leased, or distributed within the state or used by a gaming

1 licensee to conduct gaming unless it is identical in all electrical, mechanical, and other respects to a
2 prototype thereof that has been both:

3 (a) Tested and certified by an independent testing laboratory meeting the requirements
4 of paragraph VIII as complying with the requirements of this chapter and the rules, technical
5 standards, and testing protocols adopted by the commission; and

6 (b) Approved by the commission.

7 VI. No associated equipment shall be sold, leased, or distributed within the state or utilized
8 by a gaming licensee to facilitate the operation of a slot machine, the conduct of a table game, or the
9 calculation of gaming revenue unless a prototype thereof is both:

10 (a) Tested and certified by an independent testing laboratory meeting the requirements
11 of paragraph VIII as complying with the requirements of this chapter and the rules, technical
12 standards, and testing protocols adopted by the commission; and

13 (b) Approved by the commission.

14 VII. The cost of all testing and certification services required in accordance with paragraphs
15 V and VI shall be paid by the licensed gaming vendor of the slot machine or associated equipment.

16 VIII. The commission shall periodically test slot machines and associated equipment
17 installed at a gaming location and may utilize the services of independent testing laboratories to
18 assist its staff in the performance of such testing. The gaming licensee shall pay the cost of such
19 testing including, but not limited to, the cost of any independent testing laboratory services utilized
20 by the commission.

21 IX. The commission shall utilize, and shall accept data, forensic reports, and certifications in
22 accordance with paragraphs V, VI, and VII of this section from multiple independent testing
23 laboratories provided each laboratory meets the following criteria:

24 (a) Holds a certificate in good standing for compliance with:

25 (1) International Organization for Standardization # 17025 — General
26 Requirements for the Competence of Testing and Calibration Laboratories as amended, amplified, or
27 substituted by that organization or a functional equivalent; and

28 (2) International Organization for Standardization # 17020 — General Criteria for
29 the Operation of Various Types of Bodies Performing Inspections as amended, amplified, or
30 substituted by that organization or a functional equivalent.

31 (b) Has performed testing and certification of gaming equipment, systems, and software
32 on behalf of a state or tribal jurisdiction within the United States for a period of 5 or more years.

33 (c) Has been determined by the commission to be qualified in accordance with standards
34 adopted by rules consistent with this chapter.

35 284-B:44 Payout Percentage.

36 I. No slot machine shall be sold, leased, or distributed within the state or used by a gaming
37 licensee to conduct gaming unless it has been certified by an independent testing laboratory meeting

1 the requirements of RSA 284-B:43, VIII as having a minimum theoretical payout percentage of 85
2 percent and a maximum theoretical payout percentage of less than 100 percent.

3 II. A gaming licensee shall prominently post on its gaming floor information regarding the
4 minimum theoretical payout percentage required by paragraph I of this section and such other
5 disclosures to slot machine players as the commission shall deem in the best interest of slot machine
6 players.

7 III. The commission shall require that each slot machine prominently display to slot
8 machine players an award schedule disclosing the value of each winning combination.

9 284-B:45 Wagers; Table Games Gaming Guide.

10 I. A gaming licensee shall equip each gaming table with a sign indicating the permissible
11 minimum and maximum wagers pertaining thereto.

12 II. A gaming licensee shall not accept a wager greater than the stated maximum or less than
13 the stated minimum, provided, however, that a wager actually made by a player and not rejected by
14 a gaming licensee prior to the commencement of play shall be treated as a valid wager.

15 III. A gaming licensee shall make available to any player upon request the complete text of
16 any rules adopted by the commission regarding table games and the conduct of play, the pay-off of a
17 winning wager, an approximation of the odds of winning for each wager, and such other disclosures
18 to the player as the commission shall require. If requested by the player, the information required
19 by this paragraph shall be made available in hard copy form at no cost to the player.

20 IV. A gaming licensee shall prominently post on its gaming floor such information regarding
21 the conduct of table game play, the pay-off of a winning wager, an approximation of the odds of
22 winning for each wager, and such other disclosures to the player as the commission shall require.

23 284-B:46 Gaming Ticket Expiration, Unclaimed Tickets, Cash, and Prizes.

24 I. A gaming licensee shall redeem a ticket issued by a slot machine for cash or a cash
25 equivalent for a period of one year from the date of issuance of the ticket.

26 II. Upon the expiration of the one-year period in paragraph I, the value of the expired ticket
27 shall revert to the state as an unclaimed prize.

28 III. A gaming licensee shall retain unclaimed cash and winnings for a player for a one-year
29 period from the date of the transaction generating the cash or winnings.

30 IV. Upon the expiration of the one-year period in paragraph III, the value of the unclaimed
31 cash or winnings shall revert to the state as unclaimed prizes.

32 V. The commission shall issue rules consistent with this chapter and the efficient
33 administration of a gaming licensee's obligations hereunder with regard to the reversion of amounts
34 to the state.

35 284-B:47 Junkets. No junket may be organized or permitted and no person may act as a junket
36 representative or junket enterprise except as authorized by the commission under rules adopted
37 pursuant to this chapter.

1 284-B:48 Gross Revenue Tax and Other Assessments Payable by a Gaming Licensee.

2 I. A gaming licensee shall remit to the state treasurer a tax of 35 percent of gross slot
3 machine revenue and 18 percent of gross table game revenue in a manner and time as provided for
4 by this chapter.

5 (a) Upon receipt of payment of taxes on gross slot machine revenue and gross table game
6 revenue by a gaming licensee under this chapter and in accordance with a schedule established by
7 the state treasurer, the state treasurer shall:

8 (1) Pay 3 percent of the gross slot machine revenue of the gaming licensee located in
9 the host community to the host community;

10 (2) Pay one percent of the gross slot machine revenue of the gaming licensee to the
11 New Hampshire community or communities that abut the host community, dividing such one
12 percent for payment in equal shares if there is more than one abutting community; provided,
13 however, that if a community abuts more than one host community, such abutting community shall
14 only receive a percentage of gross slot machine revenue pursuant to this paragraph from that
15 gaming licensee who operates a gaming location in closer proximity to the abutting community as
16 measured by distance between the gaming location and the town line of such abutting community;

17 (3) Pay one percent of the gross slot machine revenue of the gaming licensee to the
18 county in which the host community is located;

19 (4) Pay one percent of the gross slot machine revenue to the commissioner of the
20 department of health and human services to support programs established by RSA 172 to identify,
21 assess, prevent, and treat both compulsive and problem gambling and the related disorders of drug
22 and alcohol addiction;

23 (5) Return that part of the gross slot machine revenue remaining after the
24 distributions provided in subparagraphs (1) through (4) to cities and towns in New Hampshire equal
25 to the amounts determined in accordance with RSA 31-A:4 as restored by this act, or if the
26 remaining gross slot machine revenue is less than the amounts that would otherwise be payable in
27 accordance with RSA 31-A:4, then each such city's or town's pro rata share of the total available
28 amount determined in accordance with RSA 31-A:4; and

29 (6) Deposit the balance into the gaming regulatory fund established by RSA 284-
30 B:18, VI.

31 (b) Upon payment of taxes on gross slot machine revenue and gross table game revenue
32 by a gaming licensee under this chapter, and subject to payment by the state treasurer of the
33 amounts specified in subparagraph (a), the commission shall:

34 (1) Reimburse funds received by the commission from activities authorized by
35 RSA 284, RSA 287-D, RSA 287-E, and RSA 287-F in proportion to the expenses of the commission
36 borne by each such activity in the administration of this chapter as authorized by RSA 284-B:3,
37 VII(a), prior to the payment of the license fee.

1 (2) Reimburse funds received by the gaming regulatory oversight authority from
2 activities authorized by RSA 284 and RSA 287-F in proportion to the expenses of the authority borne
3 by each such activity in the administration of RSA 284-A.

