

Bill as Introduced

SB 136-FN - AS INTRODUCED

2011 SESSION

11-1032
08/03

SENATE BILL ***136-FN***

AN ACT relative to games of chance.

SPONSORS: Sen. Odell, Dist 8

COMMITTEE: Ways and Means

ANALYSIS

This bill:

I. Defines different types of game operators.

II. Requires that game operators pay charities participating in charitable gaming no later than 15 calendar days following a game date.

III. Raises the amount of bond required for conducting games of chance.

IV. Requires charitable organizations to collect certain fees on Lucky 7 deals and pay them to the racing and charitable gaming commission.

V. Allows private campgrounds and hotels to conduct certain bingo games without a license.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to games of chance.

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

1 1 Unclaimed Ticket Vouchers. Amend RSA 284:31 to read as follows:

2 284:31 Unclaimed Ticket Money. On or before January 31 of each year every person,
3 association, or corporation conducting a race or race meet, whether live racing or simulcast racing,
4 hereunder shall pay to the state treasurer all moneys collected during the previous year of pari-
5 mutuel pool tickets *and vouchers* which have not been redeemed. The books or records of said
6 person, association, or corporation, which clearly show the tickets entitled to reimbursement in any
7 given race, live or simulcast, shall be forwarded to the commission. Such moneys shall become a part
8 of the general funds of the state. The state treasurer shall pay the amount due on any ticket *or*
9 *voucher* to the holder thereof from funds not otherwise appropriated upon an order from the
10 commission. Pari-mutuel tickets *and vouchers* which remain unclaimed after 11 months shall not
11 be paid.

12 2 Definitions; Game Operator. Amend RSA 287-D:1, V to read as follows:

13 V. "Game operator" means:

14 (a) [~~Primary game operator" which means any consultant or any person other than a~~
15 ~~bona fide member of the charitable organization, involved in conducting, managing, supervising,~~
16 ~~directing, or running the games of chance; or~~

17 (b) [~~Secondary game operator" which means any person other than a bona fide member~~
18 ~~of the charitable organization, involved in dealing, running a roulette wheel, or handling chips.]~~

19 (a) "Game operator employer" means a level 1 game operator or a business
20 entity who employs, supervises, and controls game operators and who is hired by a
21 charitable organization to operate games of chance on its behalf. The owner, partner,
22 managing member, or chief executive of a business entity who servers as a game operator
23 employer must be licensed as a level 1 game operator.

24 (b) "Level 1 game operator" means any consultant or any person other than a
25 bona fide member of the charitable organization, involved in managing, supervising, or
26 directing game operators, or in planning, organizing, or conducting games of chance.

27 (c) "Level 2 game operator" means any person other than a bona fide member of
28 the charitable organization, who, under the supervision of a level 1 game operator,
29 oversees, directs, or runs games of chance, but does not determine the types of games
30 offered, the percentage of prize payouts, the schedule of play, or the rules of the house
31 without supervision of a level 1 game operator.

1 (d) *"Level 3 game operator" means any person other than a bona fide member of*
2 *the charitable organization, involved in dealing cards or dice, running a roulette wheel, or*
3 *handling chips and or money.*

4 (e) *"Level 4 game operator" means any person other than a bona fide member of*
5 *the charitable organization who serves as an employee or independent contractor for a*
6 *game operator employer who does not require a level 1, 2, or 3 license.*

7 3 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-b, I(d) to read as follows:

8 (d) Notwithstanding subparagraph (a), all charitable organizations that conduct games
9 of chance for charitable purposes may employ, by means of a written agreement, a [primary] game
10 operator *employer or a level 1 game operator* licensed under RSA 287-D:2-c to operate games of
11 chance on their behalf.

12 4 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, III to read as follows:

13 III. An applicant for a [primary] game operator license under RSA 287-D:2-c shall apply to
14 the racing and charitable gaming commission, and if the applicant meets all other requirements of
15 this chapter and pays the fee established by the racing and charitable gaming commission in rules
16 adopted pursuant to RSA 541-A, a license shall be issued. *The fee established for a level 3 or*
17 *level 4 game operator shall not exceed \$45.* A license issued under RSA 287-D:2-c shall expire on
18 December 31. The racing and charitable gaming commission shall notify the attorney general and
19 police chief of any city or town where games of chance are held of any applications approved.
20 RSA 7:28-c shall not apply to game operator licensees subject to this chapter. [~~An applicant for a~~
21 ~~secondary game operator license under RSA 287-D:2-c shall apply to the racing and charitable~~
22 ~~gaming commission, and if the applicant meets all other requirements of this chapter and pays the~~
23 ~~fee established by the racing and charitable gaming commission in rules adopted pursuant to~~
24 ~~RSA 541-A, which shall not exceed \$45, a license shall be issued.]~~

25 5 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, IV to read as follows:

26 VI. Any license issued under RSA 287-D:2-a or RSA 287-D:2-c shall not be transferable
27 *among individuals or game operator employers* and the fees for the license shall not be
28 refunded except for good cause shown as specified in rules adopted by the racing and charitable
29 gaming commission.

30 6 Bond; Game Operators. Amend RSA 287-D:2-b, VIII to read as follows:

31 VIII.(a) On game dates where the charitable organization operates the games, the charitable
32 organization shall deposit cash and proceeds from a game of chance into the account required by
33 RSA 287-D:2-a, VII(e). All expenses, including [~~prizes of more than \$500~~] *prizes of \$500 or more*
34 *shall be paid by check or with cash provided the winner completes a consecutively*
35 *numbered prize receipt provided by the commission*, and equipment and hall rental fees shall
36 be paid by check from the account required by RSA 287-D:2-a, VII(e). The treasurer of the charitable
37 organization shall document all prizes awarded as prescribed in rules adopted by the racing and
38 charitable gaming commission.

1 (b) On game dates where the licensed game operator operates the games, the licensed
2 game operator shall deposit cash and proceeds from a game of chance into the account required by
3 RSA 287-D:2-c, VI. All expenses, including [~~prizes of more than \$500 and~~] equipment and hall rental
4 fees shall be paid by check *or electronic fund transfers* from the account established in RSA 287-
5 D:2-c, VI. The licensed game operator shall document all prizes awarded as prescribed in rules
6 adopted by the racing and charitable gaming commission. *Prizes of \$500 or more shall be paid by*
7 *check or with cash provided the winner completes a consecutively numbered prize receipt*
8 *purchased from the commission.*

9 7 Bond; Game Operators. Amend RSA 287-D:2-c, V to read as follows:

10 V. *Prior to conducting any games of chance*, the game operator or the game operator's
11 employer shall submit a bond for each location where the game operator is conducting games of
12 chance, conditioned upon the game operator running games of chance in conformity with this chapter
13 and with the rules and regulations prescribed by the racing and charitable gaming commission, in
14 the amount of up to [~~\$300,000~~] *\$500,000* to the racing and charitable gaming commission with the
15 application form.

16 8 New Paragraph; Licensing of Game Operators. Amend RSA 287-D:2-c by inserting after
17 paragraph VII the following new paragraph:

18 VIII. Unless a provision to the contrary is part of a written agreement in place prior to the
19 commencement of a game date between the charitable organization and the game operator or game
20 operator employer, all moneys due to the charitable organization shall be paid over to the
21 organization no later than 5 business days following the date on which a game was conducted.
22 Notwithstanding the provisions of any agreement with the charitable organization, the game
23 operator or game operator employee shall pay over all moneys due to the charitable organization no
24 later than 15 calendar days following a game date.

25 9 Wagering; Game Operators. Amend RSA 287-D:3 to read as follows:

26 VII. Unless a charitable organization rents a facility from a [~~primary~~] game operator *employer*
27 *or a level 1 game operator* licensed under RSA 287-D:2-c, the charitable organization shall only rent a
28 facility by means of a fixed rental payment. The fixed rental payment shall not be based on a percentage
29 of what the charitable organization receives from the game of chance and it shall reflect fair rental value
30 of the property for any use not just as a place to hold a game of chance. If a charitable organization rents
31 a facility from a licensed game operator under RSA 287-D:2-c, the charitable organization shall retain no
32 less than 35 percent of the gross revenues from any games of chance minus any prizes paid in
33 accordance with RSA 287-D:3, VIII. Any rental agreement entered into by the charitable organization
34 shall be submitted with the charitable organization's license application for review by the racing and
35 charitable gaming commission. Under no circumstances shall a charitable organization sustain any loss
36 from games of chance, such that its share of the gross revenues minus any prizes paid is less than zero
37 dollars, during a license period with a single game operator.

1 10 Wagering; Game Operators. Amend RSA 287-D:5, I to read as follows:

2 I. A charitable organization or a licensed [~~primary~~] game operator *employer* under contract
3 to conduct games of chance on behalf of a charitable organization shall submit a complete financial
4 report for all game dates licensed under RSA 287-D:2 and RSA 287-D:2-a to the racing and
5 charitable gaming commission on forms approved by the racing and charitable gaming commission
6 within 15 days of the end of each month during which a game of chance was held.

7 11 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:7, XVI to
8 read as follows:

9 XVI. In not more than one game conducted in accordance with RSA 287-E:7, XIII, a carry-
10 over, cover-all game may be run with the prize money rolled over to the successive game dates in the
11 event that there is no winner on the original or preceding game dates. Notwithstanding any
12 provision of law to the contrary, the prize money may accumulate until there is a winner. The prize
13 shall be awarded to any winner covering all 24 numbers on the card in less than 50 numbers, or a
14 greater number if so designated prior to the game. If there is no winner on a given game date, a pre-
15 designated consolation prize shall be awarded to the game winner who first achieves cover-all. The
16 balance of the [~~monies~~] *moneys* collected shall be carried over to subsequent game dates until there
17 is a winner. *Unless a surety bond is posted by the organization with the commission for an*
18 *amount greater than the accumulated prize, the amount rolled over to successive game*
19 *dates may not exceed \$10,000.*

20 12 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, I to
21 read as follows:

22 I. A charitable organization which has been licensed to conduct bingo games shall submit a
23 complete financial report to the commission for each license issued under RSA 287-E:6 within 15
24 days after the expiration of each license; provided, however, a complete monthly financial report
25 shall be submitted in a timely fashion to the commission for each month covered by a license issued
26 under [~~RSA 287-E:6, I-a~~] *RSA 287-E:6, II.*

27 13 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, IV to
28 read as follows:

29 IV. All charitable organizations licensed under this chapter shall maintain a separate
30 checking account for the deposit and disbursement of all income relating to bingo and lucky 7, except
31 cash prizes awarded at the games. All expenses shall be paid by check, and all prizes of \$500 or more
32 shall be paid by check *or electronic funds transfers*. There shall be no commingling of bingo and
33 lucky 7 funds with other funds of the charitable organization. The organization shall retain all
34 cancelled checks for the payment of expenses and prizes for at least 2 years. The organization may
35 cash checks which it issues.

