LEGISLATIVE COMMITTEE MINUTES



Bill as Introduced

.

SB 22-FN - AS INTRODUCED

2021 SESSION

21-0843 08/04

SENATE BILL 2	2-FN
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AN ACT relative to the sale of Lucky 7 tickets.

SPONSORS: Sen. French, Dist 7; Sen. Reagan, Dist 17; Sen. Hennessey, Dist 1; Sen. Gannon, Dist 23

COMMITTEE: Ways and Means

ANALYSIS

This bill allows the play of electric Lucky 7 games and sets a limit for the Lucky 7 deal size the commission may authorize.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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SB 22-FN - AS INTRODUCED

21-0843 08/04

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the sale of Lucky 7 tickets. Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Sale of Lucky 7 Tickets. Amend RSA 287-E:21, III-a to read as follows:

III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and ·2 3 located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for 4 its activities, [provided that the commission shall not authorize the use of any lucky 7 dispenser 5 device which was not in use on or before January 1, 2011, unless such device dispenses a paper or 6 cardboard ticket which has a manual break open feature] and specifications for such dispenser 7 device are contained in the rules of the commission. Any permitted lucky 7 device shall not be in the 8 nature of a slot machine and the outcome of any wager involving a permitted lucky 7 device shall be determined and displayed solely [by and on the cardboard or paper ticket] on the screen of the 9 10 device.

2 Lucky 7 Fees. Amend RSA 287-E:22, I to read as follows:

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11

I. A licensed distributor shall pay a fee of \$15 per 3,500 tickets or any portion thereof
 contained in each deal of pull tab tickets. The commission shall not authorize deal sizes over
 14,000 tickets.

15 3 Effective Date. This act shall become effective upon passage.

LBA 21-0843 1/5/21

SB 22-FN- FISCAL NOTE AS INTRODUCED

AN ACT relative to the sale of Lucky 7 tickets.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill, as introduced, at this time. When completed, the fiscal note will be forwarded to the Senate Clerk's Office.

AGENCIES CONTACTED:

New Hampshire Lottery Commission

LBA 21-0843 Revised 1/8/21

SB 22-FN FISCAL NOTE AS INTRODUCED

AN ACT relative to the sale of Lucky 7 tickets.

 FISCAL IMPACT:
 [X] State
 [] County
 [] Local
 [] None

	Estimated Increase / (Decrease)				
STATE:	FY 2021	FY 2024			
Appropriation	. \$0	\$0	\$0	\$0	
Revenue	Minimal	Minimal	Minimal	Minimal	
Expenditures	\$0	\$0 \$0 \$0		\$0	
Funding Source:	[] General	[] Education	[] Inginway	[X] Other -	
	Lottery Fund		N 200		

METHODOLOGY:

This bill makes various changes relative to the sale of Lucky 7 tickets. The Lottery Commission states it is impossible to predict how these changes will affect player purchases, however, does anticipate any impact to state revenue to be minimal.

AGENCIES CONTACTED:

Lottery Commission

SB 22-FN - AS AMENDED BY THE HOUSE

02/04/2021 0153s 3Jun2021... 1491h

2021 SESSION

21-0843 08/04

SENATE BILL 22	2-FN
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AN ACT relative to the sale of Lucky 7 tickets.

SPONSORS: Sen. French, Dist 7; Sen. Reagan, Dist 17; Sen. Hennessey, Dist 1; Sen. Gannon, Dist 23

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill:

I. Allows the play of electric Lucky 7 games.

- II. Sets a limit for the Lucky 7 deal size the commission may authorize.
- III. Sets a maximum price per Lucky 7 ticket.

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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.

SB 22-FN - AS AMENDED BY THE HOUSE

02/04/2021 0153s 3Jun2021... 1491h

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the sale of Lucky 7 tickets. Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Sale of Lucky 7 Tickets. RSA 287-E:21, III-a is repealed and reenacted to read as follows 1 III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and 2 located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for 3 its activities, provided that such device dispenses a paper or cardboard ticket and specifications for 4 such dispenser device are contained in the rules of the commission. Any permitted lucky 7 device 5 shall not be in the nature of a slot machine and the outcome of any wager involving a permitted 6 lucky 7 device shall be determined by the cardboard or paper ticket, or the video monitor when so 7 equipped. Devices capable of displaying the outcome on a video monitor shall provide the player 8 9 with the option of printing a paper ticket.

10

2 Lucky 7 Fees. Amend RSA 287-E:22, I to read as follows:

I. A licensed distributor shall pay a fee of \$15 per 3,500 tickets or any portion thereof
 contained in each deal of pull tab tickets. The commission shall not authorize deal sizes over
 14,000 tickets.

14 3 Lucky 7 Ticket Prices. Amend RSA 287-E:20, II to read as follows:

15 II. The price of any lucky 7 ticket pack or ticket card shall [be either \$.50 or] not exceed \$1,

16 provided that at any location where a charitable organization offers \$1 tickets for sale the charitable 17 organization shall also offer \$.50 tickets for sale.

18 4 Effective Date. This act shall take effect upon its passage.

