

Bill as
Introduced

HB 533 - AS AMENDED BY THE HOUSE

7Apr2021... 0906h

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

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

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

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

26 4 Lottery Commission; Condition of Licensee. Amend RSA 284:16-b, II to read as follows:

27 II. The lottery commission, after conducting a hearing, may require a licensee to divest itself
28 of any partner, person, sub-corporation, shareholder, or any other entity of the licensee if the lottery
29 commission determines that any partner, person, sub-corporation, shareholder, or any other entity of
30 the licensee is not ~~[fit]~~ **suitable** to be associated with racing in this state.

31 5 Effective Date. This act shall take effect January 1, 2022.

HB 533 - VERSION ADOPTED BY BOTH BODIES

7Apr2021... 0906h
05/06/2021 1200s
24Jun2021... 1978CofC

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2 by inserting after 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-D.

8 II. The division shall have such civil and administrative powers as are necessary to
9 effectuate the purposes of this chapter and RSA 287-D, including the power to receive intelligence on
10 an applicant or licensee under this chapter and under RSA 287-D and to investigate any suspected
11 violations of this chapter or RSA 287-D or any suspected violations of illegal gambling.

12 III. To further effectuate the purposes of this chapter and RSA 287-D with respect to the
13 investigation and enforcement of gaming establishments and licensees, the division may obtain or
14 provide pertinent information regarding applicants or licensees from or to law enforcement entities
15 or gaming authorities and other domestic, federal or foreign jurisdictions, including the Federal
16 Bureau of Investigation, and may transmit such information to each other electronically.

17 IV. In addition to fines and penalties as set forth in this chapter and RSA 287-D, the
18 division may file a petition for equity relief with the superior court seeking to levy upon any person
19 or entity who meets the requirements for enhanced penalties as defined in administrative rule, a
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1 any appropriate state or federal law enforcement system and may seek information as to the
2 subject's financial, criminal or business background, or any other information which ~~[the attorney~~
3 ~~general, in the attorney general's sole discretion,]~~ may ~~[find to]~~ bear on the subject's ~~[fitness]~~
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15 ~~general conducts such an investigation,]~~ The attorney general ~~[shall notify the lottery commission~~
16 ~~whether or not in the attorney general's opinion]~~ **and the lottery commission shall confer and**
17 **determine, if in their opinion,** such person is ~~[fit]~~ **suitable** to be associated with racing in New
18 Hampshire **and upon a determination that the person is not suitable, the person shall not be**
19 **issued or continue to hold a license.** ~~[Notwithstanding any other provision of law, no person~~
20 ~~shall be issued or hold a license if in the opinion of the attorney general such person is not fit to be~~
21 ~~associated with racing in this state.]~~

22 3 Background Investigations. Amend RSA 287-D:11, III(a) to read as follows:

23 (a) The lottery commission shall ~~[refer all applications to the attorney general who shall~~
24 ~~conduct a background]~~ **notify the attorney general of the receipt of an application under this**
25 **chapter, and in concert and consultation with the attorney general, the lottery commission**
26 **shall conduct an** investigation of the license applicant or holder, any person included in paragraph
27 I, or any person or entity upon whom the license applicant or holder relies for financial support. Any
28 appropriate state or federal law enforcement system may investigate the subject's financial,
29 criminal, or business background, or any other information which the **lottery commission or**
30 attorney general~~[- in the attorney general's sole discretion,]~~ may find to bear on the subject's ~~[fitness]~~
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 3 *gaming in New Hampshire and upon a determination that the person is not suitable, the*
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 5 results of any such investigation shall be confidential and shall not be subject to disclosure or to
 6 public inspection, except that the attorney general shall have sole discretion to determine the extent
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 10 ~~an investigation, the attorney general shall notify the lottery commission whether or not in the~~
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 12 ~~Hampshire. No person shall be issued or hold a license if in the opinion of the attorney general such~~
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14 4 New Paragraph; Rulemaking; Investigation and Enforcement Division. Amend RSA 284:21-i
 15 by inserting after paragraph VI the following new paragraph:

16 VII. The lottery commission shall adopt rules under RSA 541-A relative to the
 17 administration of the investigation and enforcement division, including processes for investigation,
 18 and qualifications for enhanced penalties.