36 14 Campground Bingo. Amend RSA 287-E:12 to read as follows:

1 287-E:12 Bingo [~~License~~] for Private Campgrounds and Hotels. Any private campground or
2 hotel may [~~apply to the commission for a special campground or hotel bingo license. Licenses may be~~
3 ~~granted under the following conditions~~] **conduct bingo games provided:**

4 [~~I. The bingo license application fee shall be \$25 per year and shall be nonrefundable.~~

5 [~~II. The provisions of RSA 287 E:6, IV and RSA 287 E:7, IV and VI relating to bingo licenses~~
6 ~~and the operation of games for charitable organizations shall also apply to licenses issued under this~~
7 ~~section.~~

8 [~~III.] I. The price to be paid for a single card or play under the license shall be \$.10.~~

9 [~~IV. A license shall permit no more than 2 game dates of bingo in any one calendar week and~~
10 ~~shall be issued on an annual basis.~~

11 [~~V.] II. All revenues received from the sale of bingo cards in any game or series of games on~~
12 ~~any one calendar day shall be paid out to the players. The total value of all prizes, tokens, or awards~~
13 ~~used, given, offered, or awarded in connection with any game or series of games in any calendar day~~
14 ~~shall not exceed \$500.~~

15 [~~VI.] III. Games shall be operated only by persons on the staff of the campground or hotel~~
16 [~~holding the license under this section~~]. Such staff shall operate the games without compensation
17 from the bingo revenues.

18 [~~VII.] IV. The games of bingo shall be open only to persons 18 years of age or older who are~~
19 ~~bona fide guests at the campground or hotel.~~

20 [~~VIII. Licenses shall be granted only to campgrounds or hotels in cities or towns which have~~
21 ~~approved bingo under RSA 287-E.~~

22 [~~IX.] V. No campground or hotel shall act as an agent for operating games of bingo when it is~~
23 ~~unlawful for such campground's or hotel's principal to operate bingo games.~~

24 [~~X. The campground or hotel holding the license issued under this section shall keep records~~
25 ~~and submit a report as required for agricultural fairs under RSA 287 E:10, VIII, except that the report~~
26 ~~shall be submitted to the commission within 15 days of the expiration of the bingo license. The report~~
27 ~~shall include the names and addresses of persons from whom bingo equipment was rented or leased.~~

28 [~~XI.] VI. The campground or hotel shall have been in existence for at least 2 years in the city~~
29 ~~or town in which the bingo games are to be conducted.~~

30 [~~XII. The campground or hotel shall be in compliance at the time of application with all~~
31 ~~applicable state and local requirements for the operation of private campgrounds or hotels.~~

32 [~~XIII.] VII. The campground or hotel shall maintain a current list of bona fide guests.~~

33 [~~XIV.] VIII. The campground or hotel shall not have been established solely for the purpose~~
34 ~~of operating bingo games.~~

35 15 Campground Bingo. Amend the introductory paragraph RSA 287-E:13 to read as follows:
36 Any campground or hotel [~~holding a license under RSA 287-E:12~~] may conduct special bingo games
37 for children under the conditions specified in RSA 287-E:12, except:

1 16 Lucky 7 Fees. Amend RSA 287-E:22 to read as follows:

2 287-E:22 Lucky 7 Fees.

3 I. ~~[A licensed distributor shall pay a fee of \$15 per deal of pull tab tickets.~~

4 ~~II. A licensed distributor shall pay a fee of \$6 per deal of bag tickets.]~~

5 ***A fee of 5 percent is imposed upon the gross sales of each lucky 7 ticket.***

6 ***II. The licensed charitable organization shall collect the fees imposed by this***
7 ***section and shall pay them over to the commission within 15 calendar days following the***
8 ***end of this month in which lucky 7 tickets were sold. The fee shall be filed with forms***
9 ***approved by the commission.***

10 III. No deal shall have the same serial number as any other deal sold in this state.

11 IV. All funds collected by the commission under this section shall be deposited in the special
12 fund established under RSA 284:21-j.

13 ~~[V. A licensed distributor shall pay the fees collected pursuant to this section to the~~
14 ~~commission within 15 days of the distribution of the tickets.]~~

15 17 Payment to Distributor. Amend RSA 287-E:23-a to read as follows:

16 287-E:23-a Payment to Distributor. Licensees shall pay for purchased tickets no later than 30
17 ***calendar days after delivery. Unless a waiver is given by the commission for good cause***
18 ***shown, no charitable organization may purchase tickets from a different distributor when***
19 ***that charitable organization has failed to comply with the provisions of this section.***

20 18 Financial Reports and Inspection Required. Amend RSA 287-E:24, IV to read as follows:

21 IV. All expenses ***shall be paid by check, or electronic funds transfers***, and all cash
22 prizes ~~[over]~~ ***of \$500 or more*** shall be paid by check ***or with cash provided the winner completes***
23 ***a consecutively numbered prize receipt purchased from the commission***, and the charitable
24 organization shall retain cancelled checks for the payment of expenses and ***checks and receipts for***
25 ***the payment of prizes*** for a period of 2 years.

26 19 Pari-Mutuel Breakage; Cross Reference. Amend RSA 284:22-a, VII to read as follows:

27 VIII. RSA 284:22, I, II, ***and*** III, ~~[and IV]~~ shall apply according to the type of race on which
28 the simulcast wagers are made, excepting, however, interstate common pools as provided in
29 RSA 284:22-a, V(b) and that the provisions made for purses made in RSA 284:22, I shall not apply to
30 simulcast races. The commission on simulcast race pools shall be available to the simulcasting
31 licensee to satisfy obligations to the racing association originating or transmitting such simulcast
32 races or to the horsemen's group of such association.

33 20 Campground Bingo. Amend RSA 287-E:4, II to read as follows:

34 II. Such fee shall be submitted to the commission at the time the application for a bingo license
35 is filed and ~~[, except as provided in RSA 287-E:12]~~, shall be refunded if the application is denied.

36 21 Repeal. RSA 284:22, IV relative to breakage on pari-mutuel pools, is repealed.

37 22 Effective Date. This act shall take effect 60 days after its passage.

LBAO
11-1032
02/07/11

SB 136-FN - FISCAL NOTE

AN ACT relative to games of chance.

FISCAL IMPACT:

The Racing and Charitable Gaming Commission states this bill will increase state education trust fund revenues and expenditures by indeterminable amounts in FY 2012 and each fiscal year thereafter. There will be no fiscal impact on county and local revenues or expenditures.

METHODOLOGY:

The Racing and Charitable Gaming Commission states this bill makes several changes relative to games of chance, including imposing a 5% fee on gross sales of lucky 7 tickets while eliminating pull tab and bag fees. The Commission states these changes will impact state education trust revenues as follows in FY 2012 and each fiscal year thereafter:

Estimated annual gross lucky 7 sales	67,000,000
5% fee proposed	\$3,350,000
Annual pull tab and bag fees currently collected	(\$946,761)
Net fiscal impact to state education trust fund revenues	\$2,403,239

The Commission also states this bill creates a new system of defining game operators and establishes two new types of operators with an annual license fee not to exceed \$45 per year. The Commission estimates it will issue 50 new licenses for the two new license categories, which will increase state education trust fund revenues by \$2,250 (50 X \$45) in FY 2012 and each fiscal year thereafter.

The Commission states this bill also eliminates licensing of private campgrounds and hotels who conduct bingo games. The Commission states the elimination of these license fees will result in a reduction of state education trust fund revenues of approximately \$275 per fiscal year.

The Commission further states this bill requires charitable organizations and/or game operators when paying prizes with cash to record the transaction on a consecutively numbered receipt which must be purchased from the Commission. The Commission states it cannot determine this requirement's impact to state education trust fund revenues or expenditures but predicts it will be insignificant.

SB 136-FN - AS AMENDED BY THE SENATE

03/16/11 0687s

2011 SESSION

11-1032
08/03

SENATE BILL **136-FN**

AN ACT relative to games of chance.

SPONSORS: Sen. Odell, Dist 8

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill:

- I. Defines game operator employers.
- II. Requires that game operators pay charities participating in charitable gaming no later than 15 business days following a game date.
- III. Raises the amount of bond required for conducting games of chance.
- IV. Requires charitable organizations to collect certain fees on lucky 7 deals and pay them to the racing and charitable gaming commission.
- V. Allows private campgrounds and hotels to conduct certain bingo games without a license.
- VI. Allows the racing and charitable gaming commission to distribute breakage to pari-mutuel licensees without consideration of live racing.

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 Eleven

AN ACT relative to games of chance.

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

1 1 Unclaimed Ticket Vouchers. Amend RSA 284:31 to read as follows:

2 284:31 Unclaimed Ticket Money. On or before January 31 of each year every person,
3 association, or corporation conducting a race or race meet, whether live racing or simulcast racing,
4 hereunder shall pay to the state treasurer all moneys collected during the previous year of pari-
5 mutuel pool tickets *and vouchers* which have not been redeemed. The books or records of said
6 person, association, or corporation, which clearly show the tickets entitled to reimbursement in any
7 given race, live or simulcast, shall be forwarded to the commission. Such moneys shall become a
8 part of the general funds of the state. The state treasurer shall pay the amount due on any ticket *or*
9 *voucher* to the holder thereof from funds not otherwise appropriated upon an order from the
10 commission. Pari-mutuel tickets *and vouchers* which remain unclaimed after 11 months shall not
11 be paid. *Vouchers shall be remitted to the state treasurer on January 31 of the calendar*
12 *year, 24 months after the year of the unclaimed voucher.*

13 2 Definitions; Game Operator. Amend RSA 287-D:1, V to read as follows:

14 V. "Game operator" means:

15 (a) "Primary game operator" which means any consultant or any person other than a
16 bona fide member of the charitable organization, involved in conducting, managing, supervising,
17 directing, or running the games of chance; or

18 (b) "Secondary game operator" which means any person other than a bona fide member
19 of the charitable organization, involved in dealing, running a roulette wheel, [or] handling chips, *or*
20 *providing accounting services or security functions.*

21 (c) "Game operator employer" means a primary game operator or a business
22 entity who employs, supervises, and controls game operators and who is hired by a
23 charitable organization to operate games of chance on its behalf. The owner, partner,
24 managing member, or chief executive of a business entity who servers as a game operator
25 employer must be licensed as a primary game operator.