SB 22-FN - AS AMENDED BY THE SENATE

02/04/2021 0153s

2021 SESSION

21-0843 08/04

SENATE BILL	22-FN
AN ACT	relative to the sale of Lucky 7 tickets.
SPONSORS:	Sen. French, Dist 7; Sen. Reagan, Dist 17; Sen. Hennessey, Dist 1; Sen. Gannon, Dist 23
COMMITTEE:	Ways and Means

AMENDED ANALYSIS

This bill:

I. Allows the play of electric Lucky 7 games.

II. Sets a limit for the Lucky 7 deal size the commission may authorize.

III. Sets a maximum price per Lucky 7 ticket.

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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.

02/04/2021 0153s

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the sale of Lucky 7 tickets. Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Sale of Lucky 7 Tickets. RSA 287-E:21, III-a is repealed and reenacted to read as follows

2 III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for 3 4 its activities, provided that such device dispenses a paper or cardboard ticket and specifications for such dispenser device are contained in the rules of the commission. Any permitted lucky 7 device 5 shall not be in the nature of a slot machine and the outcome of any wager involving a permitted 6 lucky 7 device shall be determined by the cardboard or paper ticket, or the video monitor when so 7 8 equipped. Devices capable of displaying the outcome on a video monitor shall provide the player 9 with the option of printing a paper ticket.

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2 Lucky 7 Fees. Amend RSA 287-E:22, I to read as follows:

I. A licensed distributor shall pay a fee of \$15 per 3,500 tickets or any portion thereof
 contained in each deal of pull tab tickets. The commission shall not authorize deal sizes over
 14,000 tickets.

14 3 Lucky 7 Ticket Prices. Amend RSA 287-E:20, II to read as follows:

II. The price of any lucky 7 ticket pack or ticket card shall [be either \$.50 or] not exceed \$1,
provided that at any location where a charitable organization offers \$1 tickets for sale the charitable
organization shall also offer \$.25 and \$.50 tickets for sale.

18 4 Effective Date. This act shall take effect upon its passage.

LBA 21-0843 Amended 4/19/21

SB 22-FN FISCAL NOTE

AS AMENDED BY THE SENATE (AMENDMENT #2021-0153s)

AN ACT

relative to the sale of Lucky 7 tickets.

FISCAL IMPACT: [X] State

[] County

[] None

[] Local

	Estimated Increase / (Decrease)			
STATE:	FY 2021 FY 2022 FY			FY 2024
Appropriation	÷ \$0	\$0	\$0	\$0
Revenue	Minimal	· Minimal	Minimal	Minimal
Expenditures	\$0	\$0	· \$0	\$0
Funding Source:	[] General Lottery Fund	[] Education] Highway	[X] Other

METHODOLOGY:

This bill makes various changes relative to the sale of Lucky 7 tickets. The Lottery Commission states it is impossible to predict how these changes will affect player purchases, however, does anticipate any impact to state revenue to be minimal.

AGENCIES CONTACTED:

Lottery Commission

LBA 21-0843 Amended 4/19/21

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SB 22-FN- FISCAL NOTE AS AMENDED BY THE SENATE (AMENDMENT #2021-0153s)

AN ACT relative to the sale of Lucky 7 tickets.

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FISCAL IMPACT: [X] State [] County [] Local [] None

	Estimated Increase / (Decrease)			
STATE:	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$0	\$0	\$0
Revenue	Minimal	Minimal	Minimal	Minimal
Expenditures	\$0	\$0	\$0	\$0
Funding Source:	[] General Lottery Fund	Education	[.] Highway	[X] Other

METHODOLOGY:

This bill makes various changes relative to the sale of Lucky 7 tickets. The Lottery Commission states it is impossible to predict how these changes will affect player purchases, however, does anticipate any impact to state revenue to be minimal.

AGENCIES CONTACTED:

Lottery Commission

SB 22-FN - VERSION ADOPTED BY BOTH BODIES

02/04/2021 0153s 3Jun2021... 1491h 06/24/2021 2010CofC

2021 SESSION

21-0843 08/04

SENATE BILL 2λ	2-FN
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AN ACT relative to the sale of Lucky 7 tickets.

SPONSORS: Sen. French, Dist 7; Sen. Reagan, Dist 17; Sen. Hennessey, Dist 1; Sen. Gannon, Dist 23

COMMITTEE: Ways and Means

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AMENDED ANALYSIS

This bill:

I. Allows the play of electric Lucky 7 games.

II. Sets a limit for the Lucky 7 deal size the commission may authorize.

III. Sets a maximum price per Lucky 7 ticket.

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.

SB 22-FN - VERSION ADOPTED BY BOTH BODIES

02/04/2021 0153s 3Jun2021... 1491h 06/24/2021 2010CofC

21-0843 08/04

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the sale of Lucky 7 tickets. Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Sale of Lucky 7 Tickets. RSA 287-E:21, III-a is repealed and reenacted to read as follows

III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and 2 located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for 3 its activities, provided that such device dispenses a paper or cardboard ticket and specifications for 4 such dispenser device are contained in the rules of the commission. Any permitted lucky 7 device 5 shall not be in the nature of a slot machine and the outcome of any wager involving a permitted 6 lucky 7 device shall be determined by the cardboard or paper ticket, or the video monitor when so 7 equipped. Devices capable of displaying the outcome on a video monitor shall provide the player 8 9 with the option of printing a paper ticket.