19 5 Lottery Commission; Condition of Licensee. Amend RSA 284:16-b, II to read as follows:

20 II. The lottery commission, after conducting a hearing, may require a licensee to divest itself
 21 of any partner, person, sub-corporation, shareholder, or any other entity of the licensee if the lottery
 22 commission determines that any partner, person, sub-corporation, shareholder, or any other entity of
 23 the licensee is not ~~[fit]~~ *suitable* to be associated with racing in this state.

24 6 Background Investigations; Expenses. Amend RSA 287-D:11, IV-V to read as follows:

25 IV. The expenses of the office of attorney general *or the lottery commission, if*
 26 *applicable*, in conducting any investigation authorized in this section, including the services of
 27 consultants, experts, accountants, and other assistants, shall be a direct charge against the
 28 applicant or holder. Total expenses for each investigation under this paragraph shall not exceed
 29 \$5,000, except with the approval of the fiscal committee of the general court.

30 V. In any investigation conducted pursuant to paragraph III, the attorney general *or the*
 31 *lottery commission if applicable*, may require, by subpoena or otherwise, the attendance of
 32 witnesses and the production of such correspondence, documents, books, and papers as the attorney
 33 general deems advisable, and for purposes of this section, may administer oaths and take the
 34 testimony of witnesses. No person shall be excused from testifying or from producing any book or
 35 paper in any investigation conducted pursuant to paragraph III upon the ground that such
 36 testimony or documentary evidence might tend to incriminate such person; provided that if, after a
 37 claim of privilege, the attorney general, in writing, orders such person to testify or produce

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- Page 4 -

1 documentary evidence, that person shall not be prosecuted, punished, or subjected to any penalty or
2 forfeiture for or on account of any act, transaction, matter, or thing which such person, under oath,
3 disclosed or produced. No person so testifying shall be exempt from prosecution or punishment for
4 any perjury committed by such person in such testimony.

5 7 Effective Date. This act shall take effect January 1, 2022.

Amendments

Sen. Rosenwald, Dist 13
Sen. Giuda, Dist 2
April 15, 2021
2021-1143s
08/10

Amendment to HB 533

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

2

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

5 284:3-a Investigation and Compliance Division.

6 I. There shall be contained within the lottery commission an investigation and compliance
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8 necessary in relation to enforcement, including the investigation of all licensees, and proposed
9 licensees, under this chapter and RSA 287.

10 II. The division shall have such civil and administrative powers as are necessary to
11 effectuate the purposes of this chapter and RSA 287, including the power to receive intelligence on
12 an applicant or licensee under this chapter and under RSA 287 and to investigate any suspected
13 violations of this chapter or RSA 287 or any suspected violations of illegal gambling.

14 III. To further effectuate the purposes of this chapter and RSA 287 with respect to the
15 investigation and enforcement of gaming establishments and licensees, the division may obtain or
16 provide pertinent information regarding applicants or licensees from or to law enforcement entities
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18 Bureau of Investigation, and may transmit such information to each other electronically.

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20 may file a petition for equity relief with the superior court seeking to levy upon any person or entity
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10 *an investigation, the attorney general shall notify the lottery commission whether or not in the*
11 *attorney general's opinion such person is fit to be associated with charitable gaming in New*
12 *Hampshire. No person shall be issued or hold a license if in the opinion of the attorney general such*
13 *person is not fit to be associated with charitable gaming in this state].*

14 4 New Paragraph; Rulemaking; Investigation and Enforcement Division. Amend RSA 284:21-i
15 by inserting after paragraph VI the following new paragraph:

16 VII. The lottery commission shall adopt rules under RSA 541-A relative to the
17 administration of the investigation and enforcement division, including processes for investigation,
18 and qualifications for enhanced penalties.

