

Bill as Introduced

HB 1678-FN - AS INTRODUCED

2010 SESSION

10-2328

08/04

HOUSE BILL

1678-FN

AN ACT

relative to gaming in hotels and establishing a gaming oversight authority.

SPONSORS:

Rep. Gidge, Hills 24

COMMITTEE:

Local and Regulated Revenues

ANALYSIS

This bill:

I. Allows video machine lottery and table gaming in hotels.

II. Requires hotels desiring to host gaming to receive a license and municipal approval from the gaming oversight authority.

III. Establishes the gaming oversight authority.

IV. Collects certain revenues from gaming for the general fund and host municipalities.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Ten

AN ACT relative to gaming in hotels and establishing a gaming oversight authority.

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

1 1 New Chapter; Gaming Oversight Authority, Video Lottery and Table Gaming. Amend RSA by
2 inserting after chapter 287-G the following new chapter:

3 CHAPTER 287-H

4 GAMING OVERSIGHT AUTHORITY,
5 VIDEO LOTTERY, AND TABLE GAMING

6 287-H:1 Definitions. In this chapter:

7 I. "Centralized data provider" means a provider of centralized gambling data, selected by the
8 gaming oversight authority.

9 II. "Currency" means legal tender in the form of coins or paper which is officially issued by
10 the United States Treasury, but it does not include any type of credit or debit card.

11 III. "Facility applicant" means the entity, which will participate and apply for a facility
12 license, as applicable.

13 IV. "Facility license" means the license issued by the gaming oversight authority to a facility
14 licensee.

15 V. "Facility licensee" means an applicant who is issued a license by the gaming oversight
16 authority to provide facilities and support to state operated video lottery locations.

17 VI. "Gaming oversight authority" means the authority established by RSA 287-H:2.

18 VII. "Net machine income" means all cash or other consideration utilized to play a video
19 lottery machine, less all cash or other consideration paid to players of video lottery machines as
20 winnings. Non cashable promotional credits shall be excluded from the calculation.

21 VIII. "Table games" means any betting or percentage game in which there is an opportunity
22 for the player to use his or her reason, foresight, or other strategy to increase the expected return
23 including: roulette, twenty-one, blackjack, baccarat, chem-de-fer, dice, any game of poker, any video
24 representation of such a game. For purposes of this chapter "table game" shall not include charitable
25 bingo, any charitable gaming or betting of any sort upon sports events or other activities not
26 conducted in a licensed gaming facility. The term "table game" shall not include video lottery
27 machines.

28 IX. "Technology provider" means any person or entity which designs, manufactures, installs,
29 distributes, or supplies video lottery machines for lease to the state for conducting video lottery
30 games in accordance with this chapter.

1 X. "Token" means the coin, which is not legal tender, sold by a cashier in a face amount
2 equal to the currency paid by a player for the sole purpose of playing a video lottery machine at a
3 licensed facility, which can be exchanged for currency at the same facility where the video lottery
4 machines are located, but it does not include any type of credit or debit card.

5 XI. "Video lottery employee" means a person employed by the facility in the operation of a
6 video lottery location, including without limitation, cashiers; floormen; machine mechanics; security
7 personnel or inspectors; and supervisors or managers. Video lottery employees shall be hired, fired,
8 trained, managed, and supervised by the facility.

9 XII. "Video lottery location" means a facility licensee, authorized by the local community
10 that contains video lottery machines operated in accordance with this chapter.

11 XIII. "Video lottery machines" means an electronic, mechanical, or computerized machine
12 licensed by the gaming oversight authority, which upon the insertion of bills, coins, tokens, or any
13 representative of value is available to be played where, by chance or skill, or both, the player may
14 receive cash, cash equivalents, or tokens. Video lottery machines include, but are not limited to, slot
15 machines, video poker machines, and other lottery machines. A machine shall be considered a video
16 lottery machine notwithstanding the use of an electronic credit system making the deposit of bills,
17 coins, or tokens unnecessary. Video lottery machines do not include any redemption slot machines
18 and redemption poker machines as defined in RSA 647 or video poker machines or other similar
19 machines used for amusement purposes only.

20 287-H:2 Gaming Oversight Authority.

21 I. There is hereby established the New Hampshire gaming oversight authority. The gaming
22 oversight authority shall consist of the commissioner of the department of safety, the commissioner
23 of the department of resources and economic development, and the commissioner of the department
24 of revenue administration, or their respective designees. The commissioner of the department of
25 safety shall serve as the chairperson of the gaming oversight authority.

26 II. The gaming oversight authority through delegation to the division of gaming enforcement
27 shall have an enforcement officer present at video lottery and table games locations at facilities
28 licensed under the provisions of this chapter. Facilities provided by the facility licensee shall contain
29 non-gaming resources such as, dining, liquor, hotel, and any other support resource approved by the
30 gaming oversight authority. The facility licensee shall, at a minimum, provide and pay for heat,
31 electricity, water, sewer, maintenance, and security surveillance infrastructure for the video lottery
32 location for which the facility licensee shall receive remuneration pursuant to RSA 287-H:17, III.

33 287-H:3 Duties of the Gaming Oversight Authority. The gaming oversight authority shall:

34 I. Issue licenses only after completion of the investigations set forth in this chapter. All license
35 applications shall be approved or denied no later than 150 days from the date of application. No license
36 issued under the provisions of this chapter shall be assigned, transferred or sold, without a complete
37 application and the approval of the gaming oversight authority and payment of a fee set by the authority.