10 2 Lucky 7 Fees. Amend RSA 287-E:22, I to read as follows:

I. A licensed distributor shall pay a fee of \$15 per 3,500 tickets or any portion thereof
 contained in each deal of pull tab tickets. The commission shall not authorize deal sizes over
 14,000 tickets.

14 3 Lucky 7 Ticket Prices. Amend RSA 287-E:20, II to read as follows:

II. The price of any lucky 7 ticket pack or ticket card shall [be either \$.50 or] not exceed \$1,
provided that at any location where a charitable organization offers \$1 tickets for sale the charitable
organization shall also offer \$.50 tickets for sale.

18 4 Effective Date. This act shall take effect upon its passage.

02/04/2021 0153s 3Jun2021... 1491h 06/24/2021 2010CofC

2021 SESSION

21-0843 08/04

SENATE BILL	22-FN
AN ACT	relative to the sale of Lucky 7 tickets.
SPONSORS:	Sen. French, Dist 7; Sen. Reagan, Dist 17; Sen. Hennessey, Dist 1; Sen. Gannon, Dist 23

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill:

I. Allows the play of electric Lucky 7 games.

II. Sets a limit for the Lucky 7 deal size the commission may authorize.

III. Sets a maximum price per Lucky 7 ticket.

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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.

02/04/2021 0153s 3Jun2021... 1491h 06/24/2021 2010CofC

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT

relative to the sale of Lucky 7 tickets.

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

Sale of Lucky 7 Tickets. RSA 287-E:21, III-a is repealed and reenacted to read as follows
 III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and
 located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for
 its activities, provided that such device dispenses a paper or cardboard ticket and specifications for
 such dispenser device are contained in the rules of the commission. Any permitted lucky 7 device

6 shall not be in the nature of a slot machine and the outcome of any wager involving a permitted 7 lucky 7 device shall be determined by the cardboard or paper ticket, or the video monitor when so 8 equipped. Devices capable of displaying the outcome on a video monitor shall provide the player 9 with the option of printing a paper ticket.

10 2 Lucky 7 Fees. Amend RSA 287-E:22, I to read as follows:

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 14,000 tickets.

13 14,000 lickets.

14

3 Lucky 7 Ticket Prices. Amend RSA 287-E:20, II to read as follows:

15 II. The price of any lucky 7 ticket pack or ticket card shall [be either \$.50 or] not exceed \$1, 16 provided that at any location where a charitable organization offers \$1 tickets for sale the charitable 17 organization shall also offer \$.50 tickets for sale.

18 4 Effective Date. This act shall take effect upon its passage.

Amendments

Sen. Giuda, Dist 2 January 26, 2021 2021-0080s 08/04

Amendment to SB 22-FN

Amend the bill by replacing all after the enacting clause with the following: 1 $\mathbf{2}$ 1 Sale of Lucky 7 Tickets. RSA 287-E:21, III-a is repealed and reenacted to read as follows 3 III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and 4 located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for 5 its activities, provided that such device dispenses a paper or cardboard ticket, and, specifications for 6 such dispenser device are contained in the rules of the commission. Any permitted lucky 7 device 7 shall not be in the nature of a slot machine and the outcome of any wager involving a permitted 8 lucky 7 device shall be determined by the cardboard or paper ticket, or the video monitor when so 9 equipped. Devices capable of displaying the outcome on a video monitor shall provide the player 10 with the option of printing a paper ticket. 11 2 Lucky 7 Fees. Amend RSA 287-E:22, I to read as follows: 12I. A licensed distributor shall pay a fee of \$15 per 3,500 tickets or any portion thereof 13 contained in each deal of pull tab tickets. The commission shall not authorize deal sizes over 14 1514,000 tickets. 3 Lucky 7 Ticket Prices, Amend RSA 287-E:20, II to read as follows: 16 II. The price of any lucky 7 ticket pack or ticket card shall [be either \$.50 or] not exceed \$1, 17provided that at any location where a charitable organization offers \$1 tickets for sale the charitable 18 organization shall also offer \$.50 tickets for sale. 19 4 Effective Date. This act shall take effect upon its passage. 20

Amendment to SB 22-FN - Page 2 -

2021-0080s

AMENDED ANALYSIS

This bill:

I. Allows the play of electric Lucky 7 games.

II. Sets a limit for the Lucky 7 deal size the commission may authorize.

III. Sets a maximum price per Lucky 7 ticket.

Senate Ways and Means January 28, 2021 2021-0153s 08/04

Amendment to SB 22-FN

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

2 3

12

1 Sale of Lucky 7 Tickets. RSA 287-E:21, III-a is repealed and reenacted to read as follows

III-a. Lucky 7 tickets may be sold by dispenser devices approved by the commission and 4 located at the regular meeting place of, or at a facility owned, leased, or utilized by, the licensee for 5 its activities, provided that such device dispenses a paper or cardboard ticket and specifications for 6 such dispenser device are contained in the rules of the commission. Any permitted lucky 7 device $\mathbf{7}$ shall not be in the nature of a slot machine and the outcome of any wager involving a permitted 8 lucky 7 device shall be determined by the cardboard or paper ticket, or the video monitor when so 9 equipped. Devices capable of displaying the outcome on a video monitor shall provide the player 10 11 with the option of printing a paper ticket.

