

Committee Report

CONSENT CALENDAR

February 4, 2021

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Ways and Means to which was referred HB 533,

AN ACT establishing a division of investigation and compliance in the lottery commission. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

Rep. Patrick Abrami

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	Ways and Means
Bill Number:	HB 533
Title:	establishing a division of investigation and compliance in the lottery commission.
Date:	February 4, 2021
Consent Calendar:	CONSENT
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

First, this bill codifies in statute a Division of Investigation and Compliance in the Lottery Commission. The functions and roles within this division are already being performed and thus no new positions are being requested or position title changes, and thus no grade changes impacting salary levels, are being requested. The committee unanimously supported this change given the growth in lottery in recent years with things such as Keno, sports betting, and the expansion of charitable gaming. The second thing this bill does is modify the way in which the Lottery Commission interacts with the Attorney General's Office when it comes to the investigation of license applicants. With this bill, the Lottery Commission would pick up more of the responsibility for fact-finding about all applicants for the variety of gambling-related licenses that the Lottery Commission offers. The important point is that the Attorney General's Office will still have the final say in whether an individual is fit to hold a license. The committee fully supported this realignment of responsibilities, once they received assurances that the Attorney General's Office had no objections and actually welcomed this change.

Vote 22-0.

Rep. Patrick Abrami
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

Ways and Means

HB 533, establishing a division of investigation and compliance in the lottery commission. **OUGHT TO PASS.**

Rep. Patrick Abrami for Ways and Means. First, this bill codifies in statute a Division of Investigation and Compliance in the Lottery Commission. The functions and roles within this division are already being performed and thus no new positions are being requested or position title changes, and thus no grade changes impacting salary levels, are being requested. The committee unanimously supported this change given the growth in lottery in recent years with things such as Keno, sports betting, and the expansion of charitable gaming. The second thing this bill does is modify the way in which the Lottery Commission interacts with the Attorney General's Office when it comes to the investigation of license applicants. With this bill, the Lottery Commission would pick up more of the responsibility for fact-finding about all applicants for the variety of gambling-related licenses that the Lottery Commission offers. The important point is that the Attorney General's Office will still have the final say in whether an individual is fit to hold a license. The committee fully supported this realignment of responsibilities, once they received assurances that the Attorney General's Office had no objections and actually welcomed this change. **Vote 22-0.**

Original: House Clerk

Cc: Committee Bill File

Voting Sheets

HOUSE COMMITTEE ON WAYS AND MEANS

EXECUTIVE SESSION on Bill # HB 533

BILL TITLE: AN ACT establishing a division of investigation and compliance in the lottery commission.

DATE: February 4, 2021

LOB ROOM: Room 206 + remote

MOTION: (Please check one box)

- OTP, ITL, Retain (1st year), Adoption of Amendment #, Interim Study (2nd year)

Moved by Rep. Abrami Seconded by Rep. Southwoirth Vote: 22-0

MOTION: (Please check one box)

- OTP, OTP/A, ITL, Retain (1st year), Adoption of Amendment #, Interim Study (2nd year)

Moved by Rep. _____ Seconded by Rep. _____ Vote: _____

MOTION: (Please check one box)

- OTP, OTP/A, ITL, Retain (1st year), Adoption of Amendment #, Interim Study (2nd year)

Moved by Rep. _____ Seconded by Rep. _____ Vote: _____

CONSENT CALENDAR: YES NO

Minority Report? Yes No If yes, author, Rep: _____ Motion

Alan Bershtein

Respectfully submitted:

Rep Alan Bershtein, Clerk



**STATE OF NEW HAMPSHIRE
OFFICE OF THE HOUSE CLERK
2021 Session - Ways and Means**

Roll Call Committee Registers Report

AN ACT establishing a division of investigation and compliance in the lottery commission.