19 5 Lottery Commission; Condition of Licensee. Amend RSA 284:16-b, II to read as follows:

20 II. The lottery commission, after conducting a hearing, may require a licensee to divest itself
21 of any partner, person, sub-corporation, shareholder, or any other entity of the licensee if the lottery
22 commission determines that any partner, person, sub-corporation, shareholder, or any other entity of
23 the licensee is not ~~[fit]~~ *suitable* to be associated with racing in this state.

24 6 Effective Date. This act shall take effect January 1, 2022.

Committee Minutes

SENATE CALENDAR NOTICE

Ways and Means

Sen Bob Giuda, Chair
Sen Lou D'Allesandro, Vice Chair
Sen Gary Daniels, Member
Sen Erin Hennessey, Member
Sen Cindy Rosenwald, Member

Date: April 8, 2021

HEARINGS

	Monday	04/12/2021
	(Day)	(Date)
Ways and Means		REMOTE 000
(Name of Committee)		(Place)
		9:00 a.m.
		(Time)
9:00 a.m.	HB 154-LOCAL	relative to community revitalization tax relief incentives.
9:15 a.m.	HB 330	relative to sports book locations.
9:30 a.m.	HB 533	establishing a division of investigation and compliance in the lottery commission.
9:45 a.m.	HB 565	establishing a committee to study charitable gaming.

Committee members will receive secure Zoom invitations via email.

Members of the public may attend using the following links:

1. Link to Zoom Webinar: <https://www.zoom.us/j/92700840475>
2. To listen via telephone: Dial (for higher quality, dial a number based on your current location): 1-301-715-8592, or 1-312-626-6799 or 1-929-205-6099, or 1-253-215-8782, or 1-346-248-7799, or 1-669-900-6833
3. Or iPhone one-tap: +19292056099,,92700840475# or +13017158592,,92700840475#

4. Webinar ID: 927 0084 0475

5. To view/listen to this hearing on YouTube, use this link:

<https://www.youtube.com/channel/UCjBZdtrjRnQdmg-2MPMiWrA>

6. To sign in to speak, register your position on a bill and/or submit testimony, use this link:

<http://gencourt.state.nh.us/remotecommittee/senate.aspx>

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: remotesenate@leg.state.nh.us or call (603-271-6931).

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

HB 154-LOCAL

Rep. Conley

Rep. Cleaver

HB 330

Rep. Lang

Rep. Moffett

HB 533

Rep. Abrami

HB 565

Rep. Ames

Rep. Vann

Sen. Watters

Rep. Wallace

Rep. Belanger

Rep. Abbas

Rep. Almy

Rep. Grassie

Rep. Bordes

Rep. T. Lekas

Rep. Doucette

Rep. Wälz

Rep. Andrew Bouldin

Rep. Pearl

Rep. Trottier

Sonja Caldwell 271-2117

Bob J. Giuda
Chairman

Senate Ways and Means Committee
Sonja Caldwell 271-2117

HB 533, establishing a division of investigation and compliance in the lottery commission.

Hearing Date: April 12, 2021

Members of the Committee Present: Senators Giuda, D'Allesandro, Daniels, Hennessey and Rosenwald

Members of the Committee Absent : None

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

Sponsors:

Rep. Abrami

Rep. Abbas

Rep. Doucette

Who supports the bill: Rep. Patrick Abrami, Rick Newman (NH Charitable Gaming Operators Assoc.), Charlie McIntyre, Rep. Norman Major, Eric Pauer

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented:

Rep. Abrami

- This bill establishes the Division of Investigation and Compliance in the Lottery Commission. He filed this bill at the request of the Lottery Commission.
- It formally creates this division and creates a structure only to be staffed by existing staff.
- It clearly outlines the duties of the division. Much of this is going on today.
- It changes the way in which lottery interacts with the Attorney General's Office when it comes to background checks for licenses. Lottery does a lot of the data gathering but the Attorney General's Office still has the final say on the fitness of an applicant to receive a license. This will speed up the licensing process by doing fact finding within Lottery. It gives the division rule-making authority.
- Lottery has grown significantly with the passage of keno, sports betting, etc. and the functions of investigation and compliance have always been important. An organizational structure that reflects this is very much needed.