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16 3 Lucky 7 Ticket Prices. Amend RSA 287-E:20, II to read as follows:

II. The price of any lucky 7 ticket pack or ticket card shall [be either \$.50 or] not exceed \$1,
provided that at any location where a charitable organization offers \$1 tickets for sale the charitable
organization shall also offer \$.25 and \$.50 tickets for sale.

20 4 Effective Date. This act shall take effect upon its passage.

Amendment to SB 22-FN - Page 2 -

AMENDED ANALYSIS

This bill:

I. Allows the play of electric Lucky 7 games.

II. Sets a limit for the Lucky 7 deal size the commission may authorize.

III. Sets a maximum price per Lucky 7 ticket.

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: January 7, 2021

HEARINGS				
Wednesday	01/13/20)21		
(Day)	(Date))		
Ways and Means	REMOTE 000	1:00 p.m.		
(Name of Committee)	(Place)	(Time)		

ways and means		1.00 p.m.
(Name of Committee)	(Place)	(Time)
	•	

1:00 p.m.	SB 25	relative to charity gaming licenses.
. 1:15 p.m.	SB 23	changing the requirement that a member of the sponsoring charitable organization be present during certain games of chance.
1:30 p.m.	SB 22-FN	relative to the sale of Lucky 7 tickets.
1:45 p.m.	SB 27	relative to the sale of lucky 7 tickets.

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/95146713952

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,,95146713952# or 13017158592,,95146713952#

4. Webinar ID: <u>951 4671 3952</u>

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: <u>remotesenate@leg.state.nh.us</u> or call (603-271-6931).

EXECUTIVE SESSION MAY FOLLOW

<u>Sponsors</u> : SB 25		,	
Sen. Morse			
SB 23			
Sen. Sherman	Sen. French	Sen. D'Allesandro	Rep. Leishman
SB 22-FN		· · ·	
Sen, French	Sen. Reagan	Sen. Hennessey	Sen, Gannon
SB 27		· · · · ·	
Sen. Giuda		·	

Sonja Caldwell 271-2117

<u>Bob J. Giuda</u> Chairman

Senate Ways and Means Committee

Sonja Caldwell 271-2117

SB 22-FN, relative to the sale of Lucky 7 tickets.

Hearing Date: January 13, 2021

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

Members of the Committee Absent : None

Bill Analysis: This bill allows the play of electric Lucky 7 games and sets a limit for the Lucky 7 deal size the commission may authorize.

Sponsors: Sen. French Sen. Gannon

Sen. Reagan

Sen. Hennessey

Who supports the bill: Sen. French, Sen. Gannon, Sen. Reagan, Sen. Hennessey, Rick Newman (Grover Gaming), Francine Wendelboe

Who opposes the bill: Tyler Clark (Diamond Distributors)

Who is neutral on the bill: Valerie King (NH Lottery Commission)

Summary of testimony presented:

Sen. French

- This bill deals with Lucky 7 tickets.
- Current law requires electronic lucky 7 ticket machines to dispense paper tickets showing the results of each tickets.
- This bill eliminates the requirement for paper tickets as people can see the numbers on the screen, so the paper isn't necessary and is usually ignored.
- Charities spend thousands of dollars on paper that is simply thrown away.
- Current law lets the Lottery Commission establish the size of deals. The deal is the stacks of tickets. It is currently set at 3,500 tickets that state collects a fee of \$15 for.
- This bill changes it to 14,000 tickets but establishes that the state fee of \$15 will be assessed on each group of 3,500 tickets on deals exceeding 3,500.
- Deal sizes greater than 3,500 will allow charities to offer larger prizes that will attract more players.

Sen. Rosenwald asked what guarantee there is that extra cost savings from eliminating the paper tickets would get passed on to charity. She also asked how players will know that prizes will be given out if there is no paper trail.

Sen. French suggested letting Rick Newman answer those questions.