4 (3) Charge to and pay out of the tax payments received the compensation of the
5 commissioners, expenses of the commissioners, compensation of assistants, and other necessary
6 expenses of the commission, of the office of the commission chair, and of the division of gaming
7 control, including suitable furniture, equipment, supplies, and office expenses, provided that the
8 commission shall submit an operating budget based on accounting units or other budgetary units
9 required by the general court and shall submit its budget in the same format and at the same time
10 as other state agencies; provided, however, the commission is authorized to transfer funds between
11 line items within and among any budgetary unit.

12 (4) Make distributions to the state treasurer for transfer to the attorney general and
13 the department of safety and local law enforcement agencies in amounts equal to any costs of
14 regulatory control over a gaming licensee that are not covered by any other designated source of
15 funding in this chapter, provided that such distributions shall be in accordance with a budget
16 approved by the general court.

17 II. The general court shall determine the distribution of the balance of tax payments on
18 gross slot machine revenue or gross table game revenue remitted by a gaming licensee that remains
19 after provision for the distributions and charges provided for by paragraph I.

20 III. A gaming licensee shall deliver to the state treasurer the amount due to the state
21 treasurer provided for in this section in immediately available funds of the United States at least
22 once a week in such manner and at such time as the state treasurer, with the concurrence of the
23 commission, shall agree. At the time payment is delivered, a gaming licensee shall provide to the
24 state treasurer a written accounting of gross table game revenue and gross slot machine revenue on
25 an aggregate basis together with its calculation of the amount due to the state treasurer pursuant to
26 this section. The gaming licensee's written accounting shall be in a form satisfactory to the
27 commission and shall be filed concurrently with the commission. A gaming licensee shall pay a
28 penalty of \$1,000 for each day that payment or the accounting is not delivered on time to the state
29 treasurer and/or the commission.

30 IV. A gaming licensee shall remit to the commission a fee in the amount of \$600 per year per
31 slot machine which fee shall be deposited in a public health trust fund administered by the
32 commission dedicated to addressing problems associated with compulsive gambling, including, but
33 not limited to, gambling prevention and addiction services, substance abuse services, educational
34 campaigns to mitigate the potential addictive nature of gambling, research, and any studies and
35 evaluations consistent with this chapter.

36 284-B:49 Conservatorship.

37 I. Upon revocation or suspension of a gaming license by the commission or upon the failure

1 or refusal of a gaming licensee to renew a gaming license for any reason, the commission may seek
2 the appointment of a conservator pursuant to this section to temporarily manage and operate the
3 business of the gaming licensee relating to a gaming location if it is able to establish both of the
4 following:

5 (a) The possible adverse economic impact of closure of the gaming location upon the host
6 community and upon the state generally is significant.

7 (b) Continued gaming operations pursuant to a conservatorship would facilitate speedy
8 transfer of ownership of the gaming location in a manner that does not unreasonably endanger the
9 public health, safety, morals, good order and general welfare. Such conservator shall be a person of
10 similar experience in the field of gaming management and, in the case of replacing a gaming
11 licensee, shall have experience operating a gaming location of similar caliber in another jurisdiction,
12 and shall be in good standing in any jurisdiction where the person has held or holds a license,
13 registration or other authorization. Upon appointment, a conservator shall agree to operate a
14 gaming location in compliance with all requirements of the statement of conditions issued by the
15 commission in connection with the gaming license for the gaming location.

16 II. If the commission deems it warranted pursuant to this section, the commission, and only
17 the commission, may petition ex parte for a court order appointing a conservator for the gaming
18 location. The decision to file such a petition is discretionary with the commission, and in
19 determining whether such a petition shall be filed, the commission shall consider, at any time
20 following issuance of an order revoking or suspending a gaming license or upon the failure or refusal
21 to renew a gaming license the following criteria.

22 (a) The nature of the violation or event that resulted in the revocation, suspension,
23 surrender, or lapse.

24 (b) The ability and actions taken, if any, for a removal by a gaming licensee in good
25 standing of persons who committed the violation.

26 (c) The involvement in the operation during a proposed conservatorship of persons whose
27 licenses were revoked, suspended, surrendered, or lapsed.

28 (d) The economic impact of closure of the gaming location upon the community in which
29 the establishment is located.

30 (e) The economic impact of closure of the gaming location upon the state of
31 New Hampshire.

32 (f) The prior efforts, if any, to sell the gaming location.

33 (g) The involvement, if any, of undisclosed interests in the gaming location.

34 (h) The presence, if any, of a publicly traded holding company and the public trading
35 that would occur during a conservatorship.

36 (i) The current status of all fees and taxes applicable to the operation.

37 (j) The adequacy of existing financing for the operation, if continued, and the suitability

1 of the source of such financing.

2 (k) The impact upon public confidence and trust that gaming operations in New
3 Hampshire are conducted honestly, competitively, and free from criminal and corruptive elements.

4 (l) The ownership of the gaming location or an interest therein by persons other than the
5 offending, surrendering, or lapsed licensee.

6 (m) Any other matter material to a full and complete consideration of the particular
7 circumstances presented.

8 (n) The availability of 2 or more persons qualified and willing to assume the position of
9 conservator for the gaming location in question, unless, in the opinion of the commission, only one
10 person is available who is qualified to serve, in which case the commission may name only that
11 person.

12 III. The commission may decline to petition for appointment of a conservator if satisfied that
13 because of any or all of the above considerations or for any other reason, a continuation of the
14 operation of the gaming location would not be in the best interest of the state, the gaming industry,
15 or both.

16 IV. The commission shall not petition for a conservator to continue gaming operations at any
17 gaming location if any of the following are established:

18 (a) A rehearing has been granted by the commission to the gaming licensee on the
19 revocation or suspension of its license and the rehearing has not been concluded.

20 (b) The gaming location has never been in operation and opened to the public.

21 (c) The gaming location is, or reasonably appears to be, insolvent.

22 (d) Gaming operations ceased at the gaming location for any reason prior to revocation,
23 suspension, or lapse of an essential license.

24 V. A conservator shall, before assuming managerial or operational duties, execute and file a
25 bond for the faithful performance of its duties payable to the commission with such surety and in
26 such form and amount as the commission shall approve.

27 VI. After issuance of an order to appoint a conservator, the former or suspended gaming
28 licensee may not exercise any of its privileges, collect or receive any debts, or pay out, sell, assign, or
29 transfer any of its assets to anyone without prior approval of the appointed conservator and the
30 commission.

31 VII. A conservator shall not distribute earnings of the gaming location to the former
32 licensed owners thereof, until deduction is made for:

33 (a) All amounts payable under this chapter.

34 (b) The costs of the conservatorship, including compensation and expenses incurred by
35 the conservator and those engaged by the conservator to aid in the conservator's duties, then due
36 and owing.

37 (c) Amounts deemed necessary by the conservator for continuing the operation of the

1 gaming location including, but not limited to, bankroll, salaries, and foreseeable operating expenses.

2 (d) Amounts deemed necessary by the conservator to preserve the assets of the gaming
3 location.

4 (e) A reserve fund sufficient, in the determination of the conservator, to facilitate
5 continued operation in light of pending civil litigation, disputed claims, contractual obligations,
6 taxes, fees, and any other contingency known to the conservator which may require payment by the
7 gaming location.

8 VIII. During the period of conservatorship, the commission shall, as applicable, initiate
9 proceedings under this chapter to award a new gaming license to a qualified applicant. An applicant
10 for a new gaming license shall be qualified for licensure under this chapter, provided, however, that
11 the commission shall determine an appropriate minimum capital investment by an applicant into
12 the preexisting gaming location and upon award of a new gaming license, the new gaming licensee
13 shall pay the original licensing fee required under this chapter.

14 IX. Following the sale, assignment, conveyance, or other disposition in bulk of all the
15 property subject to a conservatorship and the payment of any obligations to the state and political
16 subdivisions pursuant to this chapter, the commission shall conduct a hearing to determine the
17 distribution of the remaining assets.

18 X. The commission may issue an order to discontinue a conservatorship when:

19 (a) The commission determines that circumstances requiring the appointment of the
20 conservator no longer exist.

