

Sen. Lang, Dist 2
Sen. Bradley, Dist 3
January 8, 2024
2024-0090s
02/

Amendment to SB 432-FN

1 Amend the title of the bill by replacing it with the following:

2
3 AN ACT relative to advanced deposit account wagering and establishing operations of games
4 of chance for the benefit of the host community.
5

6 Amend the bill by replacing all after the enacting clause with the following:

7
8 1 New Section; Pari-Mutuel Pools, and Distribution of Tax Theron; Advanced Deposit Account
9 Wagering. Amend RSA 284 by inserting after section 22-b the following new section:

10 284:22-c Advanced Deposit Account Wagering.

11 I. Advance deposit wagering is authorized for pari-mutuel betting on horse racing under this
12 chapter if conducted in compliance with this section and the Interstate Horseracing Act of 1978,
13 United States Code, Title 15, section 3001 et seq.

14 II. It is unlawful for any person or entity to accept an advance deposit wager from a New
15 Hampshire resident unless the person or entity is a licensed advance deposit wagering provider in
16 the state of New Hampshire.

17 III. Before accepting an advance deposit wager from a New Hampshire resident, a licensed
18 advance deposit wagering provider shall demonstrate evidence of financial responsibility in a format
19 prescribed by the commission through a surety bond executed and issued by an insurer authorized to
20 issue surety bonds in this state, an irrevocable letter of credit, or other form of financial guarantee in
21 an amount to be determined by the commission. The commission may also accept, as evidence of
22 financial responsibility, a surety bond, an irrevocable letter of credit, or other form of financial
23 guarantee in accordance with this subdivision filed with one or more states where the applicant is
24 licensed as an advance deposit wagering provider. The commission may ask for additional evidence
25 of financial responsibility at any time the commission deems necessary. Any surety bond, an
26 irrevocable letter of credit, or other form of financial guarantee issued under this subdivision shall
27 be in favor of this state and shall specifically authorize recovery by the commission for the payment
28 of all revenues required by this chapter.

29 IV. The commission shall not license or authorize a person or entity to conduct advance
30 deposit wagering under this section unless the person or entity has submitted, and the commission
31 approved, a plan of operation for advance deposit wagering. At a minimum, the plan of operation
32 shall provide for:

Amendment to SB 432-FN
- Page 2 -

- 1 (a) Methods of resolving disputes with account holders;
- 2 (b) Procedures to protect the security of account holders' accounts and information;
- 3 (c) Methods to verify the identity of account holders and ensure that all account holders
- 4 are natural persons who are at least 18 years of age;
- 5 (d) Procedures to ensure that wagers are only accepted from account holders who have
- 6 sufficient funds on deposit and that no credit is extended by the person to an account holder;
- 7 (e) Procedures for keeping accurate records of all contests, wagers, and payouts;
- 8 (f) Annually contracting with an independent third-party to conduct a financial audit
- 9 and submit the results of the audit to the commission. If the licensed advanced deposit wagering
- 10 provider is a wholly-owned subsidiary of a publicly traded company, submission of audited financial
- 11 statements of the publicly-traded parent company contained in a public filing with the United States
- 12 Securities and Exchange Commission shall satisfy this requirement;
- 13 (g) Annually contracting with an independent third-party cyber security audit and
- 14 submit the results of the audit to the commission; and
- 15 (h) Other requirements established by the commission in rules adopted under RSA 541-
- 16 A.

17 V. The plan of operation may only be amended with the approval of the commission. The

18 commission may withdraw approval of a plan of operation for cause.

19 VI. Advanced deposit wagers from New Hampshire residents shall be subject to a revenue

20 sharing plan. Licensees shall provide the commission payment in the amount of 1.25 percent of all

21 wagers accepted from New Hampshire residents in a manner prescribed by the commission. The

22 revenues received from the commission pursuant to this section, less the administrative costs of the

23 commission, shall be deposited in the education trust fund established in RSA 198:39.

24 VII. Persons or entities that offered advanced deposit wagering services to New Hampshire

25 residents as of July 1, 2022 may request permission from the commission to continue offering these

26 services during the pendency of the licensing process. Any such person or entity shall make the

27 request to continue offering services in writing detailing how the person or entity will meet the

28 protections set forth in this section during the interim period before licensure. The commission may

29 grant such request for unlicensed operation for a period not to exceed 6 months where the requestor

30 has adequately documented acceptable financial responsibility and patron protection standards. In

31 no event shall this permission extend past January 1, 2025.

32 VIII. The provisions of this section shall not apply to entities licensed under RSA 284:22-a

33 who offer account wagering under the provisions of PariPool 525.

34 2 Rulemaking. Amend RSA 284:12, IV to read as follows:

35 IV. The sale of pari-mutuel pools as authorized under RSA 284:22, RSA 284:22-a, ~~and~~ RSA

36 284:22-b, **and RSA 284:22-c.**

Amendment to SB 432-FN

- Page 3 -

1 3 New Section; Games of Chance for the Benefit of the Host Community. Amend RSA 287-D by
2 inserting after section 4 the following new section:

3 287-D:4-a Games of Chance for the Benefit of the Host Community.

4 I. Notwithstanding any provision of law to the contrary, game operator employers licensed
5 under RSA 287-D:4 are required to operate 10 game dates for the benefit of the town or city where
6 the game operator employer is located.

7 II. The host town or city shall receive revenue at the same rate as a licensed charity during
8 the 10 designated dates and shall not be liable for rent or any other fees to be paid to the game
9 operator employer.

10 III. The game dates benefiting the host municipality shall be in place of a charity game date,
11 however, this shall not prevent the game operator employer from hosting a charity on the same
12 game dates when 2 charities would normally operate.

13 IV. For the purposes of the game operator employer's requirements under RSA 287-D:4,
14 operating on behalf of the host town or city shall be considered to be the same as hosting a licensed
15 charity.

16 V. The lottery commission shall adopt rules under RSA 287-D:3 relating to the operation of
17 game dates on behalf of the host town or city.

18 4 Effective Date. This act shall take effect July 1, 2024.

Amendment to SB 432-FN
- Page 4 -

2024-0090s

AMENDED ANALYSIS

This bill allows advanced deposit wagering on pari-mutuel betting on horse racing and authorizes the lottery commission to adopt rules governing the license and regulation of such wagers. It also establishes provisions for the operation of games of chance for the benefit of the host community.

UNAPPROVED