Rick Newman

- Represents Grover Gaming, which is a manufacturer of electronic Lucky 7 machines. The two previous bills related to poker rooms, a couple of which are also bingo halls and sell Lucky 7, but the vast majority are places like VFWs, Eagles, Legions and other private clubs.
- It is a different group of charities affected by Lucky 7 tickets.
- The charity currently pays all of the cost associated with Lucky 7 tickets, whether it is buying a box of manual break open tickets or a roll of paper, which is what this bill addresses. Therefore, the charity would save that money and that expense can be significant, it costs \$35-\$45 per deal.
- Electronic tickets are easier to audit. There is an electronic trail.
- The paper ticket in an electronic machine comes out the bottom. They get thrown out at the end of the night. No one looks at them because the outcome of the game is displayed on the screen. The paper does not serve a purpose anymore.
- The electronic Lucky 7 ticket is a closed deal. There are 3,500 tickets in a deal. It is easy for the Lottery Commission to know how many prizes were awarded. Each deal has own serial number.
- Paper is not always available. The paper must have a break open feature. There is only one company that provides these rolls of paper. They closed for a while this summer and charities could not get the paper.
- The deal size is established by the Lottery Commission. They could decide to increase the deal size. This bill brings that authority back to the legislature and establishes a 14,000 cap. Currently under Lottery regulations, they allow 14,000 tickets over four separate deals, so the prize amount is limited. If you could take those 14,000 tickets and make them into one deal, instead of four, you can offer larger prizes and attract more players. Making sure the \$15 fee is collected on each group of 3,500 tickets means the revenue to the state will not change. The legislation is needed to protect the revenue to the state.

Sen. Daniels said 2-3 years ago there was discussion about Lucky 7, and the statute says any permitted Lucky 7 device shall not be in the nature of a slot machine and the existence of a paper ticket was one thing that differentiated them from a slot machine. He asked how we maintain that separation if we eliminate the paper.

Mr. Newman explained that the primary difference between slot machines and Lucky 7 dispensing devices is the closed deal. The current maximum ticket price is \$1. You would have a maximum amount of money in the pot of \$14,000 for each deal. With a slot machine, the maximum amount of money is unlimited; it could be millions of dollars.

Sen. Daniels said that the regular consumer would not be able to differentiate because all that is internal, and the appearance of the machines look the same.

Mr. Newman said that is right; someone might come to that conclusion but someone who has played a slot machine would quickly see the difference.

Tyler Clark

- He represents Diamond Distributors located in Moultonborough.
- Diamond Distributers services over 80 charities with paper Lucky 7 tickets.
- They oppose this bill.
- In prior years, testimony indicated that the paper requirement of Lucky 7 is cumbersome, but it is what differentiates Lucky 7 devices from slot machines.
- This bill blurs the line between Lucky 7 devices and electronic gaming machines.
- The most common deals are around 1,700 tickets.
- It is highly unlikely a charity would purchase deals larger than 3,500 tickets at bingo.
- Paper games allow charities to net 25% of revenue vs. 10% from machines.
- A player can insert \$20 into devices and play 20 times in one minute.
- The ticket price was just increased from 50 cents to one dollar; we should wait and see the effect of that change.

Sen. D'Allesandro said clearly the machine being used for the dispensing of Lucky 7 tickets looks like a slot machine. The glitz and glamour of the machines makes them look like slot machines. He asked what happened to the 25-cent ticket.

Mr. Clark said the language in an omnibus bill removed the 25-cent ticket. Only the 50-cent and one-dollar tickets exist now.

Sen. Daniels asked if his opposition centered around the revenue loss to Diamond Distributors from the paper.

Mr. Clark said they do not make or sell the paper that goes in the machines.

Sen. Daniels asked what Diamond Distributors does in regard to Lucky 7 machines.

Mr. Clark said they sell Lucky 7 paper tickets that coincide with a bingo game; they are cardboard tickets with a pull tab mechanism with an instant winner or extended play.

Sen. Daniels asked if his opposition is because they feel that these Lucky 7 machines would take away form other games Diamond is involved with.

Mr. Clark said the statute is very clear it should not be in the nature of a slot machine.

Sen. Hennessey asked if he was referring to losses the charities may have incurred over the summer because of these changes when he mentioned the increased cost and increased rate of play.

Mr. Clark said it is hard to gauge because a lot of facilities are not operating at full capacity because of the pandemic. Diamond is in favor of another bill that would study charitable gaming as a whole because there have been a lot of changes.

Fran Wendelboe

- People with mobility issues find electronic machines easier than paper tickets that have to be peeled open.
- It is easier to see if you won on a brightly lit electronic screen than via small writing on paper.

Valerie King

- Oversees licensing and enforcement for the Lottery Commission.
- She said there may have been a drafting error that makes it not possible to have old fashioned, on-the-wall dispensers. Those do not have screens.
- Because of the issue of what does slot machine mean, they defined it in rules as anything with infinite possibilities.
- Nothing with a defined deal is in the nature of a slot machine.

Sen. Giuda asked about the distinction between slot machines and Lucky 7 machines.

Ms. King said Lucky 7 is a defined deal, 3,500 tickets with a set number of winners and losers; whereas slot machines function via a random number generator where there is an infinite number set by the RNG and it is totally random. That is the major difference between the two.

Sen. Giuda asked if the Commission has concerns with the similar visual of Lucky 7 and slot machines.

Ms. King said they do not allow spinning wheels, which is what you would see in a slot machine. Those are not allowed on Lucky 7.

Sen. Rosenwald said the committee heard that bingo halls are selling fewer than 3,500 tickets. This would increase the spread over which you would have to give out the prizes to 14,000. She asked if that would mean if someone went to play bingo and Lucky 7 they would have less opportunity to win a prize.