21 (b) The conservator has, with the prior approval of the commission, consummated the
22 sale, assignment, conveyance, or other disposition of all the assets or interest of the former gaming
23 licensee relating to the gaming license.

24 284-B:50 Prohibitions on Certain Political Contributions.

25 I. For the purposes of this section:

26 (a) “Candidate” means any person publicly declared as such, including any person who
27 prior to the opening of the period for the filing of a declaration of candidacy has made a public
28 statement of intent to run for elective office, and for whom votes are sought in an election, but shall
29 not include a person seeking nomination or election to any federal public office.

30 (b) “Close associate” means a person who holds a relevant financial interest in, or is
31 entitled to exercise power in, the business of a gaming applicant or gaming licensee and, by virtue of
32 that interest or power, is able to exercise a significant influence over the management or operation of
33 a gaming location or business licensed under this chapter.

34 (c) “Co-employee” means a individual that through a contractual arrangement is
35 employed by 2 separate business entities that share control over an employee’s work or working
36 conditions.

37 (d) “Contribution” shall be defined as in RSA 664:2.

1 (e) “Political committee” shall be defined as in RSA 664:2.

2 (f) “Political party” shall be defined as in RSA 664:2.

3 (g) “Independent expenditure” shall be defined as in RSA 664:2.

4 (h) “Dependent person” means an individual that is an employee or co-employee of a
5 gaming applicant or gaming licensee, an employee or co-employee of a person affiliated with a
6 gaming applicant or gaming licensee or an enterprise or firm, or an officer, director, partner, owner,
7 or key employee of an enterprise or firm, that is a party to any contract with, or is bidding for or
8 seeking to enter any contract with, or regularly represents or provides services to, a gaming
9 applicant or gaming licensee.

10 (i) “Public official” means any person holding the office of governor, executive councilor,
11 state senator, state representative, county commissioner, county treasurer, county attorney, county
12 sheriff, county registrar of deeds, or local, town or city office.

13 (j) “Solicitation” means a request, suggestion, or recommendation made to a particular
14 person, by any means of communication, that the person make a contribution, provided, however,
15 that a statement to a person expressing support for or opposition to the election of any candidate, or
16 support for or opposition to any political party, which is made without reference to a contribution, or
17 a statement intended for and given public dissemination encouraging all persons to make
18 contributions to any candidate or political party, is not a solicitation.

19 (k) “Thing of value” means an item of real, personal, or intellectual property that may
20 be converted into money by selling it or pledging it as security for a loan or other advance of funds; a
21 loan of assets, property, personnel, or facilities for use by a candidate or political party, such as,
22 without limitation, office space, automobiles, telephones or telephone services, or the time and effort
23 of employees or consultants who are paid by the person making the contribution; a personal or
24 professional service that is not incidental to the expression of a person’s ideological beliefs or
25 membership in a political party, and that has a value to the candidate or political organization; a
26 non-reimbursed expense that is not incidental to the expression of a person’s ideological beliefs or
27 membership in a political party, and is of the type normally incurred by the candidate or political
28 organization; or any thing, service, expense, or other item of value similar to that identified in this
29 paragraph.

30 II. A gaming applicant, a gaming licensee, a close associate of a gaming applicant or gaming
31 licensee or any holding, intermediary, or subsidiary company of a gaming applicant or gaming
32 licensee or any dependent person thereof; an officer, director, key employee, or principal of a gaming
33 applicant or gaming licensee; a person who holds at least a one percent interest in a gaming
34 applicant or gaming licensee; the spouse or children of a gaming applicant or gaming licensee; or any
35 person or agent acting on behalf of any of the persons enumerated herein are prohibited from
36 making contributions of money or things of value to public officials or candidates for public office and
37 political parties in New Hampshire provided further that the above-mentioned persons shall not

1 offer or give to a candidate or public official or his or her spouse, his or her parent, brother, sister, or
2 child or spouse of such child, or a business with which he or she is associated, anything of value,
3 including, but not limited to, a gift, loan, political contribution, reward, or promise of future
4 employment.

5 III. A gaming applicant, a gaming licensee, a close associate of a gaming applicant or gaming
6 licensee or any holding, intermediary, or subsidiary company of a gaming applicant or gaming
7 licensee or any dependent person thereof; an officer, director, key employee, or principal of a gaming
8 applicant or gaming licensee; a person who holds at least a one percent interest in a gaming
9 applicant or gaming licensee; the spouse or children of a gaming applicant or gaming licensee; or any
10 person or agent acting on behalf of any of the persons enumerated herein are prohibited from
11 making a contribution to a candidate or political committee through a legal entity that is
12 established, directed, or controlled by the persons described in this paragraph.

13 IV. No candidate or public official or political committee shall solicit or accept from a gaming
14 applicant, a gaming licensee, a close associate of a gaming applicant or gaming licensee or any
15 holding, intermediary, or subsidiary company of a gaming applicant or gaming licensee or any
16 dependent person thereof; an officer, director, key employee, or principal of a gaming applicant or
17 gaming licensee; a person who holds at least a one percent interest in a gaming applicant or gaming
18 licensee; the spouse or children of a gaming applicant or gaming licensee; or any person or agent
19 acting on behalf of any of the persons enumerated herein anything of value, including but not limited
20 to, a gift, loan, political contribution, reward, or promise of future employment.

21 V. This prohibition is designed to protect the public interest in both the fact and the
22 appearance of the independence of the political process, and the insulation of the government
23 institutions that are responsible for the supervision of the gaming industry, from the uniquely
24 powerful economic force that is presented by that industry. The protection of these interests is
25 critical to the maintenance of public confidence and trust in the regulation of gaming in
26 New Hampshire.

27 VI. A violation of the prohibitions in paragraphs II through V shall be punishable by a fine
28 not to exceed \$20,000 per illicit donation plus the amount of each illicit donation and such other
29 sanctions and penalties as the commission shall deem appropriate.

30 VII. The prohibitions enumerated in paragraphs II through V shall also apply to an
31 applicant for, or holder of, a key employee license or gaming vendor license, a close associate of a
32 gaming vendor applicant or gaming vendor licensee, or any holding, intermediary, or subsidiary
33 company of a gaming vendor applicant or gaming vendor licensee or any dependent person thereof;
34 an officer, director, key employee, or principal of a gaming vendor applicant or gaming vendor
35 licensee; a person who holds at least a one percent interest in a gaming vendor applicant or gaming
36 vendor licensee; the spouse or children of a key employee applicant or key employee licensee, gaming
37 vendor applicant, or gaming vendor licensee; or any person or agent acting on behalf of any of the

1 persons enumerated herein.

2 VIII. A violation of the prohibitions in paragraphs VII shall be punishable by a such
3 sanctions and penalties as the commission shall deem appropriate.

4 IX. The chief executive officer of a gaming applicant, a gaming licensee, an applicant for a
5 gaming vendor license, or a gaming vendor licensee shall annually certify to the commission and to
6 the attorney general under oath that they have developed and implemented internal safeguards and
7 policies intended to prevent a violation of this provision and that such person has conducted a good
8 faith investigation that has not revealed any violation of this provision during the past year.

9 284-B:51 Data; Research.

10 I. Notwithstanding any law to the contrary, a gaming licensee shall supply the commission
11 with customer tracking data collected or generated by loyalty programs, player tracking software,
12 player card systems, cashless wagering systems, or any other player incentive related information
13 system. The commission shall contract with an experienced nonprofit research entity to develop an
14 anonymizing system that automatically removes from the data:

15 (a) Personal identifying information, including player name, street address, bank or
16 credit information, and the last 4 digits of a player's zip code.

17 (b) Slot machine identifying information, including game name and manufacturer, in
18 protection of corporate intellectual property.