1 II. Collect all license fees imposed upon any applicant and all fees imposed by the oversight
2 authority.

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

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

7 V. Enter into lease agreements with up to 3 technology providers to provide video lottery
8 machines to the state. Lease agreements shall provide that the technology provider supply the quantity
9 and quality of video lottery machines determined by the gaming oversight authority in a timely and
10 efficient manner, and shall be paid with a percentage of the net machine income, as provided in RSA 287-
11 H:17, IV. The technology provider shall provide all maintenance and service of its video lottery machines
12 at no additional charge or fee to the state. Each agreement shall also provide that the technology
13 provider shall be required to replace 30 percent of its video lottery machines on a yearly basis.

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

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

20 VIII. Have the authority to issue subpoenas and compel the attendance of witnesses, to
21 administer oaths, and require testimony of witnesses under oath.

22 IX. Make and keep records of all proceedings of its public meetings. A copy of the transcript
23 shall be made available to any person upon request and payment of the costs of preparing a copy.

24 X. Keep and maintain a list of all license applicants and a record of all actions taken with
25 respect to each applicant. A file and record of the actions by the gaming oversight authority shall be
26 open to public.

27 XI. Maintain such other files and records as it deems necessary. All records maintained by
28 the gaming oversight authority may be maintained in digital format or other technology, provided
29 that such information is capable of being produced in written form.

30 XII. Maintain the confidentiality of all information and data obtained by the gaming oversight
31 authority. Such information shall not be revealed in whole or in part except as otherwise provided by
32 law, upon the lawful order of a court of competent jurisdiction, lawfully executed and served grand jury
33 subpoenas, or with the approval of the attorney general, to a duly authorized law enforcement agency.

34 XIII. Provide notice of the contents of any information or data released, except to a duly
35 authorized law enforcement agency or grand jury subpoena pursuant to paragraph XII, shall be
36 given to any applicant, registrant, or licensee in a manner prescribed by the rules adopted by the
37 gaming oversight authority.

1 XIV. If necessary, contract for and procure financial, economic, or security consultants and
2 any other technical and professional services as the authority deem necessary.

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

5 287-H:4 Rulemaking.

6 I. The gaming oversight authority shall have general responsibility for the implementation
7 of this chapter and shall adopt rules under RSA 541-A relative to:

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

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

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

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

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

19 (f) Establishing criteria for licensing, suspension, and revocation.

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

22 (h) Establishing a fee schedule for applications, licensing, and licensing renewal of
23 facility licensees.

24 (i) Standards for the management, and operation, of all video lottery and table gaming
25 locations.

26 II. Pending the adoption of rules under RSA 541-A, and notwithstanding RSA 541-A:2, the
27 gaming oversight authority shall adopt interim rules including provisions for the publication of
28 public notice of the period of time for the submission of facility license applications and after public
29 hearing and within 60 days of the effective date of this chapter. Such interim rules shall
30 automatically expire upon the adoption of rules under RSA 541-A.

31 287-H:5 Restrictions. No member or employee of the gaming oversight authority, the
32 department of revenue administration, the department of resources and economic development, or
33 the department of safety shall have a fiduciary interest in any technology provider, facility licensee,
34 or centralized data provider.

35 287-H:6 Licensure of Technology Provider and Centralized Data Provider. No technology provider or
36 centralized data provider shall engage in the business of providing, installing, or repairing video lottery
37 machines used in this program without a license issued by the gaming oversight authority.

1 287-H:7 Restriction on Technology and Centralized Data Provider. No technology provider or
2 centralized data provider or their employees shall be entitled to operate video lottery machines
3 within the state.

4 287-H:8 Restriction of Minors.

5 I. No person under the age of 21 shall play a video lottery machine or table game authorized
6 by this chapter.

7 II. No member or employee of any facility licensee, department of safety, the attorney
8 general's office, or the gaming oversight authority shall knowingly permit a person under the age of
9 21 to play or participate in any aspect of the playing of a video lottery machine or table game.

10 III. Each violation of this section shall be punishable by a fine of no more than \$1,000 and
11 shall be payable by such person who violates paragraph I. If such violator is a state employee, then
12 the employee shall also be subject to appropriate sanctions in conformance with the adopted policies
13 and procedures of the division of gaming enforcement, and the department of administrative
14 services, division of personnel.

15 IV. Each violation of this section shall be punishable by a fine of no more than \$1,000 and
16 shall be payable by the employee or facility licensee that is found to have violated paragraph II.

17 287-H:9 Person Misrepresenting Age.

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

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

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

34 287-H:10 Penalty for Tampering or Manipulating. Any person who, with the intent to
35 manipulate the outcome, payoff, or operation of a video lottery machine or table game, manipulates
36 the outcome, payoff, or operation of any video lottery machine or table game by physical, electronic,
37 or mechanical means, shall be guilty of a class A felony.

1 287-H:11 Video Lottery Machine Requirements.

2 I. No video lottery machine shall be used to conduct gaming unless it is identical in all
3 electrical, mechanical, and other aspects to a model, which has been specifically tested and licensed
4 for use by the gaming oversight authority.

5 II. All video lottery machines in operation shall pay out as winnings at least 87 percent on
6 an annual basis.

7 III. The gaming oversight authority shall establish the days and hours of operation of video
8 lottery locations and shall not be restricted by the facility licensee.

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

10 V. Video lottery machines used by facility licensees shall be obtained from the gaming
11 oversight authority.

12 287-H:12 Licenses; Number of Video Lottery Machines. Eligibility for licenses shall be based on,
13 but not limited to the following:

14 I. Evidence provided by the applicant that the applicant has received any required local
15 approval.

16 II. Regional location of prospective facility licensee.

17 III. The size of the facility licensee applicant. Facility licensee applicants shall be a hotel
18 with at least 500 rooms. Each room shall have enough square feet to fit 2 queen sized beds, a full
19 bathroom, closet space, 2 or more chairs and one desk or table.