Ms. King said no. She explained you do not have to have 3,500 tickets in your deal now, nor do you need to have 14,000 in future. The deal fee does not affect the prizes. Smaller deals pay the same deal fee as a 3,500 deal. If you have a deal larger than 3,500 you pay a \$30 deal fee.

Sen. Rosenwald said if one wants to lower the fee that they pay to the state, would they not get the biggest deal they could and then only have to pay \$15 per 3,500 tickets. She asked if the prizes are per deal or per fee.

Ms. King said if you have a deal with fewer tickets, such as if you have a 2,000 ticket deal, you will only have \$2,000 to give out in prizes. This bill does not change the ability to have smaller deals.

Sen. Giuda asked if the state will lose revenue. Ms. King said no; the deal fee remains \$15 per 3,500

Sen. Giuda said this might induce more people to play without reducing revenue to the state.

Speakers

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<u>Name</u>	Representing	Position Testif	
Gannon, Senator Bill	District 23	Support	No
French, Senator Harold	Senate District 7	Support	Yes
Reagan, Senator John	Senate District 17	Support	No
Hennessey, Sen. Erin	SD1 2	Support	No
Newman, Rick	Grover Gaming	Support	Yes
Clark, Tyler	Diamond Distributors	Oppose	Yes
King, Valerie	NH Lottery	Neutral	No
wendelboe, francine	Myself	Support	No

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Testimony

Good afternoon Chairman Giuda and members of the committee.

For the record I am Tyler Clark from Preti Strategies in Concord and I am testifying on behalf of Diamond Distributors.

Diamond Distributors is located in Moultonborough, NH and is one of the leading distributors of Lucky 7 tickets in our state. Diamond services over 80 Granite State charities with paper Lucky 7 tickets and bingo supplies.

Diamond Distributors opposes SB 22 and respectfully requests the committee move this legislation 'Inexpedient to Legislate'.

In prior years, we have heard testimony stating the requirement to dispense a paper ticket from Lucky 7 dispenser devices is cumbersome but this ticket is what differentiates lucky 7 dispensing devices from electronic gaming machines.

Currently there are Lucky 7 dispensing devices in facilities that -to the untrained eyeresemble slot machines. These devices offer bright screens, moving graphics, sounds effects, auto-play features, short intervals between each play, and fractional payouts.

RSA 287:E:21 states, "Any permitted lucky 7 device shall not be in the nature of a slot machine." Without the paper ticket being dispensed, these machines will further blur the line between Lucky 7 dispensing devices and electronic gaming machines.

There is also no guarantee this proposal will provide cost savings for the charities. There is no language in SB 22 that states any savings from the removal of the paper tickets from these machines will be passed down to charities.

There is also concern with increasing the maximum size of a deal from 3,500 to 14,000 tickets. At bingos we sell to, the most common paper ticket deals are around 1750 tickets

and 3,500 ticket deals are much less frequently purchased due to their size. A 3,500 ticket deal is even more difficult to sell through during the COVID era where social distancing is required and occupancy is limited. It is highly unlikely a charity operating bingo would purchase paper deals larger than 3,500 tickets.

The increased size of deals would benefit those who promote lucky 7 ticket devices and will potentially hurt charities who run legitimate bingos. Charities raise significantly more money from paper deals than electronic deals. Paper games allow the charities to net ~25% versus ~10% from the machines and charities that operate in facilities offering these machines feel it causes them to lose revenue.

This past summer, the legislature raised the maximum price of a lucky 7 ticket from \$0.50 to \$1.00. Through rulemaking, lucky 7 dispensing devices had their rate of play increased to every 3 seconds. Hypothetically, a player can now insert \$20 into a lucky 7 dispensing device, turn on the auto-play function, and the machine will play 20 times in one minute.

Diamond Distributors respectfully requests the committee reject further changes to lucky 7 dispensing devices which further blur the line between a lucky 7 dispensing device and electronic gaming device. We feel it would be prudent to allow the state and the industry to observe how the increased ticket price and faster rate of play have helped or hindered the sales of deals and revenue raised for the state.

Thank you for the opportunity to testify today.

Sonja Caldwell

From: Sent: To: Subject: Bob Giuda <rjwg75@gmail.com> Tuesday, January 26, 2021 6:37 PM Sonja Caldwell Fwd: SB 22

Please forward this to the members of W&M.

Thanx!

------ Forwarded message ------From: **dquinn** <u>dqvoices.com</u> <<u>dquinn@dqvoices.com</u>> Date: Tue, Jan 26, 2021 at 2:48 PM Subject: SB 22 To: <u>rjwg75@gmail.com</u> <<u>rjwg75@gmail.com</u>>

Senator Giuda,

I am writing in support of Senate Bill 22 specifically regarding two aspects in the bill, one of which would make the printing of a ticket on the electronic Lucky 7 machines "player optional". Quite frankly, the printing of these tickets has been a colossal waste of money and staff time dealing with them. These tickets are almost NEVER (99.9% of the time) looked at by the player, since they do not have to present one of these tickets to redeem winnings. Instead, one simple voucher is printed at the time they want to redeem their winnings. These tickets, which are printed for every play (3500 in a normal deal), are just thrown in the trash.