19 (c) The data shall retain information on player characteristics including, but not limited
20 to, gender, age, and region of residence, and player behavior including, where available on the
21 systems referenced in this paragraph, frequency of play, length of play, speed of play, denomination
22 of play, amounts wagered and, if applicable, number of lines or hands played and the characteristics
23 of the games played including, but not limited to, reel configuration, return-to-player, and volatility
24 index.

25 II. The commission shall convey the anonymized data to a research facility which shall make
26 the data available to qualified researchers for the purposes of:

27 (a) Conducting analyses that improve understanding of how gambling addiction develops
28 and progresses.

29 (b) Developing evidence-based harm minimization strategies.

30 (c) Developing evidence-based systems to monitor, detect, and intervene in high-risk
31 gambling.

32 III. The commission shall request reports on researcher analyses of the behavioral data,
33 which could provide informed recommendations to the general court relative to more effective
34 regulation of gambling operations. The commission may directly initiate studies assessing the
35 effectiveness of any specific measures, programs, or interventions which the state has imposed on its
36 gaming licensees and which might be illuminated through the behavioral data in question.

37 IV. The commission, with the advice of the gaming regulatory oversight authority, shall

1 develop an annual research agenda in order to understand the social and economic effects of
2 expanding gaming in New Hampshire and to obtain scientific information relative to the
3 neuroscience, psychology, sociology, epidemiology, and etiology of gambling. The commissioner of
4 health and human services, with the advice and consent of the commission, may expend funds
5 received pursuant to RSA 284-B:48 to implement the objectives of the research agenda. The
6 commission shall annually make scientifically-based recommendations which reflect the results of
7 this research to the general court. The commission shall consider any such recommendations,
8 research, and findings in all decisions related to enhancing responsible gaming and mitigating
9 problem gambling.

10 284-B:52 Adjusted Charitable Benefit. Any charity that held charitable games in New
11 Hampshire in accordance with RSA 287-D or RSA 287-E during the fiscal year ending June 30, 2013
12 (“FY 13”) or the fiscal year ending June 30, 2014, (“FY 14”) shall be eligible to receive an adjusted
13 charitable benefit as follows:

14 (a) If the eligible charity held charitable games during FY 13, but not during FY 14, then
15 the gaming commission shall determine the total net revenue awarded to each such eligible charity
16 from charitable games held during FY 13. This amount shall be called the “FY 13 base charitable
17 benefit.”

18 (b) If the eligible charity held charitable games during FY 14, then the gaming
19 commission shall determine the total net revenue awarded to each such eligible charity from
20 charitable games held during FY 14. This amount shall be called the “FY 14 base charitable benefit.”

21 (c) Within 60 days of the close of each fiscal year in which a gaming licensee has operated
22 video lottery machines or table gaming pursuant to this chapter, the gaming commission shall
23 determine the total net revenue awarded from charitable games for the immediately preceding fiscal
24 year for each charity that both:

25 (1) Is an eligible charity under this section; and

26 (2) Conducted charitable games during the immediately preceding fiscal year. This
27 amount shall be called the “annual charitable benefit.”

28 (d) For each charity for which an annual charitable benefit calculation was made under
29 subparagraph (c), the gaming commission shall determine if the FY 13 base charitable benefit or the
30 FY 14 base charitable benefit, as applicable, exceeds the annual charitable benefit. If the FY 13 base
31 charitable benefit or FY 14 base charitable benefit, as applicable, exceeds the annual charitable
32 benefit, the difference shall be called the “adjusted annual charitable benefit” and the gaming
33 commission shall notify the gaming licensee of the amount of the aggregate adjusted annual charitable
34 benefit for all applicable eligible charities for the immediately preceding fiscal year.

35 (e) Within 20 days of receipt of such notice, each gaming licensee shall pay 1/2 of the
36 aggregate adjusted annual charitable benefit determined under subparagraph (d) to the gaming
37 commission; provided that in any fiscal year in which only one gaming licensee has conducted

1 operations for the entire fiscal year, that one gaming licensee shall pay the entire adjusted annual
2 charitable benefit.

3 (f) Within 15 days of receipt of payment of the aggregate adjusted annual charitable
4 benefit, the gaming commission shall pay the individual adjusted annual charitable benefit to each
5 applicable eligible charity.

6 (g) The payment due under this section shall not be subject to offsets or credits.

7 (h) To the extent the gaming licensee has operated video lottery machines or table
8 games for only a portion of a fiscal year, that gaming licensee's share of the adjusted annual
9 charitable benefit amount for that year shall be proportionally pro-rated.

10 (i) An eligible charity shall only be entitled to receive an adjusted annual charitable
11 benefit for a particular fiscal year if it conducted charitable games in accordance with RSA 287-D or
12 RSA 287-E during that same fiscal year. If a charity eligible under this paragraph stops conducting
13 such charitable games for 2 consecutive fiscal years after the opening of the gaming licensee, such
14 charity shall no longer be eligible to receive an annual charitable benefit.

15 284-B:53 Legal Shipment of Gaming Devices Into New Hampshire. All shipments into this state
16 of gaming devices, including slot machines, the registering, recording, and labeling of which has been
17 duly made by the manufacturer or dealer in accordance with sections 3 and 4 of an Act of Congress of
18 the United States entitled "An Act to Prohibit Transportation of Gambling Devices in Interstate and
19 Foreign Commerce," designated as 15 U.S.C. sections 171-1172, shall be deemed legal shipments into
20 this state.

21 284-B:54 Declaration of Limited Exemption From Operation of the Provisions of 15 U.S.C.
22 sections 1171-1178. Pursuant to section 2 of an act of Congress of the United States entitled "An Act
23 to Prohibit Transportation of Gambling Devices in Interstate and Foreign Commerce," designated as
24 15 U.S.C. sections 1171-1178, the state of New Hampshire, acting by and through the duly elected
25 and qualified members of its legislature, does hereby, in accordance with and in compliance with the
26 provisions of that section 2 of that act of Congress, declare and proclaim that section 2 of that Act of
27 Congress shall not apply to any gambling device in this state where the transportation of such a
28 device is specifically authorized by and done in compliance with the provisions of this chapter and
29 any rules adopted by the commission pursuant to it, and that any such gambling device transported
30 in compliance with state law or regulations shall be exempt from the provisions of that Act of
31 Congress.

32 284-B:55 Severability and Preemption.

33 I. If any clause, sentence, subparagraph, paragraph, subsection, section, article, or other
34 portion of this chapter or the application thereof to a person or circumstances shall be held to be
35 invalid, such holding shall not affect, impair, or invalidate the remainder of this chapter or the
36 application of such portion held invalid to any other person or circumstances, but shall be confined in
37 its operation to the clause, sentence, paragraph, subparagraph, subsection, section, article, or other

1 portion thereof directly involved in such holding or to the person or circumstance therein involved.

2 II. If any provision of this chapter is inconsistent with, in conflict with, or contrary to any
3 other provision of law, such provision of this act shall prevail over such other provision and such
4 other provision shall be deemed to be amended, superseded, or repealed to the extent of such
5 inconsistency or conflict. Notwithstanding the provisions of any other law to the contrary, no local
6 government unit of this state shall enact or enforce any ordinance or resolution conflicting with any
7 provision of this act or with any policy of this state expressed or implied herein, whether by exclusion
8 or inclusion. The commission shall have exclusive jurisdiction over all matters delegated to it or
9 within the scope of its powers under the provisions of this chapter.

10 2 Gaming Regulatory Oversight Authority. RSA 284-A is repealed and reenacted to read as
11 follows:

12 284-A:1 Gaming Regulatory Oversight Authority. There is hereby established a gaming
13 regulatory oversight authority to ensure integrity and public confidence in gaming regulation and to
14 oversee and assess the regulation of gaming activities authorized pursuant to New Hampshire law,
15 to advise the gaming commission established by RSA 284-B on all matters pertaining to the exercise
16 of the gaming commission's powers and rights and the performance of the gaming commission's
17 duties and responsibilities, and to report at least annually to the general court with its findings and
18 recommendations regarding the appropriate regulation of gambling in New Hampshire. The
19 authority shall consist of the following members:

20 I. The attorney general, or designee.

21 II. The commissioner of the department of safety, or designee.

22 III. One member of the senate, appointed by the president of the senate.

23 IV. One member of the house of representatives, appointed by the speaker of the house of
24 representatives.

25 V. One member who has relevant experience, appointed by the governor.

26 VI. Two public members appointed by the governor one of whom shall be appointed to serve
27 as the chair of the authority.