26 3 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-b, I(d) to read as
27 follows:

28 (d) Notwithstanding subparagraph (a), all charitable organizations that conduct games
29 of chance for charitable purposes may employ, by means of a written agreement, a [primary] game
30 operator *employer or a primary game operator* licensed under RSA 287-D:2-c to operate games of

1 chance on their behalf.

2 4 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, III to read as
3 follows:

4 III. An applicant for a primary game operator license under RSA 287-D:2-c shall apply to the
5 racing and charitable gaming commission, and if the applicant meets all other requirements of this
6 chapter and pays the fee established by the racing and charitable gaming commission in rules
7 adopted pursuant to RSA 541-A, a license shall be issued. A **primary game operator** license issued
8 under RSA 287-D:2-c shall expire on December 31. The racing and charitable gaming commission
9 shall notify the attorney general and police chief of any city or town where games of chance are held
10 of any applications approved. RSA 7:28-c shall not apply to game operator licensees subject to this
11 chapter. An applicant for a secondary game operator license under RSA 287-D:2-c shall apply to the
12 racing and charitable gaming commission, and if the applicant meets all other requirements of this
13 chapter and pays the fee established by the racing and charitable gaming commission in rules
14 adopted pursuant to RSA 541-A, which shall not exceed \$45, a license shall be issued. A **secondary**
15 **game operator license issued under RSA 284-D:2-c shall expire on the last day of the month**
16 **of the licensee's birthday.**

17 5 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, VI to read as follows:

18 VI. Any license issued under RSA 287-D:2-a or RSA 287-D:2-c shall not be transferable and
19 the fees for the license shall not be refunded except for good cause shown as specified in rules
20 adopted by the racing and charitable gaming commission. **Nothing in this section shall prevent**
21 **a licensee from working for different licensed entities. A licensee who works for more than**
22 **one game operator employer during the licensed period shall have a separate badge for**
23 **each game operator employer and pay a separate fee for each badge.**

24 6 Bond; Game Operators. Amend RSA 287-D:2-b, VIII to read as follows:

25 VIII.(a) On game dates where the charitable organization operates the games, the charitable
26 organization shall deposit cash and proceeds from a game of chance into the account required by
27 RSA 287-D:2-a, VII(e). All expenses, including [~~prizes of more than \$500~~] **prizes of \$500 or more**
28 and equipment and hall rental fees shall be paid by check from the account required by RSA 287-
29 D:2-a, VII(e). The treasurer of the charitable organization shall document all prizes awarded as
30 prescribed in rules adopted by the racing and charitable gaming commission.

31 (b) On game dates where the licensed game operator operates the games, the licensed
32 game operator shall deposit cash and proceeds from a game of chance into the account required by
33 RSA 287-D:2-c, VI. All expenses, including [~~prizes of more than \$500 and~~] equipment and hall rental
34 fees shall be paid by check **or electronic fund transfers** from the account established in RSA 287-
35 D:2-c, VI. The licensed game operator shall document all prizes awarded as prescribed in rules
36 adopted by the racing and charitable gaming commission. **Prizes of \$500 or more shall be paid**
37 **by check from the account established in RSA 287-D:2-c, VI.**

1 7 Bond; Game Operators. Amend RSA 287-D:2-c, V to read as follows:

2 V. *Prior to conducting any games of chance*, the game operator or the game operator's
3 employer shall submit a bond for each location where the game operator is conducting games of
4 chance, conditioned upon the game operator running games of chance in conformity with this
5 chapter and with the rules and regulations prescribed by the racing and charitable gaming
6 commission, in the amount of up to [~~\$300,000~~] *\$500,000 but not less than \$25,000* to the racing
7 and charitable gaming commission with the application form. *The amount of the bond in excess*
8 *of \$25,000 established for each licensee shall be based on that licensee's normal*
9 *outstanding obligations of charity payments and state taxes.*

10 8 New Paragraph; Licensing of Game Operators. Amend RSA 287-D:2-c by inserting after
11 paragraph VII the following new paragraph:

12 VIII. Unless a provision to the contrary is part of a written agreement in place prior to the
13 commencement of a game date between the charitable organization and the game operator or game
14 operator employer, all moneys due to the charitable organization shall be paid over to the
15 organization no later than 5 business days following the date on which a game was conducted.
16 Notwithstanding the provisions of any agreement with the charitable organization, the game
17 operator or game operator employer shall pay over all moneys due to the charitable organization no
18 later than 15 business days following a game date.

19 9 Wagering; Game Operators. Amend RSA 287-D:3, VII to read as follows:

20 VII. Unless a charitable organization rents a facility from a [~~primary~~] game operator
21 *employer or a primary game operator* licensed under RSA 287-D:2-c, the charitable organization
22 shall only rent a facility by means of a fixed rental payment. The fixed rental payment shall not be
23 based on a percentage of what the charitable organization receives from the game of chance and it
24 shall reflect fair rental value of the property for any use not just as a place to hold a game of chance.
25 If a charitable organization rents a facility from a licensed game operator under RSA 287-D:2-c, the
26 charitable organization shall retain no less than 35 percent of the gross revenues from any games of
27 chance minus any prizes paid in accordance with RSA 287-D:3, VIII. Any rental agreement entered
28 into by the charitable organization shall be submitted with the charitable organization's license
29 application for review by the racing and charitable gaming commission. Under no circumstances
30 shall a charitable organization sustain any loss from games of chance, such that its share of the
31 gross revenues minus any prizes paid is less than zero dollars, during a license period with a single
32 game operator.

33 10 Wagering; Game Operators. Amend RSA 287-D:5, I to read as follows:

34 I. A charitable organization [~~or~~], a licensed [~~primary~~] game operator *employer, or a*
35 *primary game operator* under contract to conduct games of chance on behalf of a charitable
36 organization *and designated by the charitable organization to be responsible for submitting*
37 *financial reports* shall submit a complete financial report for all game dates licensed under

1 RSA 287-D:2 and RSA 287-D:2-a to the racing and charitable gaming commission on forms approved
 2 by the racing and charitable gaming commission within 15 days of the end of each month during
 3 which a game of chance was held.

4 11 Operation of Bingo Games; Penalty Added. Amend RSA 287-E:7, XVI to read as follows:

5 XVI. In not more than one game conducted in accordance with ~~[RSA 287-E:7,]~~ *paragraph*
 6 XIII, a carry-over, cover-all game may be run with the prize money rolled over to the successive
 7 game dates in the event that there is no winner on the original or preceding game dates.
 8 Notwithstanding any provision of law to the contrary, the prize money may accumulate until there is
 9 a winner. The prize shall be awarded to any winner covering all 24 numbers on the card in less than
 10 50 numbers, or a greater number if so designated prior to the game. If there is no winner on a given
 11 game date, a pre-designated consolation prize shall be awarded to the game winner who first
 12 achieves cover-all. The balance of the ~~[moneys]~~ *moneys* collected shall be carried over to subsequent
 13 game dates until there is a winner. *Any person who purposely, knowingly, or recklessly*
 14 *deprives a charitable organization of any of its moneys collected from bingo or lucky 7 or*
 15 *any person who purposely, knowingly, or recklessly deprives players of any prizes collected*
 16 *from bingo or lucky 7, shall be guilty of a class A felony.*

17 12 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, I to
 18 read as follows:

19 I. A charitable organization which has been licensed to conduct bingo games shall submit a
 20 complete financial report to the commission for each license issued under RSA 287-E:6 within 15
 21 days after the expiration of each license; provided, however, a complete monthly financial report
 22 shall be submitted in a timely fashion to the commission for each month covered by a license issued
 23 under ~~[RSA 287-E:6, I-a]~~ *RSA 287-E:6, II.*

24 13 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, IV to
 25 read as follows:

26 IV. All charitable organizations licensed under this chapter shall maintain a separate
 27 checking account for the deposit and disbursement of all income relating to bingo and lucky 7, except
 28 cash prizes awarded at the games. All expenses shall be paid by check, ~~[and all prizes of \$500 or~~
 29 ~~more shall be paid by check]~~ *or electronic funds transfers. All prizes of \$500 or more shall be*
 30 *paid by check.* There shall be no commingling of bingo and lucky 7 funds with other funds of the
 31 charitable organization. The organization shall retain all cancelled checks for the payment of
 32 expenses and prizes for at least 2 years. The organization may cash checks which it issues.

33 14 Campground Bingo. Amend RSA 287-E:12 to read as follows:

34 287-E:12 Bingo ~~[License]~~ for Private Campgrounds and Hotels. Any private campground or
 35 hotel may ~~[apply to the commission for a special campground or hotel bingo license. Licenses may be~~
 36 ~~granted under the following conditions]~~ *conduct bingo games provided:*

37 ~~[I. The bingo license application fee shall be \$25 per year and shall be nonrefundable.~~

SB 136-FN - AS AMENDED BY THE SENATE

- Page 5 -

1 ~~II. The provisions of RSA 287-E:6, IV and RSA 287-E:7, IV and VI relating to bingo licenses~~
2 ~~and the operation of games for charitable organizations shall also apply to licenses issued under this~~
3 ~~section.~~

4 ~~III.] I.~~ The price to be paid for a single card or play under the license shall be \$.10.

5 ~~[IV. A license shall permit no more than 2 game dates of bingo in any one calendar week and~~
6 ~~shall be issued on an annual basis.~~

7 ~~V.] II.~~ All revenues received from the sale of bingo cards in any game or series of games on
8 any one calendar day shall be paid out to the players. The total value of all prizes, tokens, or awards
9 used, given, offered, or awarded in connection with any game or series of games in any calendar day
10 shall not exceed \$500.

11 ~~[VI.] III.~~ Games shall be operated only by persons on the staff of the campground or hotel
12 ~~[holding the license under this section].~~ Such staff shall operate the games without compensation
13 from the bingo revenues.

14 ~~[VII.] IV.~~ The games of bingo shall be open only to persons 18 years of age or older who are
15 bona fide guests at the campground or hotel.

16 ~~[VIII. Licenses shall be granted only to campgrounds or hotels in cities or towns which have~~
17 ~~approved bingo under RSA 287-E.~~

18 ~~IX.] V.~~ No campground or hotel shall act as an agent for operating games of bingo when it is
19 unlawful for such campground's or hotel's principal to operate bingo games.

20 ~~[X. The campground or hotel holding the license issued under this section shall keep records~~
21 ~~and submit a report as required for agricultural fairs under RSA 287-E:10, VIII, except that the~~
22 ~~report shall be submitted to the commission within 15 days of the expiration of the bingo license.~~
23 ~~The report shall include the names and addresses of persons from whom bingo equipment was~~
24 ~~rented or leased.~~

25 ~~XI.] VI.~~ The campground or hotel shall have been in existence for at least 2 years in the city
26 or town in which the bingo games are to be conducted.