One other aspect of the bill would be to allow the deal size to increase from the current maximum of 3500 to 14,00, which would be optional to the facility.

Lucky 7 is an integral part of our Post revenues and these changes will only enhance those returns and we would appreciate your support in passing this legislation.

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Best Regards,

David H. Quinn Finance Officer Henry J. Sweeney Post #2 251 Maple Street Manchester, NH 03103 (603) 623-9145 (603) 361-7033 (Cell)



Marion Gerrish Community Center, Inc.

39 West Broadway, Derry, NH 03038 Tel: (603) 434-8866 Fax: (603) 432-5760 Email: <u>mgcc.derry@gmail.com</u> <u>www.mgccderrynh.org</u>

January 22, 2021

RE: Senate Bill 22

Dear New Hampshire Senators:

I have to say, I am so very tired of having to write every year about the negative effects the Lucky 7 machines have on regular, real bingo halls. It seems like there is always a bill being put forth trying to make changes for the benefit of large operation gaming facilities. Charitable gaming is supposed to be <u>for the benefit of the charities</u>, not for the owners of large gaming facilities.

We differ vastly from these large operation gaming facilities in that we have <u>real bingo games</u>, running for several hours and during this time Lucky 7 tickets can be sold. This was how, when the laws were written, it was intended to be conducted. Was it ever the goal of state sanctioned charitable gaming to have faux slot machines running twelve hours a day? Yet we keep coming back to you trying to change the way, amount, or pricing of Lucky 7 tickets purely for the benefit of the owners of these large halls WHICH WILL PUT THE SMALL, COMMUNITY OPERATIONS OUT OF BUSINESS. We cannot keep up!

Charities that run bingo games and sell Lucky 7 pull tabs traditionally operate four or less hours a day. We use volunteers and offer a full program of bingo games that attract players who purchase Lucky 7 pull tabs. Bingo games are "loss leaders" as 86% of the proceeds are given as prizes to the players but it is the bingo game that brings the players to the facility to purchase Lucky 7 pull tabs.

Large gaming facilities can conduct a single "ghost" game of bingo and then allow the Lucky 7 machines to run all day long. Again, we cannot keep up! We are small halls that have actual human beings running the bingo games, interacting with the community, and have actual volunteers selling the Lucky 7 tickets. This bill, like many before it, ignores the role of charities who are not playing in large commercial halls.

Why is this a bad bill? It undermines the entire concept of charitable gaming and will erode the ability of charities who are not able to participate in large commercial halls to attract a fair share of players. SB22 is aimed at furthering the trend of stand-alone pull tab dispensers operating all day which ONLY benefit large gaming facilities and HURTS small, community bingo halls and the charities affiliated with them.

Sincerely,

Sarah Garvin, Executive Director Marion Gerrish Community Center



UpReach Therapeutic Equestrian Center, Inc. Street Address: 153 Paige Hill Road Mailing Address: PO Box 355 Goffstown, NH 03045 Phone: (603) 497-2343 Fax: (603) 497-5367 www.upreachtrc.org

January 22, 2021

RE: Charitable Gaming SB 22

To whom it may concern:

I am writing on behalf of UpReach Therapeutic Equestrian Center, Inc. located in Goffstown, NH. We have been a registered non profit with the state of NH for over 25 years and have been licensed to run bingo for almost as long. Our organization has concerns regarding Senate Bill 22 and respectfully ask for your thoughtful review and consideration.

It should be noted that charitable organizations provide valuable services to the members of the State of New Hampshire that could not or perhaps would not otherwise be available. Oftentimes, it is our services that alleviate the state and local municipalities from the burden to do so. While regulation of Games of Chance and Bingo is important it should also be noted that when changes occur that significantly reduce the financial benefit to the charity it will impact our ability to continue services and place the burden back on the State to support or eliminate; impacting the quality of life that has always been a key value to the citizens of the State of NH.

Our weekly bingo games and sales of Lucky 7 tickets differs vastly from the large gaming facilities. Run during a 4 hour period, our bingos are supported by volunteers. Bingo games are "loss leaders" and it is the additional sales of lucky 7 tickets that enables us to generate funds to support our charitable work. This bill ignores the role of charities and lends itself to the profitability of the hall operators... not the intention of charitable gaming. If the intention of bingo and lucky 7 sales truly is to support charitable work, then please listen to the actual charities that are being impacted by these amendments rather than the game operators who profit either way.

As a taxpayer and lifetime resident of the State of NH and 22 year Executive Director of a nonprofit, I respectfully note the fiscal challenges at the state level. We are bearing them at the non –profit level as well. Please remember the volume of non profits in the State of NH that do the work to provide services to the most vulnerable citizens of our state at a fraction of the cost if they were to be provided directly from the State of NH. We can rally the volunteer support and donations from individuals, corporations and other members of the community that provides less dependency on state level support. Bingo/Lucky 7 has been an important funding stream allowing us to get this work done. While it may not appear that there will be a significant impact, understand that 22 years in the non profit sector and 22 years of directly dealing with bingo as a means of support, we know our business and customers and these changes will have an adverse impact on us.

