

SB 174 - AS INTRODUCED

2015 SESSION

15-0890
08/03

SENATE BILL **174**

AN ACT relative to charitable games of chance.

SPONSORS: Sen. Boutin, Dist 16; Sen. Avar, Dist 12; Sen. Reagan, Dist 17; Sen. Soucy,
Dist 18; Sen. Watters, Dist 4

COMMITTEE: Ways and Means

ANALYSIS

This bill eliminates certain rulemaking authority of the racing and charitable gaming commission regarding content of applications.

This bill also makes changes to the application process for primary and secondary game operators.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to charitable games of chance.

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

1 1 Facilities License Application; Specific Requirements. Amend the introductory paragraph of
2 RSA 287-D:7, II to read as follows:

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

6 2 Primary Game Operator License Application; Specific Requirements. Amend the introductory
7 paragraph of RSA 287-D:9, I and RSA 287-D:9, I(a) to read as follows:

8 I. Other than members of a charitable organization, any person who supervises, manages,
9 advises, or provides consulting to secondary game operators or other primary game operators shall
10 be licensed under this section. In addition to the general requirements under RSA 287-D:5, a
11 primary game operator license application shall include[~~, at a minimum, the following information~~
12 ~~provided that the commission may, by rule, establish additional items to be submitted on the~~
13 ~~application form or attached to it~~]:

14 (a) The identity of the game operator employer for whom the applicant [~~works~~] ***intends***
15 ***to work, if known by the applicant.***

16 3 Primary Game Operator License Application; Specific Requirements. Amend RSA 287-D:9, VI
17 to read as follows:

18 VI. Nothing in this section shall prevent a licensee from working for another game operator
19 employer. A licensee who works for more than one game operator employer during the licensed
20 period shall [~~submit a supplemental application with a separate licensing fee,~~] have a separate badge
21 for each game operator employer, and pay a separate fee for each badge.

22 4 Secondary Game Operator License Application; Specific Requirements. Amend the
23 introductory paragraph of RSA 287-D:10, II to read as follows:

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

28 5 Secondary Game Operator License Application; Specific Requirements. Amend RSA 287-D:10,
29 V to read as follows:

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

SB 174 - AS INTRODUCED
- Page 2 -

1 shall ~~[submit a supplemental application with a separate licensing fee,]~~ have a separate badge for
2 each game operator employer, and pay a separate fee for each badge.

3 6 Background Investigations. Amend RSA 287-D:11 to read as follows:

4 287-D:11 Background Investigations.

5 I. This section shall apply to applicants for a:

6 (a) Facilities license.

7 (b) Game operator employer license.

8 II. Any person, association, corporation, or other type of entity applying for or holding a
9 license under paragraph I shall file, with an initial application and every 5 years thereafter, with the
10 attorney general a complete and detailed written statement, signed under oath by the applicant or
11 holder of such license if an individual, or by the officers of the entity, containing the following
12 information:

13 (a) The name, residence address, and nature of the ownership interest including, where
14 applicable, the number of shares of stock held and if known, how obtained, of every person who
15 possesses an ownership interest in such entity *in excess of 10 percent*.

16 (b) The name, address, present principal occupation or employment, and name and
17 principal business of any corporation or other organization in which such employment is carried on
18 of every director, officer, and holder of 10 percent or more ownership interest in such entity.

19 ~~[(c) Such information as the attorney general may prescribe by rule.~~

20 ~~(d) Each licensee shall notify the attorney general and the commission of any change of
21 information required by this paragraph within 10 days of such change.~~

22 ~~III.(a) The commission shall refer all applications to the attorney general who shall conduct a
23 background investigation of the license applicant or holder, any person included in paragraph I, or
24 any person or entity upon whom the license applicant or holder relies for financial support. Any
25 appropriate state or federal law enforcement system may investigate the subject's financial,
26 eriminal, or business background, or any other information which the attorney general, in the
27 attorney general's sole discretion, may find to bear on the subject's fitness to be associated with
28 charitable gaming in New Hampshire, including, but not limited to, the subject's character, personal
29 associations, and the extent to which the subject is properly doing business in the manner in which it
30 purports to operate. When the commission requests such an investigation, the attorney general shall
31 report the results of such investigation to the commission within 90 days after the receipt of the
32 request. Notwithstanding RSA 91-A, the results of any such investigation shall be confidential and
33 shall not be subject to disclosure or to public inspection, except that the attorney general shall have
34 sole discretion to determine the extent to which and the manner in which the results may be
35 reported to the commission or other state agency or official and, if reported, whether such results are
36 to retain their confidential character; provided, however, that whenever the attorney general
37 conducts such an investigation, the attorney general shall notify the commission whether or not in~~