27 ~~[XII. The campground or hotel shall be in compliance at the time of application with all~~
28 ~~applicable state and local requirements for the operation of private campgrounds or hotels.~~

29 ~~XIII.] VII.~~ The campground or hotel shall maintain a current list of bona fide guests.

30 ~~[XIV.] VIII.~~ The campground or hotel shall not have been established solely for the purpose
31 of operating bingo games.

32 15 Campground Bingo. Amend the introductory paragraph RSA 287-E:13 to read as follows:

33 Any campground or hotel ~~[holding a license under RSA 287-E:12]~~ may conduct special bingo
34 games for children under the conditions specified in RSA 287-E:12, except:

35 16 Payment to Distributor. Amend RSA 287-E:23-a to read as follows:

36 287-E:23-a Payment to Distributor. Licensees shall pay for purchased tickets no later than 30
37 *calendar days after delivery. Unless a waiver is given by the commission for good cause*

1 *shown, no charitable organization may purchase tickets from a different distributor when*
2 *that charitable organization has failed to comply with the provisions of this section.*

3 17 Financial Reports and Inspection Required. Amend RSA 287-E:24, IV to read as follows:

4 IV. All expenses *shall be paid by check, or electronic funds transfers*, and all cash
5 prizes ~~[over]~~ *of \$500 or more* shall be paid by check, and the charitable organization shall retain
6 cancelled checks *or bank produced facsimiles of cancelled checks* for the payment of expenses
7 and *checks or bank produced facsimiles of checks and receipts for the payment of prizes* for
8 a period of 2 years.

9 18 Pari-Mutuel Breakage; Cross Reference. Amend RSA 284:22-a, VII to read as follows:

10 VIII. RSA 284:22, I, II, *and III*, ~~[and IV]~~ shall apply according to the type of race on which
11 the simulcast wagers are made, excepting, however, interstate common pools as provided in
12 RSA 284:22-a, V(b) and that the provisions made for purses made in RSA 284:22, I shall not apply to
13 simulcast races. The commission on simulcast race pools shall be available to the simulcasting
14 licensee to satisfy obligations to the racing association originating or transmitting such simulcast
15 races or to the horsemen's group of such association.

16 19 Campground Bingo. Amend RSA 287-E:4, II to read as follows:

17 II. Such fee shall be submitted to the commission at the time the application for a bingo
18 license is filed and ~~[except as provided in RSA 287-E:12]~~, shall be refunded if the application is
19 denied.

20 20 Racing Purses. Amend RSA 284:22, I-II to read as follows:

21 I. The commission on all win, place, and show pari-mutuel pools at tracks or race meets at
22 which running horse races are conducted for public exhibition shall be uniform throughout the state
23 at the rate of 19 percent of each dollar wagered in such pools, and the commission on all other pari-
24 mutuel pools at such tracks or race meets shall be at the rate of not less than 26 percent of each
25 dollar wagered in such pools and not more than 27 percent of each dollar wagered in such pools as
26 determined from time to time by the licensee which conducts live running horse races after written
27 notice to the commission and, in the absence of written notice, at the rate of 26 percent of each dollar
28 wagered in such pools. Except as provided in RSA 284:22-a, the amount of the purse at such tracks
29 or race meets at which running horse races are conducted shall be 8 1/4 percent of each dollar
30 wagered in all pari-mutuel pools, said 8 1/4 percent to be paid by the licensee out of the commission
31 on such pools. In addition to the above commission, 1/2 of the odd cents of all redistribution based on
32 each dollar wagered exceeding a sum equal to the next lowest multiple of 10, known as "breakage",
33 shall be retained by the licensee, 1/4 paid to the state treasury for the use of the state in accordance
34 with the provisions of RSA 284:2 and 1/4 shall be paid to the racing and charitable gaming
35 commission. The racing and charitable gaming commission shall distribute such breakage to the
36 licensee which paid such breakage ~~[to supplement purses of live races conducted by the licensee at~~
37 ~~the location from which such breakage was paid]~~. Each licensee shall pay the tax provided for in

1 RSA 284:23.

2 II. The commission on all win, place, and show pari-mutuel pools at tracks or race meets at
3 which harness horse races are conducted for public exhibition, including those conducted by
4 agricultural fairs, shall be uniform throughout the state at the rate of 19 percent of each dollar
5 wagered in such pools, and the commission on all other pari-mutuel pools at such tracks or race
6 meets shall be at the rate of not less than 25 percent of each dollar wagered in such pools and not
7 more than 26 percent of each dollar wagered in such pools as determined from time to time by the
8 licensee which conducts live harness horse racing after written notice to the commission and, in the
9 absence of such written notice, at the rate of 25 percent of each dollar wagered in such pools. In
10 addition to the above commission, 1/2 of the odd cents of all redistribution based on each dollar
11 wagered exceeding a sum equal to the next lowest multiple of 10, known as "breakage", shall be
12 retained by the licensee, 1/4 paid to the state treasury for the use of the state in accordance with the
13 provisions of RSA 284:2 and 1/4 shall be paid to the racing and charitable gaming commission. The
14 racing and charitable gaming commission shall distribute such breakage [~~to the licensee which paid~~
15 ~~such breakage~~]. Each licensee shall pay the tax provided for in RSA 284:23.

16 21 Repeal. RSA 284:22, IV relative to breakage on pari-mutuel pools, is repealed.

17 22 Effective Date. This act shall take effect 60 days after its passage.

LBAO
11-1032
02/07/11

SB 136-FN - FISCAL NOTE

AN ACT relative to games of chance.

FISCAL IMPACT:

The Racing and Charitable Gaming Commission states this bill will increase state education trust fund revenues and expenditures by indeterminable amounts in FY 2012 and each fiscal year thereafter. There will be no fiscal impact on county and local revenues or expenditures.

METHODOLOGY:

The Racing and Charitable Gaming Commission states this bill makes several changes relative to games of chance, including imposing a 5% fee on gross sales of lucky 7 tickets while eliminating pull tab and bag fees. The Commission states these changes will impact state education trust revenues as follows in FY 2012 and each fiscal year thereafter:

Estimated annual gross lucky 7 sales	67,000,000
5% fee proposed	\$3,350,000
Annual pull tab and bag fees currently collected	(\$946,761)
Net fiscal impact to state education trust fund revenues	\$2,403,239

The Commission also states this bill creates a new system of defining game operators and establishes two new types of operators with an annual license fee not to exceed \$45 per year. The Commission estimates it will issue 50 new licenses for the two new license categories, which will increase state education trust fund revenues by \$2,250 (50 X \$45) in FY 2012 and each fiscal year thereafter.

The Commission states this bill also eliminates licensing of private campgrounds and hotels who conduct bingo games. The Commission states the elimination of these license fees will result in a reduction of state education trust fund revenues of approximately \$275 per fiscal year.

The Commission further states this bill requires charitable organizations and/or game operators when paying prizes with cash to record the transaction on a consecutively numbered receipt which must be purchased from the Commission. The Commission states it cannot determine this requirement's impact to state education trust fund revenues or expenditures but predicts it will be insignificant.

Amendments

Amendment to SB 136-FN

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

2

3 1 Unclaimed Ticket Vouchers. Amend RSA 284:31 to read as follows:

4 284:31 Unclaimed Ticket Money. On or before January 31 of each year every person,
5 association, or corporation conducting a race or race meet, whether live racing or simulcast racing,
6 hereunder shall pay to the state treasurer all moneys collected during the previous year of pari-
7 mutuel pool tickets *and vouchers* which have not been redeemed. The books or records of said
8 person, association, or corporation, which clearly show the tickets entitled to reimbursement in any
9 given race, live or simulcast, shall be forwarded to the commission. Such moneys shall become a
10 part of the general funds of the state. The state treasurer shall pay the amount due on any ticket *or*
11 *voucher* to the holder thereof from funds not otherwise appropriated upon an order from the
12 commission. Pari-mutuel tickets *and vouchers* which remain unclaimed after 11 months shall not
13 be paid. *Vouchers shall be remitted to the state treasurer on January 31 of the calendar*
14 *year, 24 months after the year of the unclaimed voucher.*

15 2 Definitions; Game Operator. Amend RSA 287-D:1, V to read as follows:

16 V. "Game operator" means:

17 (a) "Primary game operator" which means any consultant or any person other than a
18 bona fide member of the charitable organization, involved in conducting, managing, supervising,
19 directing, or running the games of chance; or

20 (b) "Secondary game operator" which means any person other than a bona fide member
21 of the charitable organization, involved in dealing, running a roulette wheel, ~~or~~ handling chips, *or*
22 *providing accounting services or security functions.*

23 (c) "Game operator employer" means a primary game operator or a business
24 entity who employs, supervises, and controls game operators and who is hired by a
25 charitable organization to operate games of chance on its behalf. The owner, partner,
26 managing member, or chief executive of a business entity who servers as a game operator
27 employer must be licensed as a primary game operator.

28 3 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-b, I(d) to read as
29 follows:

30 (d) Notwithstanding subparagraph (a), all charitable organizations that conduct games
31 of chance for charitable purposes may employ, by means of a written agreement, a ~~primary~~ game
32 operator *employer or a primary game operator* licensed under RSA 287-D:2-c to operate games of

1 chance on their behalf.

2 4 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, III to read as
3 follows:

4 III. An applicant for a primary game operator license under RSA 287-D:2-c shall apply to the
5 racing and charitable gaming commission, and if the applicant meets all other requirements of this
6 chapter and pays the fee established by the racing and charitable gaming commission in rules
7 adopted pursuant to RSA 541-A, a license shall be issued. A *primary game operator* license issued
8 under RSA 287-D:2-c shall expire on December 31. The racing and charitable gaming commission
9 shall notify the attorney general and police chief of any city or town where games of chance are held
10 of any applications approved. RSA 7:28-c shall not apply to game operator licensees subject to this
11 chapter. An applicant for a secondary game operator license under RSA 287-D:2-c shall apply to the
12 racing and charitable gaming commission, and if the applicant meets all other requirements of this
13 chapter and pays the fee established by the racing and charitable gaming commission in rules
14 adopted pursuant to RSA 541-A, which shall not exceed \$45, a license shall be issued. A *secondary*
15 *game operator license issued under RSA 284-D:2-c shall expire on the last day of the month*
16 *of the licensee's birthday.*

17 5 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, VI to read as follows:

18 VI. Any license issued under RSA 287-D:2-a or RSA 287-D:2-c shall not be transferable and
19 the fees for the license shall not be refunded except for good cause shown as specified in rules
20 adopted by the racing and charitable gaming commission. *Nothing in this section shall prevent*
21 *a licensee from working for different licensed entities. A licensee who works for more than*
22 *one game operator employer during the licensed period shall have a separate badge for*
23 *each game operator employer and pay a separate fee for each badge.*

24 6 Bond; Game Operators. Amend RSA 287-D:2-b, VIII to read as follows:

25 VIII.(a) On game dates where the charitable organization operates the games, the charitable
26 organization shall deposit cash and proceeds from a game of chance into the account required by
27 RSA 287-D:2-a, VII(e). All expenses, including [~~prizes of more than \$500~~] *prizes of \$500 or more*
28 and equipment and hall rental fees shall be paid by check from the account required by RSA 287-
29 D:2-a, VII(e). The treasurer of the charitable organization shall document all prizes awarded as
30 prescribed in rules adopted by the racing and charitable gaming commission.