20 IV. A business plan, filed with the gaming oversight authority, to support video lottery
21 machines and table gaming.

22 V. Qualifications of those persons who own or manage the prospective licensee facility.

23 VI. Availability of family friendly, non-gaming entertainment.

24 VII. Availability of suitable infrastructure.

25 VIII. Availability of adequate parking.

26 IX. Other information that the gaming oversight authority may require.

27 287-H:13 Application and License Requirements.

28 I. A facility licensee applicant shall obtain a facility license from the gaming oversight
29 authority. An applicant shall complete and sign an application on the forms prescribed by the gaming
30 oversight authority. The application shall include the full name, residence, date of birth, and other
31 personal identifying information of the applicant, and if a corporation or other form of business
32 enterprise, the same information shall be provided with respect to each partner, trustee, officer,
33 director, and any shareholder or other holder who owns more than 3 percent of the legal or beneficial
34 interests of such entity. All such business entities shall be registered with the secretary of state.

35 II. The gaming oversight authority shall refer applications to the attorney general who shall
36 conduct an investigation. The investigation may be conducted through any appropriate state or
37 federal law enforcement system and may seek information as to the applicant's financial, criminal or

1 business background, or any other information which the attorney general, in his or her sole
2 discretion, may deem relevant to the subject's fitness to be associated with the ownership or
3 management of the operation of a facility licensee in New Hampshire, including but not limited to,
4 the subject's character, personal associations, and the extent to which the subject is properly doing
5 business in the manner in which it purports to operate. The attorney general shall report the results
6 of the investigation to the gaming oversight authority within 90 days after the receipt of the
7 application. Notwithstanding any other law to the contrary, the results of any such investigation
8 shall be confidential and shall not be subject to disclosure or to public inspection.

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

13 287-H:14 Licensure Requirements.

14 I. No facility license shall be issued by the gaming oversight authority unless the applicant
15 has proven to the satisfaction of the gaming oversight authority by clear and convincing evidence:

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

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

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

26 (d) In addition, no facility license shall be issued by the gaming oversight authority to
27 any applicant unless the applicant has proven to the satisfaction of the gaming oversight authority
28 by clear and convincing evidence that each director, officer or similar principal employee and each
29 direct or indirect owner satisfies the standards for licensure contained in RSA 287-H:13.

30 (e) The gaming oversight authority may, in its discretion, waive the qualification
31 requirement for any such person who is not significantly involved in the activities of the applicant,
32 does not have the ability to significantly influence or control the applicant, or for other good cause,
33 only when written justification is provided.

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

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

3 II. No technology provider's license shall be issued by the gaming oversight unless the
4 applicant has demonstrated to the satisfaction of the gaming oversight authority by clear and
5 convincing evidence that it satisfies the standards contained in paragraph I of this section. The
6 gaming oversight authority shall establish the form of application that shall be completed by each
7 applicant for a technology provider's license. Each technology provider license applicant shall be
8 subject to the investigation set forth in RSA 287-H:13 except that all investigatory reports shall be
9 provided to the gaming oversight authority.

10 III. All information and data required by the gaming oversight authority, or the division of
11 gaming enforcement to be furnished pursuant to this chapter, or which may otherwise be obtained by
12 the gaming oversight authority, or the division of gaming enforcement in the performance of their
13 duties under this chapter, except information regarding net machine income, shall be considered to
14 be confidential and shall not be revealed in whole or in part except as otherwise provided by law, or
15 upon the lawful order of a court of competent jurisdiction, or with the approval of attorney general to
16 a duly authorized law enforcement agency.

17 IV. No licensee or any individual or entity that is an owner of, or has a financial interest in
18 or with the licensee shall be permitted to make a political contribution as defined by RSA 664:2, VIII.

19 287-H:15 Term of License. Any facility license or technology provider's license issued pursuant
20 to this chapter and any renewal thereof shall be valid for 5 years unless earlier suspended or revoked
21 by the gaming oversight authority. All licenses issued under this chapter shall be issued as a
22 privilege and not by right. No person or entity may claim any sort of property right to, or in
23 conjunction with, any license issued under this chapter. The gaming oversight authority shall be
24 informed within 10 days of any anticipated change in ownership or stockholders of a licensee that
25 would normally be subject to investigation and licensing requirements in RSA 287-H:14. Failure to
26 inform the gaming oversight authority of said anticipated changes shall result in license revocation.

27 287-H:16 Hearings; Investigations; False Statement; Enforcement Policy.

28 I. The gaming oversight authority shall adopt and publish rules pursuant to RSA 541-A, to
29 govern its proceedings and to regulate the mode and manner of all investigations and hearings before it.

30 (a) All hearings before the gaming oversight authority shall be in accordance with
31 RSA 541-A:31-36. In any such investigation or hearing the gaming oversight authority shall not be
32 bound by the technical rules of evidence.

33 (b) The gaming oversight authority, or any member, may subpoena witnesses and
34 administer oaths in any proceeding or examination instituted before or conducted by it, and may
35 compel, by subpoena, the production of any accounts, books, contracts, records, documents,
36 memoranda and papers of any kind whatever.

1 (c) Witnesses summoned before the superior court, and such summons issued by any
2 justice of the peace shall have the same effect as though issued for appearance before such court.
3 Justices of the peace and all other magistrates empowered to issue subpoenas and compel the
4 attendance of witnesses in the courts of this state shall have the same power to compel their
5 attendance and the production of evidence in any proceeding before the gaming oversight authority.

6 (d) The gaming oversight authority may apply to the superior court, under the
7 provisions of RSA 491:19-20, to have punished for contempt any witness who refuses to obey a
8 subpoena, or who refuses to be sworn or affirmed to testify, or who is guilty of any contempt after
9 summons to appear.