SB 174 - AS INTRODUCED

- Page 3 -

1 ~~the attorney general's opinion such person is fit to be associated with charitable gaming in New~~
2 ~~Hampshire. No person shall be issued or hold a license if in the opinion of the attorney general such~~
3 ~~person is not fit to be associated with charitable gaming in this state.~~

4 ~~(b) The attorney general may conduct a background investigation described in~~
5 ~~subparagraph (a) on the attorney general's motion.~~

6 ~~IV. The expenses of the office of attorney general in conducting any investigation authorized~~
7 ~~in this section, including the services of consultants, experts, accountants, and other assistants, shall~~
8 ~~be a direct charge against the applicant or holder. Total expenses for each investigation under this~~
9 ~~paragraph shall not exceed \$5,000, except with the approval of the fiscal committee of the general~~
10 ~~court.~~

11 ~~V. In any investigation conducted pursuant to paragraph III, the attorney general may~~
12 ~~require, by subpoena or otherwise, the attendance of witnesses and the production of such~~
13 ~~correspondence, documents, books, and papers as the attorney general deems advisable, and for~~
14 ~~purposes of this section, may administer oaths and take the testimony of witnesses. No person shall~~
15 ~~be excused from testifying or from producing any book or paper in any investigation conducted~~
16 ~~pursuant to paragraph III upon the ground that such testimony or documentary evidence might tend~~
17 ~~to incriminate such person; provided that if, after a claim of privilege, the attorney general, in~~
18 ~~writing, orders such person to testify or produce documentary evidence, that person shall not be~~
19 ~~prosecuted, punished, or subjected to any penalty or forfeiture for or on account of any act,~~
20 ~~transaction, matter, or thing which such person, under oath, disclosed or produced. No person so~~
21 ~~testifying shall be exempt from prosecution or punishment for any perjury committed by such person~~
22 ~~in such testimony.]~~

23 7 Background and Criminal Records Check. Amend RSA 287-D:12, VI to read as follows:

24 VI. For purposes of licensees, under RSA 287-D:7 or RSA 287-D:8 each owner, partner, or
25 trustee of the underlying property, or in the case of a corporation, each officer, director, or
26 shareholder, or in the case of a limited liability company, each manager or member, shall comply
27 with all of the requirements of this section ***provided this section shall not apply to any person***
28 ***or entity with less than a 10 percent ownership interest.***

29 8 Operation of Games of Chance. Amend RSA 287-D:14, X to read as follows:

30 X. Only the treasurer of the charitable organization, ***or his or her designee***, or a bona fide
31 member of the charitable organization designated by the treasurer shall handle any monetary
32 transactions related to the game of chance.

33 9 Equipment; Inspection. Amend RSA 287-D:17, II to read as follows:

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

37 10 Equipment; Ownership and Rental. Amend RSA 287-D:18, I(c) to read as follows:

SB 174 - AS INTRODUCED
- Page 4 -

1 (c) Rented at a fixed fee only from a dealer in such equipment who has his or her
2 principal place of business in this state [~~and who is licensed by the commission~~].

3 11 New Subparagraph; Penalties. Amend RSA 287-D:23, IV by inserting after subparagraph (c)
4 the following new subparagraph:

5 (d) Any person who is either as a player or a game operator purposely deprives a
6 charitable organization of funds by cheating in any game of chance shall be guilty of a class A felony.

7 12 Repeal. The following are repealed:

8 I. RSA 287-D:7, III, relative to the number of facilities licenses issued.

9 II. RSA 287-D:14, II, relative to agreements between charitable organization and a game
10 operator.

11 III. RSA 287-D:13, III, relative to game operator employer license fees.

12 13 Effective Date. This act shall take effect July 1, 2015, at 12:01 a.m.