31 (b) On game dates where the licensed game operator operates the games, the licensed
32 game operator shall deposit cash and proceeds from a game of chance into the account required by
33 RSA 287-D:2-c, VI. All expenses, including [~~prizes of more than \$500 and~~] equipment and hall rental
34 fees shall be paid by check *or electronic fund transfers* from the account established in RSA 287-
35 D:2-c, VI. The licensed game operator shall document all prizes awarded as prescribed in rules
36 adopted by the racing and charitable gaming commission. *Prizes of \$500 or more shall be paid*
37 *by check from the account established in RSA 287-D:2-c, VI.*

1 7 Bond; Game Operators. Amend RSA 287-D:2-c, V to read as follows:

2 V. *Prior to conducting any games of chance*, the game operator or the game operator's
3 employer shall submit a bond for each location where the game operator is conducting games of
4 chance, conditioned upon the game operator running games of chance in conformity with this
5 chapter and with the rules and regulations prescribed by the racing and charitable gaming
6 commission, in the amount of up to [~~\$300,000~~] **\$500,000 but not less than \$25,000** to the racing
7 and charitable gaming commission with the application form. *The amount of the bond in excess*
8 *of \$25,000 established for each licensee shall be based on that licensee's normal*
9 *outstanding obligations of charity payments and state taxes.*

10 8 New Paragraph; Licensing of Game Operators. Amend RSA 287-D:2-c by inserting after
11 paragraph VII the following new paragraph:

12 VIII. Unless a provision to the contrary is part of a written agreement in place prior to the
13 commencement of a game date between the charitable organization and the game operator or game
14 operator employer, all moneys due to the charitable organization shall be paid over to the
15 organization no later than 5 business days following the date on which a game was conducted.
16 Notwithstanding the provisions of any agreement with the charitable organization, the game
17 operator or game operator employer shall pay over all moneys due to the charitable organization no
18 later than 15 business days following a game date.

19 9 Wagering; Game Operators. Amend RSA 287-D:3, VII to read as follows:

20 VII. Unless a charitable organization rents a facility from a [~~primary~~] game operator
21 **employer or a primary game operator** licensed under RSA 287-D:2-c, the charitable organization
22 shall only rent a facility by means of a fixed rental payment. The fixed rental payment shall not be
23 based on a percentage of what the charitable organization receives from the game of chance and it
24 shall reflect fair rental value of the property for any use not just as a place to hold a game of chance.
25 If a charitable organization rents a facility from a licensed game operator under RSA 287-D:2-c, the
26 charitable organization shall retain no less than 35 percent of the gross revenues from any games of
27 chance minus any prizes paid in accordance with RSA 287-D:3, VIII. Any rental agreement entered
28 into by the charitable organization shall be submitted with the charitable organization's license
29 application for review by the racing and charitable gaming commission. Under no circumstances
30 shall a charitable organization sustain any loss from games of chance, such that its share of the
31 gross revenues minus any prizes paid is less than zero dollars, during a license period with a single
32 game operator.

33 10 Wagering; Game Operators. Amend RSA 287-D:5, I to read as follows:

34 I. A charitable organization [~~or~~], a licensed [~~primary~~] game operator **employer, or a**
35 **primary game operator** under contract to conduct games of chance on behalf of a charitable
36 organization **and designated by the charitable organization to be responsible for submitting**
37 **financial reports** shall submit a complete financial report for all game dates licensed under

1 RSA 287-D:2 and RSA 287-D:2-a to the racing and charitable gaming commission on forms approved
2 by the racing and charitable gaming commission within 15 days of the end of each month during
3 which a game of chance was held.

4 11 Operation of Bingo Games; Penalty Added. Amend RSA 287-E:7, XVI to read as follows:

5 XVI. In not more than one game conducted in accordance with ~~[RSA 287-E:7.]~~ *paragraph*
6 XIII, a carry-over, cover-all game may be run with the prize money rolled over to the successive
7 game dates in the event that there is no winner on the original or preceding game dates.
8 Notwithstanding any provision of law to the contrary, the prize money may accumulate until there is
9 a winner. The prize shall be awarded to any winner covering all 24 numbers on the card in less than
10 50 numbers, or a greater number if so designated prior to the game. If there is no winner on a given
11 game date, a pre-designated consolation prize shall be awarded to the game winner who first
12 achieves cover-all. The balance of the ~~[moneys]~~ *moneys* collected shall be carried over to subsequent
13 game dates until there is a winner. *Any person who purposely, knowingly, or recklessly*
14 *deprives a charitable organization of any of its moneys collected from bingo or lucky 7 or*
15 *any person who purposely, knowingly, or recklessly deprives players of any prizes collected*
16 *from bingo or lucky 7, shall be guilty of a class A felony.*

17 12 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, I to
18 read as follows:

19 I. A charitable organization which has been licensed to conduct bingo games shall submit a
20 complete financial report to the commission for each license issued under RSA 287-E:6 within 15
21 days after the expiration of each license; provided, however, a complete monthly financial report
22 shall be submitted in a timely fashion to the commission for each month covered by a license issued
23 under ~~[RSA 287-E:6, I-a]~~ *RSA 287-E:6, II.*

24 13 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, IV to
25 read as follows:

26 IV. All charitable organizations licensed under this chapter shall maintain a separate
27 checking account for the deposit and disbursement of all income relating to bingo and lucky 7, except
28 cash prizes awarded at the games. All expenses shall be paid by check, ~~[and all prizes of \$500 or~~
29 ~~more shall be paid by check]~~ *or electronic funds transfers. All prizes of \$500 or more shall be*
30 *paid by check.* There shall be no commingling of bingo and lucky 7 funds with other funds of the
31 charitable organization. The organization shall retain all cancelled checks for the payment of
32 expenses and prizes for at least 2 years. The organization may cash checks which it issues.

33 14 Campground Bingo. Amend RSA 287-E:12 to read as follows:

34 287-E:12 Bingo ~~[License]~~ for Private Campgrounds and Hotels. Any private campground or
35 hotel may ~~[apply to the commission for a special campground or hotel bingo license. Licenses may be~~
36 ~~granted under the following conditions]~~ *conduct bingo games provided:*

37 ~~[I. The bingo license application fee shall be \$25 per year and shall be nonrefundable.~~

Amendment to SB 136-FN

- Page 5 -

1 ~~II. The provisions of RSA 287 E:6, IV and RSA 287 E:7, IV and VI relating to bingo licenses~~
2 ~~and the operation of games for charitable organizations shall also apply to licenses issued under this~~
3 ~~section.~~

4 ~~III.] I.~~ The price to be paid for a single card or play under the license shall be \$.10.

5 ~~[IV. A license shall permit no more than 2 game dates of bingo in any one calendar week and~~
6 ~~shall be issued on an annual basis.~~

7 ~~V.] II.~~ All revenues received from the sale of bingo cards in any game or series of games on
8 any one calendar day shall be paid out to the players. The total value of all prizes, tokens, or awards
9 used, given, offered, or awarded in connection with any game or series of games in any calendar day
10 shall not exceed \$500.

11 ~~[VI.] III.~~ Games shall be operated only by persons on the staff of the campground or hotel
12 ~~[holding the license under this section].~~ Such staff shall operate the games without compensation
13 from the bingo revenues.

14 ~~[VII.] IV.~~ The games of bingo shall be open only to persons 18 years of age or older who are
15 bona fide guests at the campground or hotel.

16 ~~[VIII. Licenses shall be granted only to campgrounds or hotels in cities or towns which have~~
17 ~~approved bingo under RSA 287-E.~~

18 ~~[X.] V.~~ No campground or hotel shall act as an agent for operating games of bingo when it is
19 unlawful for such campground's or hotel's principal to operate bingo games.

20 ~~[X. The campground or hotel holding the license issued under this section shall keep records~~
21 ~~and submit a report as required for agricultural fairs under RSA 287 E:10, VIII, except that the~~
22 ~~report shall be submitted to the commission within 15 days of the expiration of the bingo license.~~
23 ~~The report shall include the names and addresses of persons from whom bingo equipment was~~
24 ~~rented or leased.~~

25 ~~XI.] VI.~~ The campground or hotel shall have been in existence for at least 2 years in the city
26 or town in which the bingo games are to be conducted.

27 ~~[XII. The campground or hotel shall be in compliance at the time of application with all~~
28 ~~applicable state and local requirements for the operation of private campgrounds or hotels.~~

29 ~~XIII.] VII.~~ The campground or hotel shall maintain a current list of bona fide guests.

30 ~~[XIV.] VIII.~~ The campground or hotel shall not have been established solely for the purpose
31 of operating bingo games.

32 15 Campground Bingo. Amend the introductory paragraph RSA 287-E:13 to read as follows:

33 Any campground or hotel ~~[holding a license under RSA 287-E:12]~~ may conduct special bingo
34 games for children under the conditions specified in RSA 287-E:12, except:

35 16 Payment to Distributor. Amend RSA 287-E:23-a to read as follows:

36 287-E:23-a Payment to Distributor. Licensees shall pay for purchased tickets no later than 30
37 *calendar days after delivery. Unless a waiver is given by the commission for good cause*

1 *shown, no charitable organization may purchase tickets from a different distributor when*
2 *that charitable organization has failed to comply with the provisions of this section.*

3 17 Financial Reports and Inspection Required. Amend RSA 287-E:24, IV to read as follows:

4 IV. All expenses *shall be paid by check, or electronic funds transfers*, and all cash
5 prizes [ever] of \$500 or more shall be paid by check, and the charitable organization shall retain
6 cancelled checks *or bank produced facsimiles of cancelled checks* for the payment of expenses
7 and *checks or bank produced facsimiles of checks and receipts for the payment of prizes* for
8 a period of 2 years.