10 II. If any false statement is knowingly made in any statement under oath which may be
11 required by the provisions of this title or by the gaming oversight authority, the person making the
12 same shall be deemed guilty of perjury. The making of any such false statement in any such
13 application or in any such accompanying statements, whether made with or without the knowledge
14 or consent of the applicant, shall, in the discretion of the gaming oversight authority, constitute
15 sufficient cause for the revocation of the license.

16 III.(a) The gaming oversight authority shall adopt by rule under RSA 541-A a formal
17 enforcement policy for licensees under its jurisdiction. This policy shall specify the disciplinary
18 action which the gaming oversight authority shall take for violations of various laws under its
19 jurisdiction. The enforcement policy shall also specify mitigating and aggravating factors which the
20 gaming oversight authority shall consider in determining penalties for specific actions. The gaming
21 oversight authority shall not suspend or revoke a license until the licensee has been provided a
22 hearing under RSA 541-A.

23 (b) In applying its enforcement policy, the gaming oversight authority shall establish
24 and enforce specific determinate penalties for specific offenses. The gaming oversight authority shall
25 not apply penalties such as license suspensions for indefinite periods of time.

26 287-H:17 Suspension or Revocation; Administrative Fines.

27 I. If any licensee violates any of the provisions of law or any of the rules of the gaming
28 oversight authority adopted under this title, the license may be suspended or revoked after notice
29 and hearing, in accordance with RSA 541-A:31-36. Notwithstanding any other provisions of this
30 chapter, the gaming oversight authority, after the appropriate hearing, may impose a fine of a
31 specific sum, which shall not be less than \$1,000 nor more than \$50,000 for any one offense. Such a
32 fine may be imposed instead of, or in addition to, any suspension or revocation of a license by the
33 gaming oversight authority.

34 II. Notwithstanding any other provision of law, the gaming oversight authority may accept
35 at any time, a petition from the governing body of a city or town who has voted to accept the
36 provisions of RSA 287-H, to revoke a license held by a facility licensee who is located within that
37 community. Any petition filed under this paragraph shall state with particularity all relevant facts

1 and circumstances that sustain the opinion of the petitioner to revoke a license. A licensee against
2 whom a petition is filed shall be entitled to a public hearing before any decision by the gaming
3 oversight authority. All proceedings conducted in conjunction with this paragraph shall conform to
4 the requirements of RSA 541-A.

5 III. Appeals from a decision of the gaming oversight authority shall be in accordance with
6 RSA 541.

7 287-H:18 Penalties. Any person who violates any of the provisions of this chapter or any of the
8 rules adopted pursuant to this chapter shall be guilty of a misdemeanor if a natural person, or guilty
9 of a felony if any other person. In case of appeal by a licensee, the license of such licensee may be
10 suspended at the discretion of the gaming oversight authority during the pendency of such appeal.

11 287-H:19 Prosecutions. The gaming oversight authority shall appoint gaming investigators
12 whose primary function shall be the proper prosecution of this chapter. The investigators shall have
13 all the powers of the sheriff in any county, with reference to enforcement of all laws either in
14 cooperation with, or independently of, the officers of any county or town. The gaming oversight
15 authority shall have the primary responsibility for the enforcement of all video lottery gaming. Any
16 person violating the provisions of any law may be prosecuted by the gaming oversight authority or
17 any of its investigators as provided in this section, or by the attorney general, or by county or city
18 attorneys, or by sheriffs or their deputies, or by police officials of towns.

19 287-H:20 Interference With Gaming Investigators. It shall be unlawful to resist or attempt to
20 resist arrest by a gaming investigator, or to obstruct, or to intimidate or interfere with a gaming
21 investigator in the performance of his or her duty. Any person who violates any of the provisions of
22 this section shall be guilty of a misdemeanor.

23 287-H:21 Fines.

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

26 II. All fines imposed by the gaming oversight authority shall be deposited into the general fund.

27 287-H:22 Procedures for Adoption by Local Community.

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

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

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

5 (c) The wording of the question shall be substantially as follows: "Shall we adopt the
6 provisions of RSA 287-H, allowing the operation of electronic games of chance and table games at the
7 licensed facility located within the town?"

8 II. If a majority of those voting on the question vote "Yes," RSA 287-H shall apply within the
9 city or town.

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

13 **287-H:23 Revenue.**

14 I. For a facility licensee with 500 to 749 rooms, revenue from video lottery machines and
15 table games shall make up no more than 15 percent of the facility's total profits. Any income derived
16 from video lottery machines and table games that exceeds 15 percent shall be distributed as
17 prescribed in paragraph V.

18 II. For a facility licensee with 750 to 999 rooms, revenue from video lottery machines and
19 table games shall make up no more than 20 percent of the facility's total profits. Any income derived
20 from video lottery machines and table games that exceeds 20 percent shall be distributed as
21 prescribed in paragraph V.

22 III. For a facility licensee with 1,000 to 1,499 rooms, revenue from video lottery machines
23 and table games shall make up no more than 25 percent of the facility's total profits. Any income
24 derived from video lottery machines and table games that exceeds 25 percent shall be distributed as
25 prescribed in paragraph V.

26 IV. For a facility licensee with 1,500 or more rooms, revenue from video lottery machines
27 and table games shall make up no more than 30 percent of the facility's total profits. Any income
28 derived from video lottery machines and table games that exceeds 30 percent shall be distributed as
29 prescribed in paragraph V.

30 V. Profits exceeding the limits prescribed above shall be distributed as follows:

31 (a) Seventy four percent shall be paid to the general fund of the state.

32 (b) Twenty-four percent shall be paid to the municipality in which the facility operates.