Bill #	HB 533
Motion	OTP
Amendment #	
Exec Session Date	02/04/21
Consent Calendar?	Yes

Member	Moved / Seconded	Yea	Nay	NV
Major, Norman L. [Chairman]		X		
Abrami, Patrick F. [Vice Chairman]	Moved	X		
Charles Melvin (for Rep. Griffen)		X		
Ulery, Jordan G.				X
Ober, Russell T.		X		
Bershtein, Alan [Clerk]		X		
Doucette, Fred G.		X		
Elliott, Robert J.		X		
Janigian, John C.		X		
Nunez, Hershel		X		
Baxter, Tim		X		
Spilsbury, Walter		X		
Tudor, Paul D.		X		
Almy, Susan W.		X		
Ames, Richard		X		
Southworth, Thomas L.	Second	X		
Malloy, Dennis J.		X		
Schamberg, Thomas C.		X		
Tucker, Edith M.		X		
Gomarlo, Jennie R.		X		
Loughman, Tom J.				X
Gourgue, Amanda L.		X		
Hakken-Phillips, Mary A.		X		
Murphy, James Michael		X		
Total Vote		22		2

Respectfully submitted,
Alan Bershtein, Clerk

Public Hearing

House Committee on Ways and Means

Public Hearing on: HB 533

Bill Title: establishing a division of investigation and compliance in the lottery commission.

Date: January 28, 2021

LOB Room: 206 + remote

Time Public Hearing Called to Order: 9:00 AM

Time Public Hearing Adjourned: 9:28 AM

Committee Members: Reps. Major, Abrami, Bershtein, M. Griffin, Ulery, R. Ober, Doucette, Elliott, Janigian, Nunez, Baxter, Spilsbury, Tudor, Almy, Ames, Southworth, Malloy, Schamberg, Tucker, Gomarolo, Loughman, Gourgue, Hakken-Phillips and Murphy

Bill Sponsors: Rep. Abrami, Rock. 19; Rep. Abbas, Rock. 8; Rep. Doucette, Rock. 8

TESTIMONY

Charles McIntyre, Executive Director at New Hampshire Lottery

- Supports the bill
- No additional staff will be required. The duties will be carried out by existing staff.
- Currently the AG's office performs this function. HB 533 shifts this responsibility to Lottery, but will confer with the AG's office for a final determination.
- HB 533 will reduce the time required for investigation.
- The new division proposed by HB 533 will have rulemaking authority.

Rick Newman, NH Charitable Gaming Operators Association

- Supports the bill
- This bill increases confidence in the integrity of gaming administered by the state of NH.

Respectfully submitted,
Alan Bershtein, Clerk

House Remote Testify

Ways and Means Committee Testify List for Bill HB533 on 2021-01-28

Support: 4 Oppose: 0 Neutral: 1 Total to Testify: 3

[Export to Excel](#)

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Non-Germane</u>	<u>Signed Up</u>
McIntyre, Charlie	charles.mcintyre@lottery.nh.gov	State Agency Staff	Myself	Support	Yes (0m)	No	1/25/2021 3:55 PM
Newman, Rick	rick@ricknewman.com	A Lobbyist	NH Charitable Gaming Operators Association	Support	Yes (0m)	No	1/28/2021 7:17 AM
Abrami, Patrick	abrami.nhrep@gmail.com	An Elected Official	Rock19-Prime Sponsor	Support	Yes (0m)	No	1/23/2021 1:31 PM
Doheny, Thomas	amyalitom@comcast.net	A Member of the Public	Myself	Neutral	No	No	1/28/2021 7:29 AM
Rathbun, Eric	ericrathbun@gmail.com	A Member of the Public	Myself	Support	No	No	1/27/2021 10:09 PM

Testimony

Bill as
Introduced

HB 533 - AS INTRODUCED

2021 SESSION

21-0531
08/10

HOUSE BILL **533**

AN ACT establishing a division of investigation and compliance in the lottery commission.

SPONSORS: Rep. Abrami, Rock. 19; Rep. Abbas, Rock. 8; Rep. Doucette, Rock. 8

COMMITTEE: Ways and Means

ANALYSIS

This bill establishes a division of investigation and compliance within the lottery commission.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
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 Twenty One

AN ACT establishing a division of investigation and compliance in the lottery commission.
Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Investigation and Compliance Division. Amend RSA 284 by inserting after
2 section 3 the following new section:

3 284:3-a Investigation and Compliance Division.