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10 VIII. RSA 284:22, I, II, *and III*, [~~and IV~~] shall apply according to the type of race on which
11 the simulcast wagers are made, excepting, however, interstate common pools as provided in
12 RSA 284:22-a, V(b) and that the provisions made for purses made in RSA 284:22, I shall not apply to
13 simulcast races. The commission on simulcast race pools shall be available to the simulcasting
14 licensee to satisfy obligations to the racing association originating or transmitting such simulcast
15 races or to the horsemen's group of such association.

16 19 Campground Bingo. Amend RSA 287-E:4, II to read as follows:

17 II. Such fee shall be submitted to the commission at the time the application for a bingo
18 license is filed and [~~except as provided in RSA 287-E:12~~], shall be refunded if the application is
19 denied.

20 20 Racing Purses. Amend RSA 284:22, I-II to read as follows:

21 I. The commission on all win, place, and show pari-mutuel pools at tracks or race meets at
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24 mutuel pools at such tracks or race meets shall be at the rate of not less than 26 percent of each
25 dollar wagered in such pools and not more than 27 percent of each dollar wagered in such pools as
26 determined from time to time by the licensee which conducts live running horse races after written
27 notice to the commission and, in the absence of written notice, at the rate of 26 percent of each dollar
28 wagered in such pools. Except as provided in RSA 284:22-a, the amount of the purse at such tracks
29 or race meets at which running horse races are conducted shall be 8 1/4 percent of each dollar
30 wagered in all pari-mutuel pools, said 8 1/4 percent to be paid by the licensee out of the commission
31 on such pools. In addition to the above commission, 1/2 of the odd cents of all redistribution based on
32 each dollar wagered exceeding a sum equal to the next lowest multiple of 10, known as "breakage",
33 shall be retained by the licensee, 1/4 paid to the state treasury for the use of the state in accordance
34 with the provisions of RSA 284:2 and 1/4 shall be paid to the racing and charitable gaming
35 commission. The racing and charitable gaming commission shall distribute such breakage to the
36 licensee which paid such breakage [~~to supplement purses of live races conducted by the licensee at~~
37 ~~the location from which such breakage was paid~~]. Each licensee shall pay the tax provided for in

1 RSA 284:23.

2 II. The commission on all win, place, and show pari-mutuel pools at tracks or race meets at
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4 agricultural fairs, shall be uniform throughout the state at the rate of 19 percent of each dollar
5 wagered in such pools, and the commission on all other pari-mutuel pools at such tracks or race
6 meets shall be at the rate of not less than 25 percent of each dollar wagered in such pools and not
7 more than 26 percent of each dollar wagered in such pools as determined from time to time by the
8 licensee which conducts live harness horse racing after written notice to the commission and, in the
9 absence of such written notice, at the rate of 25 percent of each dollar wagered in such pools. In
10 addition to the above commission, 1/2 of the odd cents of all redistribution based on each dollar
11 wagered exceeding a sum equal to the next lowest multiple of 10, known as "breakage", shall be
12 retained by the licensee, 1/4 paid to the state treasury for the use of the state in accordance with the
13 provisions of RSA 284:2 and 1/4 shall be paid to the racing and charitable gaming commission. The
14 racing and charitable gaming commission shall distribute such breakage [~~to the licensee which paid~~
15 ~~such breakage~~]. Each licensee shall pay the tax provided for in RSA 284:23.

16 21 Repeal. RSA 284:22, IV relative to breakage on pari-mutuel pools, is repealed.

17 22 Effective Date. This act shall take effect 60 days after its passage.

2011-0662s

AMENDED ANALYSIS

This bill:

- I. Defines game operator employers.
- II. Requires that game operators pay charities participating in charitable gaming no later than 15 business days following a game date.
- III. Raises the amount of bond required for conducting games of chance.
- IV. Requires charitable organizations to collect certain fees on lucky 7 deals and pay them to the racing and charitable gaming commission.
- V. Allows private campgrounds and hotels to conduct certain bingo games without a license.
- VI. Allows the racing and charitable gaming commission to distribute breakage to pari-mutuel licensees without consideration of live racing.

Amendment to SB 136-FN

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

2

3 1 Unclaimed Ticket Vouchers. Amend RSA 284:31 to read as follows:

4 284:31 Unclaimed Ticket Money. On or before January 31 of each year every person,
5 association, or corporation conducting a race or race meet, whether live racing or simulcast racing,
6 hereunder shall pay to the state treasurer all moneys collected during the previous year of pari-
7 mutuel pool tickets *and vouchers* which have not been redeemed. The books or records of said
8 person, association, or corporation, which clearly show the tickets entitled to reimbursement in any
9 given race, live or simulcast, shall be forwarded to the commission. Such moneys shall become a
10 part of the general funds of the state. The state treasurer shall pay the amount due on any ticket *or*
11 *voucher* to the holder thereof from funds not otherwise appropriated upon an order from the
12 commission. Pari-mutuel tickets *and vouchers* which remain unclaimed after 11 months shall not
13 be paid. *Vouchers shall be remitted to the state treasurer on January 31 of the calendar*
14 *year, 24 months after the year of the unclaimed voucher.*

15 2 Definitions; Game Operator. Amend RSA 287-D:1, V to read as follows:

16 V. "Game operator" means:

17 (a) "Primary game operator" which means any consultant or any person other than a
18 bona fide member of the charitable organization, involved in conducting, managing, supervising,
19 directing, or running the games of chance; or

20 (b) "Secondary game operator" which means any person other than a bona fide member
21 of the charitable organization, involved in dealing, running a roulette wheel, [or] handling chips, *or*
22 *providing accounting services or security functions.*

23 (c) *"Game operator employer" means a primary game operator or a business*
24 *entity who employs, supervises, and controls game operators and who is hired by a*
25 *charitable organization to operate games of chance on its behalf. The owner, partner,*
26 *managing member, or chief executive of a business entity who servers as a game operator*
27 *employer must be licensed as a primary game operator.*

28 3 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-b, I(d) to read as
29 follows:

30 (d) Notwithstanding subparagraph (a), all charitable organizations that conduct games
31 of chance for charitable purposes may employ, by means of a written agreement, a [primary] game
32 operator *employer or a primary game operator* licensed under RSA 287-D:2-c to operate games of

1 chance on their behalf.

2 4 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, III to read as
3 follows:

4 III. An applicant for a primary game operator license under RSA 287-D:2-c shall apply to the
5 racing and charitable gaming commission, and if the applicant meets all other requirements of this
6 chapter and pays the fee established by the racing and charitable gaming commission in rules
7 adopted pursuant to RSA 541-A, a license shall be issued. A *primary game operator* license issued
8 under RSA 287-D:2-c shall expire on December 31. The racing and charitable gaming commission
9 shall notify the attorney general and police chief of any city or town where games of chance are held
10 of any applications approved. RSA 7:28-c shall not apply to game operator licensees subject to this
11 chapter. An applicant for a secondary game operator license under RSA 287-D:2-c shall apply to the
12 racing and charitable gaming commission, and if the applicant meets all other requirements of this
13 chapter and pays the fee established by the racing and charitable gaming commission in rules
14 adopted pursuant to RSA 541-A, which shall not exceed \$45, a license shall be issued. A *secondary*
15 *game operator license issued under RSA 284-D:2-c shall expire on the last day of the month*
16 *of the licensee's birthday.*

17 5 Operation of Games of Chance; Game Operators. Amend RSA 287-D:2-d, VI to read as follows:

18 VI. Any license issued under RSA 287-D:2-a or RSA 287-D:2-c shall not be transferable and
19 the fees for the license shall not be refunded except for good cause shown as specified in rules
20 adopted by the racing and charitable gaming commission. *Nothing in this section shall prevent*
21 *a licensee from working for different licensed entities. A licensee who works for more than*
22 *one game operator employer during the licensed period shall have a separate badge for*
23 *each game operator employer and pay a separate fee for each badge.*

24 6 Bond; Game Operators. Amend RSA 287-D:2-b, VIII to read as follows:

25 VIII.(a) On game dates where the charitable organization operates the games, the charitable
26 organization shall deposit cash and proceeds from a game of chance into the account required by
27 RSA 287-D:2-a, VII(e). All expenses, including [~~prizes of more than \$500~~] *prizes of \$500 or more*
28 and equipment and hall rental fees shall be paid by check from the account required by RSA 287-
29 D:2-a, VII(e). The treasurer of the charitable organization shall document all prizes awarded as
30 prescribed in rules adopted by the racing and charitable gaming commission.

31 (b) On game dates where the licensed game operator operates the games, the licensed
32 game operator shall deposit cash and proceeds from a game of chance into the account required by
33 RSA 287-D:2-c, VI. All expenses, including [~~prizes of more than \$500 and~~] equipment and hall rental
34 fees shall be paid by check *or electronic fund transfers* from the account established in RSA 287-
35 D:2-c, VI. The licensed game operator shall document all prizes awarded as prescribed in rules
36 adopted by the racing and charitable gaming commission. *Prizes of \$500 or more shall be paid*
37 *by check from the account established in RSA 287-D:2-c, VI.*

1 7 Bond; Game Operators. Amend RSA 287-D:2-c, V to read as follows:

2 V. *Prior to conducting any games of chance*, the game operator or the game operator's
3 employer shall submit a bond for each location where the game operator is conducting games of
4 chance, conditioned upon the game operator running games of chance in conformity with this
5 chapter and with the rules and regulations prescribed by the racing and charitable gaming
6 commission, in the amount of up to [~~\$300,000~~] **\$500,000 but not less than \$25,000** to the racing
7 and charitable gaming commission with the application form. *The amount of the bond in excess*
8 *of \$25,000 established for each licensee shall be based on that licensee's normal*
9 *outstanding obligations of charity payments and state taxes.*

10 8 New Paragraph; Licensing of Game Operators. Amend RSA 287-D:2-c by inserting after
11 paragraph VII the following new paragraph:

12 VIII. Unless a provision to the contrary is part of a written agreement in place prior to the
13 commencement of a game date between the charitable organization and the game operator or game
14 operator employer, all moneys due to the charitable organization shall be paid over to the
15 organization no later than 5 business days following the date on which a game was conducted.
16 Notwithstanding the provisions of any agreement with the charitable organization, the game
17 operator or game operator employer shall pay over all moneys due to the charitable organization no
18 later than 15 business days following a game date.

19 9 Wagering; Game Operators. Amend RSA 287-D:3, VII to read as follows:

20 VII. Unless a charitable organization rents a facility from a [~~primary~~] game operator
21 *employer or a primary game operator* licensed under RSA 287-D:2-c, the charitable organization
22 shall only rent a facility by means of a fixed rental payment. The fixed rental payment shall not be
23 based on a percentage of what the charitable organization receives from the game of chance and it
24 shall reflect fair rental value of the property for any use not just as a place to hold a game of chance.
25 If a charitable organization rents a facility from a licensed game operator under RSA 287-D:2-c, the
26 charitable organization shall retain no less than 35 percent of the gross revenues from any games of
27 chance minus any prizes paid in accordance with RSA 287-D:3, VIII. Any rental agreement entered
28 into by the charitable organization shall be submitted with the charitable organization's license
29 application for review by the racing and charitable gaming commission. Under no circumstances
30 shall a charitable organization sustain any loss from games of chance, such that its share of the
31 gross revenues minus any prizes paid is less than zero dollars, during a license period with a single
32 game operator.