Charlie McIntyre – Executive Director, NH Lottery Commission

- The chief compliance officer who would be in charge of this division is John Conforti.

John Conforti – Chief Compliance Officer, NH Lottery Commission

- They requested this legislation.
- Mostly this is a restructuring of the existing investigation and enforcement division they have in place.
- It changes the process for investigating applicants for new licenses. Right now, the Attorney General's Office has sole investigation and decision making. They are very busy and gaming matters are not a high priority. They appreciate their partnership with the Dept. of Justice, but they get squeezed in where they can. They want to take the legwork of investigation off the DOJ's plate. This will allow the Lottery Commission to do fact finding and send it to the DOJ. Final decision making remains with DOJ, but this would make for an easier process.
- It provides for rulemaking and the potential for enhanced penalties. Charitable gaming has grown, and that growth might outstrip the existing fine structure. This would allow them to go to Superior Court to get enhanced penalties where appropriate. They want enough tools to deter bad behavior.

Sen. Rosenwald said section one says the new division applies to both racing and charitable gaming or RSA284 and RSA287, but the rest of the bill seems to only to apply to racing and not RSA287. She asked if it is not necessary because RSA287 already includes this new relationship and civil penalty enhancement.

Mr. Conforti said this was initially a part of the historic horse racing bill. The emphasis on increasing the powers of the division relate more specifically to historic horse racing as opposed to RSA287D games. Some of the primary powers, to gather intelligence and data, will be helpful on both sides. However, the primary aim with this bill was to address upcoming licenses that will come with historic horse racing, which occur under RSA284. They would welcome identical language on both sides, but their primary aim is to be prepared for an increase in licenses under RSA284.

Sen. Rosenwald asked why then set up the division to handle both RSA284 and RSA287.

Mr. Conforti said they have no objection to it being applied equally to both. The facilities will both be operating games of chance under RSA287D and historic horse racing under RSA284. The two types of gaming will exist in the same facility. The investigation would be focused on the facility.

Sen. Hennessey expressed confusion about how they can do this in half the amount of time with no additional people and taking on more work that the AG is currently doing.

Mr. Conforti said they have some positions that were included in the sports betting bill that they are in the process of filling, so there will be some additions to their team that were already in the budget. They will address the manpower issue. The biggest need that this bill will address is to get investigative software and the ability to gather intelligence from other law enforcement agencies.

Currently they have no authority to do that type of investigation.

Sen. Giuda asked how many investigations/prosecutions there have been in the racing venue.

Mr. Conforti responded that investigations are ongoing. They visit all facilities on a rotating basis. Larger facilities get visited once a week. They only have one racing venue – Seabrook.

Sen. Giuda asked if the AG informs them of what they are doing.

Mr. Conforti said the investigations they are talking about are applicants for licensing.

Sen. Giuda stated that in the bill, they would utilize the rules process for changing fines and penalties. He is not a fan of using 541A for such things. He asked if they would be opposed to legislation to set that schedule of fines and penalties.

Mr. Conforti said the fines are set by statute. This bill allows for enhanced penalties in instances where the existing fine structure is deemed insufficient and would require the Lottery Commission to go to Superior Court. They do not have law enforcement abilities at the Lottery Commission.

Everything they are talking about would be civil in nature in terms of fines or actions against licenses.

Sen. Giuda pointed to specific wording in the bill in VII.

Mr. Conforti said Sen. Giuda was right. He does not object to removing that from rulemaking and putting it in statute.

Rick Newman – Charitable Gaming Operators Assoc.