4 I. There shall be contained within the lottery commission an investigation and compliance
5 division. The division shall perform such functions as the lottery commission may determine is
6 necessary in relation to enforcement, including the investigation of all licensees, and proposed
7 licensees, under this chapter and RSA 287.

8 II. The division shall have such civil and administrative powers as are necessary to
9 effectuate the purposes of this chapter, including the power to receive intelligence on an applicant or
10 licensee under this chapter and to investigate any suspected violations of this chapter or any
11 suspected violations of illegal gambling.

12 III. To further effectuate the purposes of this chapter with respect to the investigation and
13 enforcement of gaming establishments and licensees, the division may obtain or provide pertinent
14 information regarding applicants or licensees from or to law enforcement entities or gaming
15 authorities and other domestic, federal or foreign jurisdictions, including the Federal Bureau of
16 Investigation, and may transmit such information to each other electronically.

17 IV. In addition to fines and penalties as set forth in administrative rules, the division may
18 file a petition for equity relief with the superior court seeking to levy upon any person or entity who
19 meets the requirements for enhanced penalties as defined in administrative rule, a civil penalty in
20 an amount not to exceed \$50,000 per violation, along with any other injunctive relief deemed
21 necessary by the court. The proceeds of any civil penalty levied pursuant to this section shall be
22 deposited in the special fund established in RSA 284:21-j.

23 2 Lottery Commission; Investigation of Applicants. Amend RSA 284:15-b, II to read as follows:

24 II. The attorney general shall have the authority to conduct an investigation on the attorney
25 general's motion into the background of the license applicant or holder, of any person included in
26 paragraph I or of any person or entity upon whom the license applicant or holder relies for financial
27 support. In addition, whenever the lottery commission shall receive an application, it shall ~~refer the~~
28 ~~application to the attorney general who shall conduct such an investigation]~~ **notify the attorney**
29 **general, and in concert and consultation with the attorney general, the lottery commission**
30 **shall conduct an investigation of the applicant.** The investigation may be conducted through
31 any appropriate state or federal law enforcement system and may seek information as to the

HB 533 - AS INTRODUCED
- Page 2 -

1 subject's financial, criminal or business background, or any other information which ~~[the attorney~~
2 ~~general, in the attorney general's sole discretion,]~~ may~~[-find to]~~ bear on the subject's fitness to be
3 associated with racing in New Hampshire, including, but not limited to, the subject's character,
4 personal associations, and the extent to which the subject is properly doing business in the manner
5 in which it purports to operate. When the lottery commission ~~[requests]~~ **initiates** such an
6 investigation, the ~~[attorney general]~~ **lottery commission** shall report the results of such
7 investigation to the ~~[lottery commission]~~ **attorney general** within ~~[90]~~ **45** ~~[days after the receipt of~~
8 ~~the request]~~. Notwithstanding any other law to the contrary, the results of any such investigation
9 shall be confidential and shall not be subject to disclosure or to public inspection, except that the
10 attorney general shall have sole discretion to determine the extent to which and the manner in
11 which the results may be reported to ~~[the lottery commission or]~~ other state agency or ~~[official]~~
12 **officials** and, if reported, whether such results are to retain their confidential character. ~~[-provided,~~
13 ~~however, that whenever the attorney general conducts such an investigation,]~~ the attorney general
14 ~~[shall notify the lottery commission]~~ **and the lottery commission shall confer and determine, in**
15 **their opinion,** ~~[whether or not in the attorney general's opinion]~~ **if** such person is fit to be
16 associated with racing in New Hampshire. Notwithstanding any other provision of law, no person
17 shall be issued or hold a license if in the opinion of the attorney general such person is not fit to be
18 associated with racing in this state.

19 3 New Paragraph; Rulemaking; Investigation and Enforcement Division. Amend RSA 284:21-i
20 by inserting after paragraph VI the following new paragraph:

21 VII. The lottery commission shall adopt rules under RSA 541-A relative to the
22 administration of the investigation and enforcement division, including processes for investigation,
23 and a schedule of fines and penalties.

24 4 Effective Date. This act shall take effect January 1, 2022.