33 10 Wagering; Game Operators. Amend RSA 287-D:5, I to read as follows:

34 I. A charitable organization [~~or~~], a licensed [~~primary~~] game operator *employer, or a*
35 *primary game operator* under contract to conduct games of chance on behalf of a charitable
36 organization *and designated by the charitable organization to be responsible for submitting*
37 *financial reports* shall submit a complete financial report for all game dates licensed under

Amendment to SB 136-FN

- Page 4 -

1 RSA 287-D:2 and RSA 287-D:2-a to the racing and charitable gaming commission on forms approved
2 by the racing and charitable gaming commission within 15 days of the end of each month during
3 which a game of chance was held.

4 11 Operation of Bingo Games; Penalty Added. Amend RSA 287-E:7, XVI to read as follows:

5 XVI. In not more than one game conducted in accordance with ~~[RSA 287-E:7,]~~ *paragraph*
6 XIII, a carry-over, cover-all game may be run with the prize money rolled over to the successive
7 game dates in the event that there is no winner on the original or preceding game dates.
8 Notwithstanding any provision of law to the contrary, the prize money may accumulate until there is
9 a winner. The prize shall be awarded to any winner covering all 24 numbers on the card in less than
10 50 numbers, or a greater number if so designated prior to the game. If there is no winner on a given
11 game date, a pre-designated consolation prize shall be awarded to the game winner who first
12 achieves cover-all. The balance of the ~~[moneys]~~ *moneys* collected shall be carried over to subsequent
13 game dates until there is a winner. *Any person who purposely, knowingly, or recklessly*
14 *deprives a charitable organization of any of its moneys collected from bingo or lucky 7 or*
15 *any person who purposely, knowingly, or recklessly deprives players of any prizes collected*
16 *from bingo or lucky 7, shall be guilty of a class A felony.*

17 12 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, I to
18 read as follows:

19 I. A charitable organization which has been licensed to conduct bingo games shall submit a
20 complete financial report to the commission for each license issued under RSA 287-E:6 within 15
21 days after the expiration of each license; provided, however, a complete monthly financial report
22 shall be submitted in a timely fashion to the commission for each month covered by a license issued
23 under ~~[RSA 287-E:6, I-a]~~ *RSA 287-E:6, II.*

24 13 Reference Change; Financial Reports and Inspection Required. Amend RSA 287-E:9, IV to
25 read as follows:

26 IV. All charitable organizations licensed under this chapter shall maintain a separate
27 checking account for the deposit and disbursement of all income relating to bingo and lucky 7, except
28 cash prizes awarded at the games. All expenses shall be paid by check, ~~[and all prizes of \$500 or~~
29 ~~more shall be paid by check]~~ *or electronic funds transfers. All prizes of \$500 or more shall be*
30 *paid by check.* There shall be no commingling of bingo and lucky 7 funds with other funds of the
31 charitable organization. The organization shall retain all cancelled checks for the payment of
32 expenses and prizes for at least 2 years. The organization may cash checks which it issues.

33 14 Campground Bingo. Amend RSA 287-E:12 to read as follows:

34 287-E:12 Bingo [~~License~~] for Private Campgrounds and Hotels. Any private campground or
35 hotel may ~~[apply to the commission for a special campground or hotel bingo license. Licenses may be~~
36 ~~granted under the following conditions]~~ *conduct bingo games provided:*

37 ~~[I. The bingo license application fee shall be \$25 per year and shall be nonrefundable.~~

Amendment to SB 136-FN

- Page 5 -

1 ~~II. The provisions of RSA 287-E:6, IV and RSA 287-E:7, IV and VI relating to bingo licenses~~
2 ~~and the operation of games for charitable organizations shall also apply to licenses issued under this~~
3 ~~section.~~

4 ~~III.] I. The price to be paid for a single card or play under the license shall be \$.10.~~

5 ~~[IV. A license shall permit no more than 2 game dates of bingo in any one calendar week and~~
6 ~~shall be issued on an annual basis.~~

7 ~~V.] II. All revenues received from the sale of bingo cards in any game or series of games on~~
8 ~~any one calendar day shall be paid out to the players. The total value of all prizes, tokens, or awards~~
9 ~~used, given, offered, or awarded in connection with any game or series of games in any calendar day~~
10 ~~shall not exceed \$500.~~

11 ~~[VI.] III. Games shall be operated only by persons on the staff of the campground or hotel~~
12 ~~[holding the license under this section]. Such staff shall operate the games without compensation~~
13 ~~from the bingo revenues.~~

14 ~~[VII.] IV. The games of bingo shall be open only to persons 18 years of age or older who are~~
15 ~~bona fide guests at the campground or hotel.~~

16 ~~[VIII. Licenses shall be granted only to campgrounds or hotels in cities or towns which have~~
17 ~~approved bingo under RSA 287-E.~~

18 ~~IX.] V. No campground or hotel shall act as an agent for operating games of bingo when it is~~
19 ~~unlawful for such campground's or hotel's principal to operate bingo games.~~

20 ~~[X. The campground or hotel holding the license issued under this section shall keep records~~
21 ~~and submit a report as required for agricultural fairs under RSA 287-E:10, VIII, except that the~~
22 ~~report shall be submitted to the commission within 15 days of the expiration of the bingo license.~~
23 ~~The report shall include the names and addresses of persons from whom bingo equipment was~~
24 ~~rented or leased.~~

25 ~~XI.] VI. The campground or hotel shall have been in existence for at least 2 years in the city~~
26 ~~or town in which the bingo games are to be conducted.~~

27 ~~[XII. The campground or hotel shall be in compliance at the time of application with all~~
28 ~~applicable state and local requirements for the operation of private campgrounds or hotels.~~

29 ~~XIII.] VII. The campground or hotel shall maintain a current list of bona fide guests.~~

30 ~~[XIV.] VIII. The campground or hotel shall not have been established solely for the purpose~~
31 ~~of operating bingo games.~~

32 15 Campground Bingo. Amend the introductory paragraph RSA 287-E:13 to read as follows:

33 Any campground or hotel ~~[holding a license under RSA 287-E:12]~~ may conduct special bingo
34 games for children under the conditions specified in RSA 287-E:12, except:

35 16 Payment to Distributor. Amend RSA 287-E:23-a to read as follows:

36 287-E:23-a Payment to Distributor. Licensees shall pay for purchased tickets no later than 30
37 *calendar* days after delivery. *Unless a waiver is given by the commission for good cause*

1 *shown, no charitable organization may purchase tickets from a different distributor when*
2 *that charitable organization has failed to comply with the provisions of this section.*

3 17 Financial Reports and Inspection Required. Amend RSA 287-E:24, IV to read as follows:

4 IV. All expenses *shall be paid by check, or electronic funds transfers*, and all cash
5 prizes ~~[over]~~ *of \$500 or more* shall be paid by check, and the charitable organization shall retain
6 cancelled checks *or bank produced facsimiles of cancelled checks* for the payment of expenses
7 and *checks or bank produced facsimiles of checks and receipts for the payment of prizes* for
8 a period of 2 years.

9 18 Pari-Mutuel Breakage; Cross Reference. Amend RSA 284:22-a, VII to read as follows:

10 VIII. RSA 284:22, I, II, *and III*, ~~[and IV]~~ shall apply according to the type of race on which
11 the simulcast wagers are made, excepting, however, interstate common pools as provided in
12 RSA 284:22-a, V(b) and that the provisions made for purses made in RSA 284:22, I shall not apply to
13 simulcast races. The commission on simulcast race pools shall be available to the simulcasting
14 licensee to satisfy obligations to the racing association originating or transmitting such simulcast
15 races or to the horsemen's group of such association.

16 19 Campground Bingo. Amend RSA 287-E:4, II to read as follows:

17 II. Such fee shall be submitted to the commission at the time the application for a bingo
18 license is filed and ~~[except as provided in RSA 287-E:12]~~, shall be refunded if the application is
19 denied.

20 20 Racing Purses. Amend RSA 284:22, I-II to read as follows:

21 I. The commission on all win, place, and show pari-mutuel pools at tracks or race meets at
22 which running horse races are conducted for public exhibition shall be uniform throughout the state
23 at the rate of 19 percent of each dollar wagered in such pools, and the commission on all other pari-
24 mutuel pools at such tracks or race meets shall be at the rate of not less than 26 percent of each
25 dollar wagered in such pools and not more than 27 percent of each dollar wagered in such pools as
26 determined from time to time by the licensee which conducts live running horse races after written
27 notice to the commission and, in the absence of written notice, at the rate of 26 percent of each dollar
28 wagered in such pools. Except as provided in RSA 284:22-a, the amount of the purse at such tracks
29 or race meets at which running horse races are conducted shall be 8 1/4 percent of each dollar
30 wagered in all pari-mutuel pools, said 8 1/4 percent to be paid by the licensee out of the commission
31 on such pools. In addition to the above commission, 1/2 of the odd cents of all redistribution based on
32 each dollar wagered exceeding a sum equal to the next lowest multiple of 10, known as "breakage",
33 shall be retained by the licensee, 1/4 paid to the state treasury for the use of the state in accordance
34 with the provisions of RSA 284:2 and 1/4 shall be paid to the racing and charitable gaming
35 commission. The racing and charitable gaming commission shall distribute such breakage to the
36 licensee which paid such breakage ~~[to supplement purses of live races conducted by the licensee at~~
37 ~~the location from which such breakage was paid]~~. Each licensee shall pay the tax provided for in

1 RSA 284:23.

2 II. The commission on all win, place, and show pari-mutuel pools at tracks or race meets at
3 which harness horse races are conducted for public exhibition, including those conducted by
4 agricultural fairs, shall be uniform throughout the state at the rate of 19 percent of each dollar
5 wagered in such pools, and the commission on all other pari-mutuel pools at such tracks or race
6 meets shall be at the rate of not less than 25 percent of each dollar wagered in such pools and not
7 more than 26 percent of each dollar wagered in such pools as determined from time to time by the
8 licensee which conducts live harness horse racing after written notice to the commission and, in the
9 absence of such written notice, at the rate of 25 percent of each dollar wagered in such pools. In
10 addition to the above commission, 1/2 of the odd cents of all redistribution based on each dollar
11 wagered exceeding a sum equal to the next lowest multiple of 10, known as "breakage", shall be
12 retained by the licensee, 1/4 paid to the state treasury for the use of the state in accordance with the
13 provisions of RSA 284:2 and 1/4 shall be paid to the racing and charitable gaming commission. The
14 racing and charitable gaming commission shall distribute such breakage ~~[to the licensee which paid~~
15 ~~such breakage]~~. Each licensee shall pay the tax provided for in RSA 284:23.