28 284-A:2 Functions and Duties of the Authority.

29 I. The authority shall evaluate whether the current and proposed regulations, policies, and
30 practices for legal gaming in the state are adequate to operate in a manner that protects the public
31 interest and allows the regulation of gaming to be conducted in an effective and efficient manner,
32 advise the gaming commission at regular quarterly or special meetings of its findings and
33 recommendations, and report its findings and recommendations annually to the general court.

34 II. Meetings shall be called by the chair. All meetings of the authority shall be open to the
35 public and subject to RSA 91-A.

36 III. With regard to meetings, minutes, and records of the authority:

37 (a) The authority shall notice all proceedings and shall make and keep a record of all

1 proceedings held at public meetings of the authority. A verbatim record of those proceedings shall be
2 prepared by the authority. A copy of the record shall be made available to any person upon request
3 and payment of the costs of preparing the copy.

4 (b) The authority shall maintain such other files and records as the authority
5 determines is necessary.

6 (c) All records, information, or data maintained or kept by the authority shall be
7 maintained or kept at the office of the gaming commission.

8 IV. The balance of unexpended funds remaining in the allocation by the lottery commission
9 in 2013 of \$250,000 to the authority shall be available to the authority until June 30, 2015.
10 Notwithstanding any provision of law to the contrary, for fiscal years 2014 and 2015, the authority
11 may expend funds remaining in this allocation as needed to support its activities including, but not
12 limited to, the hiring of staff and the retention of experts in the area of the authority's oversight
13 activities. In fiscal years 2014 and 2015, the gaming commission may expend the remaining balance
14 of said \$250,000 in funds not otherwise appropriated to support the authority's activities. The
15 authority may expend such funds without the approval of the governor and executive council.

16 V. The gaming commission and all agencies and commissions subject to the authority of the
17 gaming commission shall cooperate with the authority and shall provide data and information to the
18 authority upon request. The authority shall be administratively attached to, but not under the
19 control of, the gaming commission pursuant to RSA 21-G:10.

20 3 New Sections; Department of Safety; Gaming Enforcement Unit Established. Amend RSA 21-
21 P by inserting after section 7-c the following new sections:

22 21-P:7-d Division of State Police; Gaming Enforcement Unit.

23 I. There is established within the division of state police a gaming enforcement unit under
24 the supervision of the commissioner of the department of safety. Notwithstanding RSA 106-B:15,
25 the unit shall:

26 (a) Investigate violations of RSA 284-B and the rules adopted under the provisions of
27 RSA 284-B, and initiate proceedings before the commission for such violations. The unit shall report
28 the results of any investigation conducted to the commission.

29 (b) Participate in any hearing conducted by the commission.

30 (c) Investigate crimes which may involve a violation of RSA 284-B that occur at a
31 gaming location.

32 II. The commissioner of the department of safety shall organize the unit as the
33 commissioner deems necessary. The commissioner of safety may employ such state police personnel
34 as the commissioner deems necessary to fulfill the responsibilities of the unit.

35 21-P:7-e Enforcement Expenditures. The governor and council, upon request from the
36 commissioner of the department of safety, may authorize the transfer of general funds as necessary
37 to the department of safety to implement and enforce RSA 21-P:7-d and RSA 284-B.

1 4 Restriction on Gambling. RSA 284:17-c is repealed and reenacted to read as follows:

2 284:17-c Restriction on Gambling. Except as provided in the introductory paragraph of
3 RSA 284:22, RSA 284:22-a, and RSA 284-B, no licensee who holds running horse races shall at the
4 same facility hold any other kinds of races or permit any other type of gambling except harness horse
5 races, thoroughbred races, and activities licensed by the commission or the racing and charitable
6 gaming commission.

7 5 New Paragraph; Facility License; Cocktail Lounge License. Amend RSA 178:22 by inserting
8 after paragraph V the following new paragraph:

9 VI. The commission may issue a special license to a person holding a gaming license under
10 the provisions of RSA 284-B, provided the gaming location has an existing liquor license. Such
11 special license shall allow the sale of liquor and beverage within the gaming location, including
12 dining room, function room, gaming room, lounge, or any other area designated by the commission,
13 without regard to whether meals are served therein, but only during the time gaming is being
14 conducted under RSA 284-B and subject to the same hours of sale as all other on-premises licenses
15 pursuant to RSA 179:17, II(b).

16 6 New Subparagraph; Authorized Slot Machines and Table Games. Amend RSA 647:2, V by
17 inserting after subparagraph (c) the following new subparagraph:

18 (d) Slot machines and table games authorized pursuant to RSA 284-B.

19 7 Rehabilitation of Problem Gambling. Amend RSA 172:2-a to read as follows:

20 172:2-a Program Established. The commissioner shall provide for the scientific care, treatment,
21 and rehabilitation of **gambling**, alcohol and drug abusers, and work towards the prevention of, and
22 assist in the control of, **gambling**, alcohol and drug abuse within the state through education,
23 treatment, community organization, and research.

24 8 Rehabilitation of Problem Gaming. Amend RSA 172:8 to read as follows:

25 172:8 Duties of Commissioner. The commissioner shall:

26 I. Study the problems presented by **gambling**, alcohol and drug abuse, including methods
27 and facilities available for the care, treatment, custody, employment, and rehabilitation of persons
28 who are **problem gamblers**, inebriates, alcohol abusers, drug dependent, or drug abusers.

29 II. Promote meetings and programs for the discussion of **gambling**, alcohol and drug
30 dependency and abuse for the guidance and assistance of individuals, schools, courts, and other
31 public and private agencies.

32 III. Conduct, promote and finance, in full or in part, studies, and other appropriate facilities
33 dealing with the physical, psychological, and/or social aspects of **gambling**, alcohol and drug abuse.

34 IV. Have the authority to accept or reject for examination, diagnosis, guidance, and
35 treatment, insofar as funds and facilities permit, any resident of the state who comes to the
36 commissioner voluntarily for advice and treatment.

37 V. [Repealed.]

1 VI. Render biennially to the governor and council a report of his activities including
2 recommendations for improvements therein by legislation or otherwise.

3 VII. Coordinate community medical resources for the emergency medical care of persons
4 suffering acute mental or physical reaction to **gambling**, alcohol or drugs and of persons suffering
5 from drug dependency.

6 VIII. Employ such assistants as may be necessary to carry out the purposes of this chapter,
7 in accordance with state personnel regulations, and within available appropriations and funds.

8 IX. Disseminate information on the subjects of **gambling**, alcohol and drug abuse for the
9 guidance and assistance of individuals, schools, courts and other public and private agencies.

10 X. ~~Repealed.~~

11 9 Problem Gaming Added. Amend RSA 172:8-a to read as follows:

12 172:8-a Confidentiality of Client Records. No reports or records or the information contained
13 therein on any client of the program or a certified **gambling**, alcohol or drug abuse treatment
14 facility or any client referred by the commissioner shall be discoverable by the state in any criminal
15 prosecution. No such reports or records shall be used for other than rehabilitation, research,
16 statistical or medical purpose, except upon the written consent of the person examined or treated.
17 Confidentiality shall not be construed in such manner as to prevent recommendation by the
18 commissioner to a referring court, nor shall it deny release of information through court order
19 pursuant to appropriate federal regulations.

20 10 Problem Gaming Added. Amend RSA 172:8-b to read as follows:

21 172:8-b Rulemaking. The commissioner shall adopt rules under RSA 541-A relative to the
22 following:

23 I. The acceptance, care, and treatment of **gambling**, alcohol or drug dependent persons and
24 alcohol or drug abusers who are clients of the program established under this chapter or a certified
25 substance abuse treatment facility.