- They support the bill.
- Giving the Lottery Commission the tools they need to ensure integrity is vital. The most important part of gaming is having public confidence that games are run fairly. This enhances their ability to do it.

Sen. Rosenwald asked if he had any objection to including RSA287 in the entirety of the bill and not just setting up the enforcement division but actually giving the Lottery Commission the ability to look into applicants and speed up the process for charitable gaming.

Mr. Newman said he had no objection whatsoever.

Sen. Giuda asked if charitable gaming facilities are investigated annually with every renewal.

Mr. Newman said in the beginning there is a deep dive looking at new applicants. Every year licenses are renewed, and new background checks and fingerprints are done. There is an ongoing process where the Lottery Commission reaches out to game operator employers on a regular basis seeking to update information on all of the people who own a piece of the facilities. They are very thorough.

Rep. Abrami

- They did extract this portion of the historic racing bill out to make it a separate bill. He has no problem making sure RSA287 is included as well.
- He noted that for the first three years, all one needs to offer historic racing is a charitable gaming license, which is under RSA287. In three years from now, anyone who offers historic racing will also need a license under RSA284.

Sen. Giuda asked him about fines being established through statute rather than rules.

Rep. Abrami said he has no opinion.

John Conforti

- There is an initial investigation when they receive an application and then every 5 years after that. In the interim they do audits and visits.

Sen. Giuda asked how many current operators we have.

Mr. Conforti said 16.

Sen. D'Allesandro asked how many charities are participating in charitable gaming.

Mr. Conforti did not have that exact number but said it is over 200.

Sen. D'Allesandro asked of those 200, how many sites are being taken advantage of by charitable gaming.

Mr. Conforti said for games of chance alone, not including bingo, there are 16 facilities.

Sen. D'Allesandro asked if they get 10 days.

Mr. Conforti said that was correct; they get a maximum of 10 days, however some rooms run a 7-day calendar.

Sen. D'Allesandro said there could be in excess of 2,000 performances in a calendar year.

Mr. Conforti believed that was correct.

Sen. D'Allesandro said the historic racing machines will be coming online and they are limited to a number of facilities. He asked how many of these charities will be able to take advantage of the machines as part of their activity going forward.

Mr. Conforti said all of them will be eligible. They will run concurrently with their current game dates. The bill has the facilities running two charities at once for historic racing.

Sen. Giuda asked if they currently have any investigators and if they will require training.

They have five investigators. Their head of investigation is a former police officer. They may need some training with regard to background investigation software. They have a training budget.

sc

Date Hearing Report completed: April 13, 2021

Speakers

Name	Representing	Position	Testifying
Newman Rick	NH Charitable Gaming Operators Association	Support	Yes
Abrami Patrick	Rock 19 Stratham (Prime Sponsor)	Support	Yes
McIntyre Charlie	Myself	Support	No
major Norman	Myself	Support	No
Pauer Eric	Myself	Support	No

Voting Sheets

Senate Ways & Means Committee
EXECUTIVE SESSION RECORD
2021-2022 Session

Bill # **HB533**

Hearing date: 4-12-21

Executive Session date: 4-26-21

Motion of: Amend. 1143 Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. D'Allesandro, VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daniels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Rosenwald	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion of: OTPA Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. D'Allesandro VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daniels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Rosenwald	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion of: Consent Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. D'Allesandro, VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daniels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Rosenwald	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reported out by: Rosenwald

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE
FOR THE CONSENT CALENDAR

Wednesday, April 28, 2021

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, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-0

AMENDMENT # 1200s

Senator Cindy Rosenwald
For the Committee

This bill establishes a division of investigation and compliance within the Lottery Commission. It will allow the Lottery Commission to conduct investigations on new license applicants. These investigations are currently done by the Attorney General's Office as time allows. By allowing the Lottery Commission to do this work, it will expedite the process for license applicants and take this responsibility off of the Attorney General's Office. The committee amendment adds in references to the statutes related to charitable gaming that were missing in the original bill. It also removes the ability to set fines and penalties through the rulemaking process. The fines and penalties are set in statute. The Lottery Commission does not require additional resources to implement this legislation.