16 21 Repeal. RSA 284:22, IV relative to breakage on pari-mutuel pools, is repealed.

17 22 Effective Date. This act shall take effect 60 days after its passage.

2011-0687s

AMENDED ANALYSIS

This bill:

- I. Defines game operator employers.
- II. Requires that game operators pay charities participating in charitable gaming no later than 15 business days following a game date.
- III. Raises the amount of bond required for conducting games of chance.
- IV. Requires charitable organizations to collect certain fees on lucky 7 deals and pay them to the racing and charitable gaming commission.
- V. Allows private campgrounds and hotels to conduct certain bingo games without a license.
- VI. Allows the racing and charitable gaming commission to distribute breakage to pari-mutuel licensees without consideration of live racing.

Committee Minutes

SENATE CALENDAR NOTICE
WAYS AND MEANS

Senator Bob Odell Chairman
 Senator Jim Luther V Chairman
 Senator David Boutin
 Senator Lou D'Allesandro
 Senator Chuck Morse
 Senator Jim Rausch

For Use by Senate Clerk's Office ONLY	
<input type="checkbox"/>	Bill Status
<input type="checkbox"/>	Docket
<input type="checkbox"/>	Calendar
Proof: <input type="checkbox"/>	Calendar <input type="checkbox"/> Bill Status

Date: February 17, 2011

HEARINGS

Wednesday

2/23/2011

WAYS AND MEANS

SH 100

1:00 PM

(Name of Committee)

(Place)

(Time)

EXECUTIVE SESSION MAY FOLLOW

1:00 PM	SB13-FN	increasing the limit on single wagers for games of chance conducted by charitable organizations.
1:15 PM	SB136-FN	relative to games of chance.
1:30 PM	SB58-FN-A	adding qualified community development entities to the definition of "qualified investment company" under the business profits tax and the business enterprise tax.
1:45 PM	SB149-FN-A-L	relative to the rate of the meals and rooms tax and the distribution formula for meals and rooms tax revenue.

Sponsors:

SB13-FN

Sen. John Gallus
 Rep. Herbert Richardson

Sen. Lou D'Allesandro
 Rep. Frank Sapareto

Rep. Edmond Gionet

Rep. Yvonne Thomas

SB136-FN

Sen. Bob Odell

SB58-FN-A

Sen. Bob Odell

SB149-FN-A-L

Sen. Nancy Stiles
 Sen. Sharon Carson
 Sen. Raymond White

Rep. Kevin Sullivan
 Sen. Tom De Blois

Rep. Keith Murphy
 Sen. John Gallus

Sen. Jeb Bradley
 Sen. Gary Lambert

Sonja Caldwell 271-2117

Sen. Bob Odell

Chairman

Ways and Means Committee

Hearing Report

To: Members of the Senate

From: Sonja Caldwell
Legislative Aide

Re: SB136-FN *—relative to games of chance.*

Hearing date: February 23, 2011

Members present: Sen. Odell, Sen. Luther, Sen. Boutin, Sen. D'Allesandro, Sen. Morse, Sen. Rausch

Members absent:

Sponsor(s): Sen. Odell, Dist 8

What the bill does: I. Defines different types of game operators.

II. Requires that game operators pay charities participating in charitable gaming no later than 15 calendar days following a game date.

III. Raises the amount of bond required for conducting games of chance.

IV. Requires charitable organizations to collect certain fees on Lucky 7 deals and pay them to the racing and charitable gaming commission.

V. Allows private campgrounds and hotels to conduct certain bingo games without a license.

Who supports the bill: Paul Kelley (Director, Racing and Gaming), Rick Newman (The Lodge at Belmont), Fran Wendelboe (NH Charitable Fundraising LLC)

Who opposes the bill:

Taking no position:

Summary of testimony received:

Senator Odell introduced the bill, which makes changes and corrections in applicable statutes. He said the bill still needs additional changes and he will

work with Paul Kelly on an amendment. He added that as charitable gaming evolves, we have to update the statutes.

Paul Kelly – Racing and Gaming Commission – went over some of the technical changes the bill makes.

- Currently, licenses expire on December 31st each year and they want to change it to the month of birth of the licensed person instead.
- The bill will allow for electronic fund transfers.
- Currently the law doesn't specify when a charity must be paid by. This will require game operators to pay charities within 15 days following a game date.
- It raises the bond requirement to \$500,000 from \$300,000 for conducting games of chance.
- He said they had an issue where money for bingo games was absconded by a member of an organization. They want to suggest stronger language, possibly a felony, instead of bond, which is punitive toward the charity.
- Campground bingo has a maximum bet of 10 cents. It is not a good use of their time to regulate that so the bill will eliminate the license requirement for them.

Senator Odell said one of the reasons for the bond change is because there was some problems with using money that should have been available for the charities.

They will bring an amendment on March 7th.

Speakers

SENATE WAYS & MEANS COMMITTEE

Date 2/23/11

Time 1:15 p.m.

Public Hearing on

SB136-FN

(relative to games of chance.)

Please check box(es) that apply.

SPEAKING FAVOR OPPOSED

NAME (Please print)

REPRESENTING

PAUL KELLEY - DIRECTOR

RACING + GAMING

with amendments

RICK NEWMAN

XHE 200SE AT BELMONT

with amendments

Fran Wendelboe

NH Charitable Fundraising LLC

Voting Sheets

Senate Ways & Means Committee

EXECUTIVE SESSION

Bill # SB 136

Hearing date: 2-23-11

Room: State House - Room 100

Executive session date: _____

Motion of: _____

VOTE: _____

Made by Odell
Senator: D'Allesandro
 Luther
 Boutin
 Morse
 Rausch

Seconded Odell
by Senator: D'Allesandro
 Luther
 Boutin
 Morse
 Rausch

<u>Committee Member</u>	<u>Present</u>	<u>YES</u>	<u>NO</u>	<u>Reported out by</u>
Senator Odell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Senator D'Allesandro	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Senator Luther	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Senator Boutin <i>left</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Senator Morse	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Senator Rausch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

*Amendments: _____

NOTES: _____

Senate Ways & Means Committee

EXECUTIVE SESSION

Bill # SB136

Hearing date: _____

Room: State House - Room 100

Executive session date: 3-7

Motion of: OTPA

VOTE: 5-0

Made by Odell
Senator: D'Allesandro
 Luther
 Boutin
 Morse
 Rausch

Seconded Odell
by Senator: D'Allesandro
 Luther
 Boutin
 Morse
 Rausch

<u>Committee Member</u>	<u>Present</u>	<u>YES</u>	<u>NO</u>	<u>Reported out by</u>
Senator Odell	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Senator D'Allesandro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Senator Luther	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Luther
Senator Boutin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Senator Morse	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Senator Rausch	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

*Amendments: 0662 Luther and Morse 5-0

NOTES: ~~was~~ concerns about tax increase that was in it.
Amendment. There are other changes that still need to be
made. Further amend could be done in finance
Goal is to do housekeeping, strengthen regulatory issues, Give
tools needed. Growing business. Tightens loopholes to
protect charities & state. toughens penalties for stealing
charities monies. This sets clear timeframe for when game
operators have to pay charities w/in 15 days. Can be paid by
EFT.

pg. 4 Sect 11 ^{Amended} line 13-16 ← Rausch concerned w/change

-fee was eliminated in amendment. Didn't think ppl would be receptive to fee increases at this time.

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: March 8, 2011

THE COMMITTEE ON Ways and Means
to which was referred Senate Bill 136-FN
AN ACT relative to games of chance.

Having considered the same, the committee recommends that the Bill:

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-0

AMENDMENT # 0687s

Senator Jim Luther
For the Committee

Sonja Caldwell 271-2117

New Hampshire General Court - Bill Status System

Docket of SB136

Docket Abbreviations

Bill Title: relative to games of chance.*Official Docket of SB136:*

Date	Body	Description
2/3/2011	S	Introduced and Referred to Ways & Means, SJ 5 , Pg.45
2/17/2011	S	Hearing: 2/23/11, Room 100, State House, 1:15 p.m.; SC12
3/8/2011	S	Committee Report: Ought to Pass with Amendment #2011-0687s , 3/16/11; SC15
3/16/2011	S	Committee Amendment 0687s, AA, VV
3/16/2011	S	Ought to Pass with Amendment 0687s, MA, VV; Refer to Finance Rule 4-3
3/17/2011	S	Committee Report: Ought to Pass with Amendment #2011-0999s , 3/23/2011; SC16
3/23/2011	S	Committee Amendment 0999s, AA, VV; SJ 10 , Pg.176
3/23/2011	S	Sen. Odell Floor Amendment #2011-1147s , AA, VV; SJ 10 , Pg.177
3/23/2011	S	Ought to Pass with Amendments 0999s, 1147s, MA, VV; OT3rdg; SJ 10 , Pg.177
3/23/2011	S	Sen. Bragdon Moved to Rescind OT3rdg; SJ 10 , Pg.186
3/23/2011	S	Pending Motion OT3rdg
3/23/2011	S	Sen. Morse Moved Laid on Table, MA, VV; SJ 10 , Pg.186

NH House

NH Senate

Other Referrals

COMMITTEE REPORT FILE INVENTORY

SB136 ORIGINAL REFERRAL _____ RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

DOCKET (Submit only the latest docket found in Bill Status)

COMMITTEE REPORT

CALENDAR NOTICE

HEARING REPORT

_____ HANDOUTS FROM THE PUBLIC HEARING

_____ PREPARED TESTIMONY AND OTHER SUBMISSIONS

SIGN-UP SHEET(S)

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

- AMENDMENT # 0662 _____ - AMENDMENT # _____
 - AMENDMENT # 0687 _____ - AMENDMENT # _____

ALL AVAILABLE VERSIONS OF THE BILL:

AS INTRODUCED _____ AS AMENDED BY THE HOUSE
_____ FINAL VERSION AS AMENDED BY THE SENATE

_____ OTHER (Anything else deemed important but not listed above, such as amended fiscal notes): _____

IF YOU HAVE A RE-REFERRED BILL, YOU ARE GOING TO MAKE UP A DUPLICATE FILE FOLDER

DATE DELIVERED TO SENATE CLERK 7-22-11 SLC
By COMMITTEE AIDE