33 (c) Two percent shall be paid to the gaming oversight authority.

34 **287-H:24 Declaration of Limited Exemption.** Pursuant to section 2 of an act of Congress of the
35 United States entitled "An act to prohibit transportation of gambling devices in interstate and foreign
36 commerce," approved January 2, 1951, being Chapter 1194, 64 Stat. 1134, and also designated as 15
37 U.S.C. sections 1171-1177, the state of New Hampshire, acting by and through the duly elected and

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1 qualified members of its legislature, does hereby, in accordance with and in compliance with the
2 provisions of that section 2 of that act of Congress, declare and proclaim that section 2 of that act of
3 Congress shall not apply to any gambling device in this state where the transportation of such a device
4 is specifically authorized by and done in compliance with the provisions of this chapter and any rules
5 adopted pursuant to it, and that any such gambling device transported in compliance with state law
6 and rules shall be exempt from the provisions of that act of Congress.

7 287-H:25 Legal Shipment of Gaming Devices into New Hampshire. All shipments into this state
8 of gaming devices, the registering, recording and labeling of which has been duly made by the
9 manufacturer or dealer in accordance with sections 3 and 4 of an act of Congress of the United States
10 entitled "An act to prohibit transportation of gambling devices in interstate and foreign commerce,"
11 approved January 2, 1951, being chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C.
12 sections 1171-1172, shall be deemed legal shipments into this state.

13 2 Effective Date. This act shall take effect January 1, 2011.

LBAO
10-2328
12/18/09

HB 1678-FN - FISCAL NOTE

AN ACT relative to gaming in hotels and establishing a gaming oversight authority.

FISCAL IMPACT:

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill as it is awaiting information from the Department of Corrections. When completed, the fiscal note will be forwarded to the House Clerk's Office.

LBAO
10-2328
Revised 01/11/10

HB 1678 FISCAL NOTE

AN ACT relative to gaming in hotels and establishing a gaming oversight authority.

FISCAL IMPACT:

The Department of Justice, Department of Safety, Department of Revenue Administration, Department of Corrections, Judicial Branch, and Judicial Council state this bill will increase state revenue and expenditures by an indeterminable amount in FY 2011 and each fiscal year thereafter. The NH Association of Counties states this bill will increase county revenue and expenditures by an indeterminable amount in FY 2011 and each fiscal year thereafter. The NH Municipal Association states this bill will increase local revenue and expenditures by an indeterminable amount in FY 2011 and each fiscal year thereafter.

METHODOLOGY:

The Department of Justice states this bill establishes the Gaming Oversight Authority, as well as a Division of Gaming Enforcement. The Department states it anticipates the Gaming Oversight Authority and the Division of Gaming Enforcement will require assistance from an Assistant Attorney General in the Civil Bureau to assist with the promulgation of rules, administrative enforcement of violations, and to otherwise provide legal counsel to manage their obligation to perform gaming oversight. The Department anticipates these tasks will require in the first year 100% of the time of an Assistant Attorney General and 25% of the time of a Paralegal. The Department anticipates after the first year the legal counsel role will require the use of approximately 50% of the time of an Assistant Attorney General and 10% of the time of a Paralegal.

The Department further states the Attorney General is authorized to conduct background investigations of applicants for a facility license and a technology provider's license. Such investigations must be completed within 90 days of receipt of the application. The Department expects it would hire two temporary full-time Investigators and two Financial Analysts to complete each investigation within the required time period. The Department further expects to utilize 25% of the time of a Paralegal to support the Investigators and Financial Analysts.

The Department further states this bill authorizes the Department to enforce various penalties specified in this bill. The Department states it is not possible to determine how much

HB 1678-FN – AS INTRODUCED
- Page 14 -

additional lawyer time will be required to prosecute violations of this bill. The Department also states there will be some fiscal impact to the Department in instances when an appeal would be taken to the NH Supreme Court, however, the Department cannot estimate the number of or fiscal impact of such instances. The Department estimated anticipated personnel expenditures related to this bill as follows:

	FY 2011	FY 2012	FY 2013	FY 2014
<u>Attorney</u>				
Salary	32,500	49,238	33,977	34,997
Benefits	13,402	21,212	15,098	16,100
<u>Investigator (2)</u>				
Salary	50,668	107,946	117,862	124,472
Benefits	24,124	52,196	57,016	61,496
<u>Financial Analyst (2)</u>				
Salary	57,936	118,620	124,216	129,948
Benefits	25,484	54,192	58,206	62,522
<u>Paralegal</u>				
Salary	8,717	15,340	13,517	14,083
Benefits	667	1,174	1,034	1,077
Subtotal, Personnel	\$213,498	\$419,918	\$420,926	\$444,695
Equipment & Supplies	\$26,500	\$5,000	\$5,000	\$5,000
Total	\$239,998	\$424,918	\$425,926	\$449,695

The Department of Revenue Administration, whose Commissioner will serve on the Gaming Oversight Authority established by this bill, states this bill will have no fiscal impact on the Department.

The Department of Safety states this bill establishes a New Hampshire Gaming Oversight Authority which will issue licenses and collect licensing fees, as well as certify net machine income. The Department states the bill does not indicate that any revenue generated would be appropriated to the Department, therefore there is no fiscal impact on revenue to the Department of Safety. The Department states the bill does not provide a way to determine the funding for any expenses associated with the gaming oversight authority, therefore there will be no fiscal impact on expenditures at the Department of Safety. The Department further states this bill refers to a Division of Gaming Enforcement, but does not indicate where the new Division will exist. The Department states it does not presently have a Division of Gaming

Enforcement, therefore there will be no fiscal impact on the Department associated with the Division.