26 II. A fee schedule and collection of fees under RSA 172:14, IV.

27 III. Certification of **such** substance abuse treatment facilities including, but not limited to:

- 28 (a) Program content;
29 (b) Qualifications of program staff; and
30 (c) Type of substance abuse treatment offered.

31 IV. Certification and recertification of **gambling**, alcohol and drug abuse counselors
32 including, but not limited to:

- 33 (a) Peer review of applicants.
34 (b) Minimum qualifications and competency.
35 (c) Education and continuing education.
36 (d) Experience required.
37 (e) Required knowledge of **gambling**, alcohol and drug abuse counseling.

1 (f) Such other matters as the commissioner may deem necessary to carry out the
2 purposes of this chapter.

3 V. Voluntary admissions under RSA 172:13.

4 11 Acceptance of Funds; Treatment of Problem Gamblers. Amend RSA 172:9 to read as follows:

5 172:9 Acceptance of [~~Grants~~] **Funds**. The commissioner is authorized to accept in the name of
6 the state special grants or money or services from the federal or state governments or any of their
7 agencies and may accept gifts to carry on the functions provided for in this chapter.

8 12 New Paragraphs; Gaming Offenses. Amend RSA 647:2 by inserting after paragraph I-b the
9 following new paragraphs:

10 I-c.(a) A person shall be guilty of cheating if such person, during a game in a gaming location
11 licensed by the commission, knowingly and by any trick or sleight of hand performance or by a fraud
12 or fraudulent scheme, cards, dice, or other gaming device for oneself or for another:

13 (1) Wins, or attempts to win, money or property; or

14 (2) Reduces, or attempts to reduce, a losing wager in said gaming location shall be
15 guilty of cheating.

16 (3) Uses a cheating device or game in a gaming location licensed by the commission
17 shall be guilty of cheating.

18 (b) Whoever commits the offense of cheating shall be punished as follows:

19 (1) A person is guilty of a class A felony if the value of the money, property, or wager
20 cheated is \$75,000 or more, and in the case of a person other than a natural person, by a fine not to
21 exceed \$100,000.

22 (2) A person is guilty of a class B felony if the value of the money, property, or wager
23 cheated is \$10,000 or more but less than \$75,000, and in the case of a person other than a natural
24 person, by a fine not to exceed \$100,000.

25 (3) A person if guilty of a class A misdemeanor if the value of the money, property or
26 wager cheated is \$1,000 or more but less than \$10,000, and in the case of a person other than a
27 natural person, by a fine not to exceed \$20,000.

28 (d) Each episode or transaction of cheating may be the subject of a separate prosecution
29 and conviction. In the discretion of the state, multiple episodes or transactions of cheating
30 committed as part of a single scheme or course of conduct may be treated as a single offense and the
31 amounts involved in acts of cheating committed according to a scheme or course of conduct, whether
32 by the same person or several persons, may be aggregated in determining the value of money,
33 property, or wager involved in the offense.

34 (e) A gaming applicant, gaming licensee, and an applicant for, or holder of, a principal
35 license, key employee license, gaming employee registration, non-gaming employee permit, gaming
36 vendor license, non-gaming vendor registration, or other person who, in a gaming location,
37 knowingly:

SB 366-FN-A-LOCAL – AS AMENDED BY THE SENATE
- Page 102 -

- 1 (1) Conducts or operates any game using a cheating device or game;
- 2 (2) Displays for play a cheating game; or
- 3 (3) Permits to be conducted, operated or displayed, any cheating device or game shall
- 4 be guilty of a class B felony, and in the case of a person other than a natural person, by a fine not to
- 5 exceed \$100,000.

6 I-d.(a) Whoever possesses a cheating device or game, with the intent to defraud, cheat, or

7 steal, shall be guilty of a class A misdemeanor, and in the case of a person other than a natural

8 person, by a fine not to exceed \$20,000.

9 (b) Knowing possession of a cheating device or game within a gaming location shall

10 constitute prima facie evidence of an intent to defraud, cheat, or steal, except possession by a gaming

11 licensee or an employee of a gaming licensee, acting lawfully in furtherance of such person's

12 employment within the casino, and shall constitute a class B felony.

13 13 New Subparagraph; Gaming Offenses. Amend RSA 647:2, V by inserting after subparagraph

14 (c) the following new subparagraph:

15 (d) A gaming location approved and licensed by the commission under RSA 284-B.

16 14 New Paragraph; Gaming Offenses. Amend RSA 647:2 by inserting after paragraph VI the

17 following new paragraph:

18 VII.(a) Whoever, being under 21 years old, plays, places wagers at or collects winnings from,

19 whether personally or through an agent, a game in a gaming location licensed by the commission

20 shall be guilty of a violation level offense and shall be punished by a fine not to exceed \$1,000.

21 (b) Whoever, being a gaming location licensee by the commission or an employee of a

22 gaming location licensee, who knowingly allows a person under the age of 21 to play, place wagers

23 at, or collect winnings from a game in a gaming location licensed by the commission, whether

24 personally or through an agent, shall be guilty of a class B misdemeanor and shall be punished, for a

25 first offense, by a fine not to exceed \$1,200, and in the case of a person other than a natural person,

26 by a fine not to exceed \$20,000 and, for a second or subsequent offense, shall be guilty of a class A

27 misdemeanor, and in the case of a person other than a natural person, by a fine not to exceed

28 \$20,000.

29 (c) Whoever knowingly plays, places wagers at, or collects winnings from a game in a

30 gaming location licensed by the commission for or on behalf of a person under 21 years of age shall

31 be guilty of a class B misdemeanor and shall be punished by a fine of not more than \$1,200 for the

32 first offense, and, for a second or subsequent offense, shall be guilty of a class A misdemeanor, and in

33 the case of a person other than a natural person, by a fine not to exceed \$20,000.

34 15 Issuance of Reports. Amend RSA 20:7 to read as follows:

35 20:7 Issuance of Reports. The following agency reports shall be issued annually: secretary of

36 state, state treasurer, bank commissioner, insurance commissioner, division of personnel,

37 commissioner of revenue administration, [~~lottery commission, racing and charitable~~] gaming

SB 366-FN-A-LOCAL – AS AMENDED BY THE SENATE
- Page 103 -

1 commission, liquor commission, department of transportation, department of environmental
2 services, department of safety, adult parole board, and the board of trustees of the state colleges and
3 university. All other reports shall be issued biennially. All reports shall cover periods ending on
4 June 30, and be submitted to the governor and council, the speaker of the house of representatives,
5 and the senate president by October 1. Biennial reports shall cover periods ending in odd-numbered
6 years.

7 16 New Subparagraphs; Application of Receipts; Gaming Regulatory Fund; Public Health Trust
8 Fund. Amend RSA 6:12, I(b) by inserting after subparagraph (316) the following new
9 subparagraphs:

10 (317) The gaming regulatory fund established in RSA 284-B:18.

11 (318) The public trust health fund established in RSA 284-B:48, IV.

12 17 Transfer of Powers. The transfer of powers, rights, duties and responsibilities to the gaming
13 commission pursuant to RSA 284-B:3 shall not take effect until all 5 commissioners of the gaming
14 commission have been duly appointed and sworn, which appointments shall be made at the earliest
15 possible date after passage.

16 18 Restoration of Revenue Sharing with Cities and Towns. RSA 31-A shall be restored to the
17 form in which it existed prior to its suspension as provided by 2013, 144:2, effective as of the fiscal
18 year in which payments are first made pursuant to RSA 284-B:48.