Sonja Caldwell 271-2117

FOR THE CONSENT CALENDAR

WAYS AND MEANS

HB 533, establishing a division of investigation and compliance in the lottery commission.

Ought to Pass with Amendment, Vote 5-0.

Senator Cindy Rosenwald for the committee.

This bill establishes a division of investigation and compliance within the Lottery Commission. It will allow the Lottery Commission to conduct investigations on new license applicants. These investigations are currently done by the Attorney General's Office as time allows. By allowing the Lottery Commission to do this work, it will expedite the process for license applicants and take this responsibility off of the Attorney General's Office. The committee amendment adds in references to the statutes related to charitable gaming that were missing in the original bill. It also removes the ability to set fines and penalties through the rulemaking process. The fines and penalties are set in statute. The Lottery Commission does not require additional resources to implement this legislation.

General Court of New Hampshire - Bill Status System

Docket of HB533

Docket Abbreviations

Bill Title: establishing a division of investigation and compliance in the lottery commission.**Official Docket of HB533.:**

Date	Body	Description
1/12/2021	H	Introduced (in recess of) 01/06/2021 and referred to Ways and Means HJ 2 P. 52
1/20/2021	H	Public Hearing: 01/28/2021 09:00 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/92120368845 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
2/9/2021	H	Committee Report: Ought to Pass (Vote 22-0; CC) HC 12 P. 15
2/24/2021	H	Ought to Pass: MA VV 02/24/2021 HJ 3 P. 21
2/24/2021	H	Referred to Executive Departments and Administration 02/24/2021 HJ 3 P. 21
3/15/2021	H	Public Hearing: 03/15/2021 10:45 am Please click the link below to join the webinar: https://zoom.us/j/94033090497 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
3/24/2021	H	Committee Report: Ought to Pass with Amendment #2021-0906h (Vote 18-0; CC) HC 18 P. 14
4/7/2021	H	Amendment #2021-0906h: AA VV 04/07/2021 HJ 5 P. 26
4/7/2021	H	Ought to Pass with Amendment 2021-0906h: MA VV 04/07/2021 HJ 5 P. 26
4/7/2021	H	Reconsider (Rep. Osborne): MF VV 04/07/2021 HJ 5 P. 50
4/7/2021	S	Introduced 04/01/2021 and Referred to Ways and Means; SJ 11
4/8/2021	S	Remote Hearing: 04/12/2021, 09:30 am; Links to join the hearing can be found in the Senate Calendar; SC 19
4/28/2021	S	Committee Report: Ought to Pass with Amendment #2021-1200s , 05/06/2021; Vote 5-0; CC; SC 22
5/6/2021	S	Committee Amendment #2021-1200s, RC 23Y-0N, AA; 05/06/2021; SJ 14
5/6/2021	S	Ought to Pass with Amendment 2021-1200s, RC 23Y-0N, MA; OT3rdg; 05/06/2021; SJ 14
6/7/2021	H	House Non-Concurs with Senate Amendment 2021-1200s and Requests CofC (Reps. Major, McGuire, Abrami, Ames): MA VV 06/04/2021
6/10/2021	S	Sen. Giuda Accedes to House Request for Committee of Conference, MA, VV; 06/10/2021; SJ 19
6/10/2021	S	President Appoints: Senators Giuda, French, D'Allesandro; 06/10/2021; SJ 19
6/15/2021	H	Conference Committee Meeting: 06/15/2021 08:30 am LOB 206-208
6/17/2021	S	Conference Committee Report Filed, #2021-1978c; 06/24/2021
6/24/2021	S	Conference Committee Report #2021-1978c, Adopted, VV; 06/24/2021; SJ 20
6/24/2021	H	Conference Committee Report 2021-1978c: Adopted, VV 06/24/2021
7/21/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); SJ 20

7/23/2021	H	Enrolled (in recess of) 06/24/2021
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NH House	NH Senate
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Other Referrals

1 Committee of Conference Report on HB 533, establishing a division of investigation and compliance
2 in the lottery commission.