The Judicial Branch states this bill contains numerous sections that could have a fiscal impact on the Branch, including violation, misdemeanor, and felony-level offenses. In addition, the proposed RSA 287-H:3, XII and 14, III would allow for a court order to overcome the confidentiality of certain information, the proposed RSA 287-H:16, I(d) would allow applications to the Superior Court for the summoning of witnesses before the Gaming Oversight Authority, and the proposed RSA 287-H:17 would allow administrative appeals from the Gaming Oversight Authority to the Supreme Court on all matters before the Authority which includes licensing, enforcement, and violations which could result in civil penalties of up to \$50,000. The Branch states the cost per case based on current salary levels are as follows:

Violation offense	\$33.75
Class B Misdemeanor	\$36.89
Class A Misdemeanor	\$51.14
Routine Felony	\$335.98
Routine Civil Case, Superior Court	\$303.93
Complex Civil Case, Superior Court	\$559.43

The Branch has no information to estimate how many charges would be brought as a result of the changes contained in the bill to determine the fiscal impact on expenditures. However, if a single case were to be appealed to the New Hampshire Supreme Court, the fiscal impact would be in excess of \$10,000.

The Judicial Council states this bill may result in an indeterminable increase in general fund expenditures. The Council states if an individual is found to be indigent, the flat fee of \$275 per misdemeanor or \$756.24 per felony will be charged. If an assigned counsel attorney is used the fee is \$60 per hour with a cap of \$1,400 for a misdemeanor charge and \$4,100 for a felony charge. The Council also states additional costs could be incurred if an appeal is filed. The public defender, contract attorney and assigned counsel rates for Supreme Court appeals is \$2,000 per case, with many assigned counsel attorneys seeking permission to exceed the fee cap. Requests to exceed the fee cap are seldom granted. Finally, expenditures would increase if services other than counsel are requested and approved by the court during the defense of a case or during an appeal.

The Department of Corrections states this bill establishes a new felony offense for tampering or manipulating video lottery machines or table games. The Department states it cannot

determine the number of individuals who would be incarcerated for this offense. The Department states the average annual cost in FY 2009 of incarcerating an individual in the general population was \$33,110, and the average annual cost to supervise an offender by the Department's Division of Field Services was \$744.

The New Hampshire Association of Counties states to the extent an individual is prosecuted, convicted, and sentenced to incarceration, the counties may have increased expenditures. The Association is unable to determine the number of individuals who might be prosecuted, detained, or incarcerated as a result of this bill. The average cost to incarcerate an individual in a county facility is \$35,342 per year. This bill also provides that all fines imposed for violations of the law shall be paid to the state, county, or town which initiated the prosecution. To the extent any county initiates the prosecution and a fine is ordered by a court, county revenues will increase.

The NH Municipal Association states this bill will increase local revenue and expenditures by an indeterminable amount within municipalities that may host a gaming facility.

This bill does not contain appropriations or establish positions.

Speakers

Hearing Minutes

HOUSE COMMITTEE ON LOCAL AND REGULATED REVENUES

PUBLIC HEARING ON HB 1678-FN

BILL TITLE: relative to gaming in hotels and establishing a gaming oversight authority.

DATE: January 19, 2010

LOB ROOM: 303 **Time Public Hearing Called to Order:** 10:00 am

Time Adjourned: 10:55 am

(please circle if present)

Committee Members: Reps. ~~Walz, Taylor, Hamm, Theberge, Mulholland, Butterworth, D. Howard, Lyons, Merry, Stetson, C. Webber, Stohl, Kidder, Fless, P. Katsakiores, Vaillancourt, A. Peterson, M. Allen and Hinkle, Blankenbeker~~

Bill Sponsors: Rep. Gidge, Hills 24

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Ken Gidge: Moved from NH to Krump, NV, 60 miles from Las Vegas. So observer of gaming: All hotels are the same inside. Now family friendly, some more than others. Saw children sleeping in hall while parents gamble. Children have to walk through the gambling rooms. We want to bring people in for the gambling, but also want to bring in children. We don't want to have gambling rooms w/o families. Start family friendly first, then the gaming.

Freight train is coming, we should get regulations before the buildings are built. Simple formula: If a person wants a license – 500 rooms, can earn 15% in gaming. 750 rooms, 20% profit in gaming. 1500 rooms, 30% from gaming. Part of hotel would be game-free. Family Friendly First – FFF. We need an FFF bill before the hotels are built. This is the jest of everything I have to say.

Rep. Stohl: Of 12 pages of bill, page 6 line 23 says family friendly. Anywhere else FFF?

A – Room/gaming ratio forces FFF.

Rep. Vaillancourt: How many hotels have 500 rooms? A- One of better questions. Could you repeat it?

None currently, this would have to be grandfathered in. We have 200-300 rooms now. Not in here, but it should be.

Q – Why does the formula say that the more rooms you have the larger %?

A – Incentive for more families. This bill is not going to come out the way it comes in, but without FFF, everything is lost.

Rep. Butterworth: No gaming w/o hotel rooms? A – No. Carrot and stick. FFF. If you can't bring the children, we don't want it.

Rep. Theberge: Any of the 3 resorts in Coos county support this? A – No. I don't care, we need to be family friendly.

Rep. Vaillancourt: \$100 room, and only \$15 for gambling? A – No, restaurants, room service, etc. This is complex, but if you just think FFF, it's not complex any more. We want children, families.

Ann Rice, AG's office: Currently an ongoing gambling commission. Opposed - Question the timing of the bill. AG's office has taken a position of expanded gambling for 40 years: opposed, on basis of public safety. 2008 - NH is safest state in nation, NV last, most dangerous. Social costs are huge. 2 homicides based on gambling. Localized Coos County clerk and tax collector. Etc. \$\$\$ stolen from Sen. O'dells campaign funds to fund gambling. Studies referenced - see AG's office. Public corruption - large amounts of \$\$ flowing into state increases opportunities.