19 19 Change from “Racing and Charitable Gaming Commission” to “Gaming Commission”.
20 Amend the following RSA provisions by replacing “racing and charitable gaming commission” with
21 “gaming commission”: 6:12-d, II(1); 21:33-a, III(a); 21-I:18, I(n); 21-P:4, VI (introductory paragraph);
22 167:7-b, II(c); 175:1, LVI; 273-C:2, IV; 284:6-a, IV-VI; 284:9; 284:11; 284:12; 284:12-a; 284:20-f;
23 284:22; 284:23; 287-A:8, III; 287-D:1-b; 287-D:2; 287-D:2-b; 287-D:2-c; 287-D:2-d; 287-D:3; 287-D:6,
24 III; 287-D:7; 287-D:8; 287-E:1, VI; 287-E:7, II(b); 647:2, V(a).

25 20 Change from “Racing and Charitable Gaming Commission” to “Racing and Charitable
26 Gaming Division.” Amend the following RSA provisions by replacing “racing and charitable gaming
27 commission” with “racing and charitable gaming division”: 284:7; 284:8; 284:13; 284:13-a; 284:14;
28 284:14-c; 284:14-d; 284:20-d; 284:32-b; 284:38-a; 284-A:1; 287-D:1-a; 287-D:2, II; 287-D: VIII-X; 287-
29 D:9; 287-E:2; 287-E:16.

30 21 Change from “Lottery Commission” to “Gaming Commission”. Amend the following
31 RSA provisions by replacing “lottery commission” with “gaming commission”: 6:12, I(b)(1); 21-I:18,
32 I(g); 94:1-a; 284:21-jj; 284:21-f; 284:21-i; 284:21-j.

33 22 Change from “Lottery Commission” to “Lottery Division”. Amend the following
34 RSA provisions by replacing “racing and charitable gaming commission” with “lottery division”:
35 284:21-h; 284:21-k; 284:21-m; 284:21-o; 284:21-q; 284:21-s; 284:21-v; 287-F:10, I-j; 663:8.

36 23 Change from “Lottery Commission and Racing and Charitable Gaming Commission” to
37 “Gaming Commission”. Amend the following RSA provisions by replacing “lottery commission and

SB 366-FN-A-LOCAL – AS AMENDED BY THE SENATE
- Page 104 -

1 racing and charitable gaming commission” with “gaming commission”: 284:17-c; 284:21-j; 284-A:2,
2 I(e); 284-A:2, VI; 20:7; 21:33-a.

3 24 Gaming Regulatory Oversight Authority; Reference Changed. Amend RSA 284-A:1, III to
4 read as follows:

5 III. The executive director of the lottery [~~commission~~] **division**, or designee.

6 25 Effective Date. This act shall take effect upon its passage.

SB 366-FN-A-LOCAL FISCAL NOTE

AN ACT relative to video lottery and table gaming.

FISCAL IMPACT:

The Lottery Commission, Racing and Charitable Gaming Commission, Department of Safety, Department of Health and Human Services, Liquor Commission, New Hampshire Municipal Association, Judicial Branch, Judicial Council, Department of Corrections, and New Hampshire Association of Counties state this bill, **as amended by the Senate (Amendment #2014-1179s)**, will increase state, county, and local revenues and expenditures by an indeterminable amount in FY 2015 and each year thereafter.

The Office of Legislative Budget Assistant is awaiting information from the Department of Justice relative to the potential fiscal impact of this bill, **as amended by the Senate (Amendment #2014-1179s)**. The Department was initially contacted on 04/01/14 and most recently contacted on 04/11/14.

METHODOLOGY:

This bill establishes a New Hampshire Gaming Commission, which would consist of a Lottery Division, Racing and Charitable Gaming Division, and a Gaming Control Division and would have responsibility for the administration and enforcement of gaming under this bill. This bill allows slot machine games and table games at two locations in the state pursuant to an application process. The bill authorizes a maximum of 5,000 slot machines and 240 table games at two separate locations operating under two types of licenses (Category 1 and Category 2). A Category 1 license will permit up to 3,500, but not less than 2,000, slot machines and 160 table games, and a Category 2 license will permit up to 1,500, but not less than 750, slot machines and 80 table games. Category 1 and Category 2 initial license fees are \$80,000,000 and \$40,000,000, respectively. Both categories of licenses shall be valid for ten years, and the renewal fee shall be \$1,500,000, which will also be valid for ten years.

This bill requires gaming licensees remit to the state a tax of 35% of gross slot machine revenue and 18% of gross table game revenue, with proceeds allocated as follows:

- 3% of gross slot machine revenue of the gaming licensee locating in the host community to the host community;

- 1% of gross slot machine revenue of the gaming licensee to the New Hampshire community or communities that abut the host community, divided equally if more than one, with limitations if a community abuts more than one host community;
- 1% of gross slot machine revenue of the gaming licensee to the county in which the host community is located;
- 1% of the gross slot machine revenue to the Department of Health and Human Services to support programs relative to prevention and treatment of problem gambling;
- \$25,216,054, or amount available, for “revenue sharing” payments to municipalities pursuant to RSA 31-A:4; and,
- The remainder deposited into the gaming regulatory fund.

In addition to license fees, the bill imposed a variety of application and investigation fees. In each case, the bill states that if the cost of processing each application or conducting each investigation exceeds the amount of the fee, the applicant shall pay the difference. The fees are as follows:

- Application fees for a Category 1 or Category 2 license are \$400,000 to cover the Gaming Commission’s costs for processing and review.
- Applicants seeking an operator license will be required to pay an investigation fee of \$100,000 to be used by the Department of Justice to defray the cost of the applicant’s background investigation.

The Lottery Commission estimates the following activity related to application and license fees:

	FY 2015	FY 2016	FY 2017	FY 2018
Category 1 Applications (2 @ \$400,000) ¹	\$800,000	\$0	\$0	\$0
Category 2 Applications (2 @ \$400,000) ¹	\$800,000	\$0	\$0	\$0
Attorney General Background (4 @ \$100,000) ¹	\$400,000	\$0	\$0	\$0
Category 1 License Fee (1 @ \$80,000,000) ¹	\$0	\$80,000,000	\$0	\$0
Category 2 License Fee (1 @ \$40,000,000) ¹	\$0	\$0	\$40,000,000	\$0
Total (Gaming Regulatory Fund)	\$2,000,000	\$80,000,000	\$40,000,000	\$0
Slot Machine Fee (3,500 @ \$600) ²	\$0	\$0	\$0	\$2,100,000
Total (Public Health Trust Fund)	\$0	\$0	\$0	\$2,100,000

¹ Revenue deposited in the gaming regulatory fund.

² Revenue deposited public health trust fund administered by the Gaming Commission.

The Lottery Commission makes the following assumptions in estimating the potential gaming revenue impact of this bill:

- The two gaming locations will include a total of 5,000 slot machines & 240 table games;
- There is not a gaming facility within the metro region of Boston, Massachusetts, a location closer to the New Hampshire border, or in the southern portion of the State of Maine (south of Portland);
- The Category 1 facility will be located in a southern location, and the Category 2 facility will be at least 30 miles away;
- There will be neither temporary facilities nor phased approaches to construction;
- The Category 1 facility will be in operation July 2017, and the Category 2 facility will be open no sooner than July 2018;
- The Category 1 facility's slot machines will average \$260 in gross machine income per day and \$2,200 in gross table game revenue per day; and,
- The Category 2 facility's slot machines will average \$250 in gross machine income per day, and \$2,200 in gross table game revenue per day.