3

4 Recommendation:

5 That the House recede from its position of nonconcurrency with the Senate amendment, and
6 concur with the Senate amendment, and

7 That the Senate and House adopt the following new amendment to the bill as amended by the
8 Senate, and pass the bill as so amended:

9

10 Amend the bill by replacing section 1 with the following:

11

12 1 New Section; Lottery Commission; Investigation and Compliance Division. Amend RSA 284
13 by inserting after section 3 the following new section:

14 284:3-a Investigation and Compliance Division.

15 I. There shall be contained within the lottery commission an investigation and compliance
16 division. The division shall perform such functions as the lottery commission may determine is
17 necessary in relation to enforcement, including the investigation of all licensees, and proposed
18 licensees, under this chapter and RSA 287-D.

19 II. The division shall have such civil and administrative powers as are necessary to
20 effectuate the purposes of this chapter and RSA 287-D, including the power to receive intelligence on
21 an applicant or licensee under this chapter and under RSA 287-D and to investigate any suspected
22 violations of this chapter or RSA 287-D or any suspected violations of illegal gambling.

23 III. To further effectuate the purposes of this chapter and RSA 287-D with respect to the
24 investigation and enforcement of gaming establishments and licensees, the division may obtain or
25 provide pertinent information regarding applicants or licensees from or to law enforcement entities
26 or gaming authorities and other domestic, federal or foreign jurisdictions, including the Federal
27 Bureau of Investigation, and may transmit such information to each other electronically.

28 IV. In addition to fines and penalties as set forth in this chapter and RSA 287-D, the
29 division may file a petition for equity relief with the superior court seeking to levy upon any person
30 or entity who meets the requirements for enhanced penalties as defined in administrative rule, a
31 civil penalty in an amount not to exceed \$50,000 per violation, along with any other injunctive relief
32 deemed necessary by the court. The proceeds of any civil penalty levied pursuant to this section
33 shall be deposited in the special fund established in RSA 284:21-j.

34

Committee of Conference Report on HB 533

- Page 2 -

1 Amend the bill by inserting after section 5 the following and renumbering the original section 6 to
2 read as 7:

3

4 6 Background Investigations; Expenses. Amend RSA 287-D:11, IV-V to read as follows:

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

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

Committee of Conference Report on HB 533

- Page 3 -

The signatures below attest to the authenticity of this Report on HB 533, establishing a division of investigation and compliance in the lottery commission.

Conferees on the Part of the Senate

Conferees on the Part of the House

Sen. Giuda, Dist. 2

Rep. Major, Rock. 14

Sen. French, Dist. 7

Rep. McGuire, Merr. 29

Sen. D'Allesandro, Dist. 20

Rep. Abrami, Rock. 19

Rep. Ames, Ches. 9

Senate Inventory Checklist for Archives

Bill Number: HB533

Senate Committee: WAYS & MEANS

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

- Bill version as it came to the committee
- All Calendar Notices
- Hearing Sign-up sheet(s)
- Prepared testimony, presentations, & other submissions handed in at the public hearing
- Hearing Report
- Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

- amendment # 1143s - amendment # _____
- amendment # 1200s - amendment # _____
- Executive Session Sheet
- Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

- amendment # _____ - amendment # _____
- amendment # _____ - amendment # _____

Post Floor Action: (if applicable) {Clerk's Office}

- 1978 Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):
- Enrolled Bill Amendment(s)
- Governor's Veto Message

All available versions of the bill: {Clerk's Office}

- as amended by the senate as amended by the house
- final version version adopted by both bodies

Completed Committee Report File Delivered to the Senate Clerk's Office By:

SLC

Committee Aide

7-27-21

Date

Senate Clerk's Office _____