Rep. Vaillancourt: This particular bill - would you find this bill less objectionable? A - Time limit for criminal background check is too short. Q - This is only a bit about gambling - wouldn't this be better? A: Not prepared to say that.

Rep. Howard: What is public corruption? A Bribery, etc.

Rep. Peterson: NH safety study. Can you tell me where to find that? A. Yes

Rep. Webber: What % of gamblers become pathological gamblers? A - I can find it. Q: Support for P? A: Very little.

***Rep. Rubens:** NO Slots, GSCAEG:Opposed At least a year for background checks. No statement re. Cost of licenses. Local communities get vote, but impact goes far beyond local spread 20 - 50 miles. Minimum 35 mile radius. School, special ed., housing, roads, etc. Bill appears to allow 15% hotels operate w/ no state funding.

Respectfully submitted,



Rep. Tim Butterworth
Clerk

HOUSE COMMITTEE ON LOCAL AND REGULATED REVENUES

PUBLIC HEARING ON HB 1678-FN

BILL TITLE: relative to gaming in hotels and establishing a gaming oversight authority.

DATE:

LOB ROOM: 303 **Time Public Hearing Called to Order:**

Time Adjourned:

(please circle if present)

Committee Members: Reps. Walz, Taylor, Hamm, Theberge, ~~Mullolland~~, Butterworth, D. Howard, Lyons, Merry, Stetson, C. Webber, Stohl, Kidder, Hess, ~~P. Katsakiores~~, Vaillancourt, A. Peterson, M. Allen and Hinkle, Blankenkemper

Bill Sponsors: Rep. Gidge, Hills 24

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

LOCAL AND REGULATED REVENUES
HEARINGS
THURSDAY, 1/19/2010

10:00 AM HB 1678-FN Relative to Gaming in hotels and establishing a gaming oversight authority.

Sponsors: Rep. Gidge

Gidge: Moved from NH to Krump, NV, 60 miles from Las Vegas. So observer of gaming: All hotels are the same inside. Now family friendly, some more than others. Saw children sleeping in hall while parents gamble. Children have to walk through the gambling rooms. We want to bring people in for the gambling, but also want to bring in children. We don't want to have gambling rooms w/o families. Start family friendly first, then the gaming.

Freight train is coming, we should get regulations before the buildings are built. Simple formula: If a person wants a license – 500 rooms, can earn 15% in gaming. 750 rooms, 20% profit in gaming. 1500 rooms, 30% from gaming. Part of hotel would be game-free. Family Friendly First – FFF. We need an FFF bill before the hotels are built. This is the jest of everything I have to say.

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Butterworth: No gaming w/o hotel rooms? A – No. Carrot and stick. FFF. If you can't bring the children, we don't want it.

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Jim Rubens: NO Slots, GSCAEG: At least a year for background checks. No statement re. Cost of licenses. Local communities get vote, but impact goes far beyond local spread 20 – 50 miles. Minimum 35 mile radius. School, special ed., housing, roads, etc. Bill appears to allow 15% hotels operate w/ no state funding.

Closed @ 10:55.

Testimony

Granite State Coalition Against Expanded Gambling

NoSlots.com

Jim Rubens, Chair, 603-359-3300

Testimony before House Local and Regulated Revenues

Tuesday, January 19, 10:00 AM

HB1678

287-H:3, I

- Requires licenses to be approved or denied within 150 days of application. The New Hampshire Attorney General testified last year on other casino legislation that it would require at least one year to conduct proper investigations as necessary to protect the public.

287-H:4 Rulemaking

- Delegates to a gaming oversight authority responsibility for setting fees for applications, licensing, and license renewals for technology providers and facility licensees. Licenses should be bid, certainly for facility licensees. Doing otherwise is a recipe for corruption, as in Pennsylvania, and for under pricing, as found in several states, including Pennsylvania.

287-H:12, III

- Requires minimum of 500 rooms, each with 2 queen beds, a bath, closet, 2 chairs and a desk or table. A few of the largest hotels now in NH: Radisson in Manchester 250; Wentworth by the Sea 161; Crowne Plaza in Nashua 230; Loon Mountain 351; Omni Mount Washington 200. Few of the rooms in these existing hotels match the minimum.

287-H:15

- Note that applicants are required to build what would be the largest hotel in the state and be granted a 5 year license to operate. There will be no applicants, which is fine by our organization.

287-H:22 Procedures for Adoption by Local Community

- As the NH Gaming Oversight Commission found in its December visits to towns surrounding the Mohegan Sun casino and as found by the Spectrum Gaming Group, in its June, 2009 report on the impact of gambling in Connecticut, towns and school districts surrounding the Connecticut casinos face large, uncompensated impact costs on things such as traffic, roads, housing, schools, water and sewer capacity, crime and public safety, etc.
- The full Connecticut report is here:
http://www.ct.gov/dosr/lib/dosr/june_24_2009_spectrum_final_final_report_to_the_state_of_connecticut.pdf
- Only the host location town is granted approval authority. All communities within at least 35 miles from any proposed casino operation should be granted approval authority.

287-H:23 Revenue

- The typical US casino derives 80 percent of its revenue and more of its profits from video slot machines. The profits limitation to 15-30% will make any contemplated casino or hotel in the bill economically infeasible.
- The language in the bill would allow a facility with profits from slots and table games less than those percentages to operate without any state or local gambling taxation.
- The words "profits" and "income" are undefined.

Voting Sheets

HOUSE COMMITTEE ON LOCAL AND REGULATED REVENUES

EXECUTIVE SESSION on HB 1678-FN

BILL TITLE: relative to gaming in hotels and establishing a gaming oversight authority.