Based on the above assumptions, the Lottery Commission estimates a total of \$139,378,900 in tax revenue under this bill in FY 2018, the assumed first full year of operation for the Category 1 facility. The Commission assumes two casinos operating in the state will decrease traditional lottery net revenue by \$6,500,000 to \$9,000,000 per year. With respect to Lottery Commission expenditures, the Commission estimates they will incur \$906,768 in personnel and contractor expenditures per year leading up to the opening of a facility, and in the first full year of operation it estimates its expenses will total \$6,253,574, of which approximately \$4,500,000 will be devoted to a central computer system and the remainder will be devoted to personnel costs. Based on the Commission's revenue estimates, under this bill gross slot machine and table game revenue would be distributed as follows:

	FY 2018
<u>Gaming Revenue</u>	
# Slot Machines	3,500
Average Daily Gross Machine Revenue (Per Machine)	\$260
Average Daily Gross Machine Revenue (All Machines)	\$910,000
Estimated Annual Gross Machine Revenue (All Machines)	\$332,150,000
Gross Slot Machine Tax Revenue (35%)	\$116,252,500
# Table Games	160
Average Daily Gross Table Game Revenue (Per Table)	\$2,200
Average Daily Gross Table Game Revenue (All Tables)	\$352,000

Estimated Annual Gross Table Game Revenue (All Tables)	\$128,480,000
Gross Table Game Tax Revenue (18%)	\$23,126,400
Total Tax Revenue	\$139,378,900
<u>Distribution/Allocation of Revenue</u>	
Host Community (3% of Gross Slot Machine Revenue)	(\$9,964,500)
Abutting Communities (1% of Gross Slot Machine Revenue)	(\$3,321,500)
Host County (1% of Gross Slot Machine Revenue)	(\$3,321,500)
DHHS for Problem Gaming (1% of Gross Slot Machine Revenue)	(\$3,321,500)
"Revenue Sharing" Payments to Communities	(\$25,216,054)
Subtotal	(\$45,145,054)
Gaming Regulatory Fund (Net Revenue After Distributions)	\$94,233,846

Under this bill, reimbursements of certain expenditures shall be made from available funds in the Gaming Regulatory Fund to the Gaming Commission, Gaming Regulatory Oversight Authority, the Department of Justice (Attorney General), the Department of Safety, and local law enforcement agencies. The amounts and timing of such reimbursements is indeterminable.

The Racing and Charitable Gaming Commission states the bill continues to allow the operation of charitable gaming in the state. The bill states that any charity that held charitable games pursuant to RSA 287-D or 287-E during FY 2012 shall be entitled to receive an annual adjusted charitable benefit. The bill provides for the implementation of a formula that would in essence hold charities harmless from any potential loss in charitable gaming revenue as a result of the casinos permitted by the bill. The Commission states it is unable to determine any reduction or increase in revenue garnished from this calculation, as the adjusted charitable benefit is a concept not currently used by the Commission. The Commission states that although indeterminable, there may be a reduction of revenues garnished from charitable gaming as a whole, since the intent of the bill is to allow for forms of non-charitable gaming.

The Department of Safety states this bill establishes a Gaming Enforcement Unit within the Division of State Police. The Unit will be charged with investigating violations of the bill's provisions, initiating proceedings before the Lottery Commission for such violations, participating in hearings conducted by the Commission, and reporting the results of investigations to the Commission. In addition, the Unit will investigate any crimes that occur at a gaming facility, and present its findings to the appropriate prosecuting authority for potential prosecution in a criminal court. Based on the assumption once this legislation passes two casinos could be operational during FY 2018, the Department assumes that prior to the actual opening of a casino significant efforts would be required to establish the gaming enforcement unit within the Division of State Police, including hiring and training of required

personnel. This effort would require coordination with other state agencies and cannot be estimated at this time. While the Department states it is unable to estimate FY 2015 and FY 2016 costs, it has provided the following costs assuming a casino opening in FY 2018:

	FY 2017	FY 2018
<u>Salary and Benefits for 32 Employees</u>		
(2) State Police Lieutenant		
(2) State Police Sergeant	\$3,524,816	\$3,555,891
(26) State Police Detective		
(2) Administrative Secretary		
Overtime and Part-Time Employee Costs	\$176,850	\$176,850
Training	\$60,000	\$60,000
Operating Expense	\$136,720	\$130,720
Equipment	\$1,524,735	\$0
Total Costs	\$5,423,121	\$3,923,461

The Department of Health and Human Services states that based on current staffing levels for prevention and treatment service programs, the Department would need to establish two new full-time positions. The Department states additional funds will be used for media advertising and outreach, information development and dissemination, data collection and research to determine the scope of problem gambling and effectiveness of interventions and contracts for outpatient gambling addiction. This bill allocates one percent of gross slot machine income to the Department to support programs established under RSA 172 to treat problem gaming. The Department projects costs as follows:

	FY 2015	FY 2016	FY 2017	FY 2018
<u>Salary and Benefits for 2 Employees</u>				
(2) Program Specialist III	\$0	\$141,499	\$148,365	\$155,783
Operating Expense	\$0	\$18,000	\$18,000	\$18,000
Equipment	\$0	\$3,000	\$0	\$0
Contract Costs	\$375,000	\$589,321	\$585,337	\$578,059
Total Costs	\$375,000	\$751,820	\$751,702	\$751,842

The New Hampshire Liquor Commission states the bill allows it to issue a cocktail lounge license to two gaming facilities, and anticipates an increase enforcement demand as a result. The Commission cannot estimate this bill's impact on revenue, however it states it would need to hire additional enforcement and support personnel to meet the enforcement demand this bill would create. The Commission states it would need 12-months to prepare personnel for the

opening of the gaming facilities described in this bill, and therefore assuming facilities open in July 2017, it would incur the following costs:

	FY 2017	FY 2018
<u>Salary and Benefits for 14 Employees</u> <i>(Including Overtime):</i>		
(1) Lieutenant	\$1,409,479	\$1,463,886
(2) Sergeants		
(10) Liquor Investigators		
(1) Administrative Assistant		
Training	\$33,500	\$33,500
Operating Expense	\$58,200	\$58,200
Equipment	\$539,000	\$24,680
Total Costs	\$2,040,179	\$1,580,266

The New Hampshire Municipal Association states this bill provides for the operation of slot machines and table games at two gaming locations in the state. Under this bill, the community in which casinos are located and abutting communities would receive portions of gaming revenue. Also, this bill, subject to available gaming revenue, would reestablish revenue sharing payments to municipalities under RSA 31-A:4. The Association states establishment of a gaming location in any municipality would be subject to approval by the voters of the municipality. A public hearing would be required prior to a vote, and notice of said hearing must be posted in two public places and published in newspaper of general circulation. The Association states publication of the hearing would increase municipal expenditures, as would a vote if it were not included as part of a regular municipal election. The Association states the establishment of a gaming facility will also impact the property tax base in the host municipality, which may impact local tax revenues, tax rates, or both. Lastly, the Association states this bill will likely result in additional expenditures relative to public safety and infrastructure requirements. The Association is unable to estimate any of the potential fiscal impacts that may result from this bill.

This bill may result in various criminal penalties including violation level offenses, misdemeanors, and felonies. Also, this bill allows for administrative appeals to the state Supreme Court. This bill may result in a fiscal impact on state agencies and county government as there may be an increase in prosecutions, incarcerations, and administrative appeals as a result of this bill. While it is not possible to estimate how many individuals may be prosecuted or incarcerated or how many administrative appeals may be filed, each potentially affected agency has provided the following data for information purposes:

	FY 2014	FY 2015
<u>Judicial Branch</u>		
Average Cost Per Case (Violation Level Offense)	\$45	\$46
Average Cost Per Case (Class B Misdemeanor)	\$47	\$48
Average Cost Per Case (Class A Misdemeanor)	\$66	\$67
Average Cost Per Case (Routine Felony)	\$425	\$433
Average Cost Per Case (Routine Equity Case)	\$234	\$240
Average Cost Per Case (Routine Complex Equity Case)	\$668	\$683
Appeals	Varies	
<u>Judicial Council</u>		
Contract Attorney – Felony	\$756/Case	
Contract Attorney – Misdemeanor	\$275/Case	
Assigned Counsel – Felony	\$60/Hour up to \$4,100	
Assigned Counsel – Misdemeanor	\$60/Hour up to \$1,400	
<u>Department of Corrections</u>		
FY 2013 Average Cost of Incarcerating an Individual	\$32,872	\$32,872
<u>NH Association of Counties</u>		
County Prosecution Costs	Indeterminable	
Estimated Average Cost of Incarcerating an Individual	\$35,000	\$35,000