DATE: January 28, 2010

LOB ROOM: 303

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Hinkle

Seconded by Rep. Hess

Vote: 13-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 13-0

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Timothy Butterworth, Clerk

HOUSE COMMITTEE ON LOCAL AND REGULATED REVENUES

EXECUTIVE SESSION on HB 1678-FN

BILL TITLE: relative to gaming in hotels and establishing a gaming oversight authority.

DATE: 1/28/10

LOB ROOM: 303

Amendments:

Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. *Humble*

Seconded by Rep. *Hers*

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

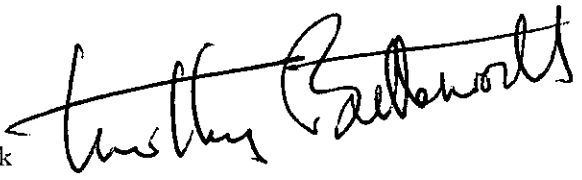
Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE:

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,
Rep. Dianne E. Schuett, Clerk



LOCAL AND REGULATED REVENUES

Bill #: 1678 Title: _____

PH Date: 1 / 19 / 2010

Exec Session Date: 1 / 28 / 2010

Motion: ITL Amendment #: _____

MEMBER	YEAS	NAYS
Walz, Mary Beth, Chairman	✓	
Taylor, Kathleen N, V Chairman		
Hamm, Christine C		
Theberge, Robert L		
Mulholland, Catherine		
Butterworth, Timothy, Clerk	✓	
Howard, Doreen	✓	
Lyons, Melissa L.B. <i>ab</i>		
Merry, Liz H	✓	
Stetson, William A	✓	
Webber, Carolyn B	✓	
Stohl, Eric G	✓	
Kidder, David H	✓	
Hess, David W	✓	
Katsakiores, Phyllis M <i>ab</i>		
Vaillancourt, Steve <i>ab</i>		
Peterson, Andrew R	✓	
Allen, Mary M	✓	
Hinkle, Peyton B	✓	
Blankenbeker, Lynne Ferrari	✓	
	<i>13</i>	<i>0</i>
	<i>unan.</i>	
TOTAL VOTE:		
Printed: 11/23/2009		

Committee Report

CONSENT CALENDAR

February 2, 2010

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

**The Committee on LOCAL AND REGULATED
REVENUES to which was referred HB1678-FN,**

**AN ACT relative to gaming in hotels and establishing a
gaming oversight authority. Having considered the
same, report the same with the following Resolution:**

RESOLVED, That it is INEXPEDIENT TO LEGISLATE.

Rep. Peyton B Hinkle

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	LOCAL AND REGULATED REVENUES
Bill Number:	HB1678-FN
Title:	relative to gaming in hotels and establishing a gaming oversight authority.
Date:	February 2, 2010
Consent Calendar:	YES
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

This bill would have allowed hotels to be licensed to have video machines and table games. Hotels would be required to have a specified number of guest rooms of a certain physical size available to qualify for a license. Profits from the video lottery machines and table games that exceeded a certain percentage could then be distributed among the state, the local municipality, and a gaming oversight authority established by the bill. Eligibility for a gaming license would depend upon the hotel having available family friendly, non-gaming entertainment. This bill left many aspects of expanded gambling unaddressed, and the committee felt there were too many unanswered questions.

Vote 13-0.

Rep. Peyton B Hinkle
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

LOCAL AND REGULATED REVENUES

HB1678-FN, relative to gaming in hotels and establishing a gaming oversight authority.

INEXPEDIENT TO LEGISLATE.

Rep. Peyton B Hinkle for LOCAL AND REGULATED REVENUES. This bill would have allowed hotels to be licensed to have video machines and table games. Hotels would be required to have a specified number of guest rooms of a certain physical size available to qualify for a license. Profits from the video lottery machines and table games that exceeded a certain percentage could then be distributed among the state, the local municipality, and a gaming oversight authority established by the bill. Eligibility for a gaming license would depend upon the hotel having available family friendly, non-gaming entertainment. This bill left many aspects of expanded gambling unaddressed and the committee felt there were too many unanswered questions. **Vote 13-0.**

Original: House Clerk
Cc: Committee Bill File

COMMITTEE REPORT

COMMITTEE: Local & Regulated Revenue

BILL NUMBER: HB 1678

TITLE: Relative to gaming in hotels

DATE: 1-28-10

CONSENT CALENDAR: YES NO

OUGHT TO PASS

OUGHT TO PASS W/ AMENDMENT

INEXPEDIENT TO LEGISLATE

INTERIM STUDY (Available only 2nd year of biennium)

Amendment No.

STATEMENT OF INTENT:

Please see attached

COMMITTEE VOTE: 13-0

RESPECTFULLY SUBMITTED,

- Copy to Committee Bill File
- Use Another Report for Minority Report

Rep. Rayton B. Hinkle
For the Committee

HB 1678 relative to gaming in hotels.

Majority report of ITL.

Peyton B. Hinkle for the majority of the Local and Regulated Revenue Committee. This bill would have allowed hotels to be licensed to have video machines and table games. Hotels would be required to have a specified number of guest rooms available to qualify for a license. Profits from the video lottery machines and table games that exceeded a certain percentage could then be distributed ^{among} ~~between~~ the state, the local municipality, and a gaming oversight authority established by the bill. Eligibility for a gaming license would depend upon the hotel having available family friendly, non-gaming entertainment. ~~This bill could not be adequately studied in the time available, and the committee felt there were too many unanswered questions.~~

of a certain physical size

this bill left many aspects of expanded gambling ~~unaddressed~~ unaddressed

Mary Beth Wake