Respectfully submitted:

Karen Kersting, Executive Director



Youth Football Association

January 25, 2021-

Re: Senate Bill 22

Attn: New Hampshire Senators:

We once again find ourselves having to address the impact of the Lucky 7 Machines that are currently being allowed to operate outside of the guidelines for the financial gains of others and not the charities as stated by law. These large gaming facilities are allowed to have these machines which are to be used in conjunction with a bingo game as stated by law. All involved realize that legitimate bingos are not being held during the sale of Lucky 7's through these machines. They are what I will call a "Ghost Bingo". Those that may enter these halls anticipating playing traditional bingo are often met with the fact that there are not enough players to play or at times staff members of the hall will sit down to have an attendance of 10 to conduct their quickle bingo. This impression reflects badly on legitimate bingos that directly benefit charitable organizations. These "Ghost Bingos" are allowed to operate strictly for the benefit of running these machines.

These halls conducting "Ghost Bingo" continue to bring these bills forward to increase the price of a ticket as well as the quantity in a box. This will allow for higher prize amounts that could inevitably put the legitimately run bingos out of business and hurt worthy charifies. Halls in the more rural areas will not survive this continued activity. The only winners are those that continue to bring these bills forward.

Legitimate bingos staff their halls with volunteers to interact with the players and provide an entertaining night out and provide profits for the charities. "Ghost Bingos" are held to line the pockets of the machine manufacturers and hall owners.

We urge you to reject this bill. If you have any questions regarding my concerns I would be happy to discuss them with you.

Respectfully; honde j

Rhonda Lanc, Director Wolvering Youth Football 603-548-9592

Voting Sheets

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

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			Bill # SB	22-FN
Hearing date: <u> - 3-2 </u>		L		
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Executive Session date:	1-27-2	\		
Motion of: 6080 w/ c/	unges	<u>_</u>	Vote	. 5-0
•		Made by	Second	Yes No
Sen. Giuda, Chair				
Sen. D'Allesandro, VC				
Sen. Daniels				
Sen. Hennessey				
Sen Rosenwald				
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Motion of: <u>OIPIA</u>			Vote	. 5-0
Committee Member	Present	Made by	Second	Yes No
Sen. Giuda, Chair				
Sen. D'Allesandro VC				
Sen Daniels				
Sen. Hennessey				
Sen: Rosenwald				
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Motion of: $CONSEN-$	t		Vote	:
Committee Member	Present	Made by	Second	Yes No
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Sen. D'Allesandro, VC		9		
Sen. Daniels				
Sen. Hennessey				
Sen. Rosenwald				
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Reported out by: Giua	<u>, </u>			
Notes:				

Committee Report

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STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE FOR THE CONSENT CALENDAR

Thursday, January 28, 2021

THE COMMITTEE ON Ways and Means

to which was referred SB 22-FN

AN ACT

relative to the sale of Lucky 7 tickets.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-0

AMENDMENT # 0153s

Senator Bob Giuda For the Committee

This bill as amended by the committee allows for the outcome of any wager involving a permitted Lucky 7 device to be displayed either on the electronic video screen or by selecting a paper ticket option. It authorizes a deal size of up to 14,000 tickets. A \$15 fee will still be assessed per 3,500 tickets, resulting in no revenue loss to the state. It provides that any charitable organization offering \$1 Lucky 7 tickets shall also offer \$.50 and \$.25 tickets.

Sonja Caldwell 271-2117

FOR THE CONSENT CALENDAR

WAYS AND MEANS

SB 22-FN, relative to the sale of Lucky 7 tickets. Ought to Pass with Amendment, Vote 5-0. Senator Bob Giuda for the committee.

This bill as amended by the committee allows for the outcome of any wager involving a permitted Lucky 7 device to be displayed either on the electronic video screen or by selecting a paper ticket option. It authorizes a deal size of up to 14,000 tickets. A \$15 fee will still be assessed per 3,500 tickets, resulting in no revenue loss to the state. It provides that any charitable organization offering \$1 Lucky 7 tickets shall also offer \$.50 and \$.25 tickets.

General Court of New Hampshire - Bill Status System

Docket of SB22

Docket Abbreviations

Bill Title: relative to the sale of Lucky 7 tickets.

Date	Body	Description
1/5/2021	S	To Be Introduced 01/06/2021 and Referred to Ways and Means; SJ 2
1/7/2021	S	Remote Hearing: 01/13/2021, 01:30 pm; Links to join the hearing can be found in the Senate Calendar; SC 6
1/28/2021	S	Committee Report: Ought to Pass with Amendment #2021-0153s , 02/04/2021; Vote 5-0; CC; SC 9
2/4/2021	S	Committee Amendment #2021-0153s, RC 23Y-1N, AA; 02/04/2021; SJ 3
2/4/2021	S	Ought to Pass with Amendment 2021-0153s, RC 23Y-1N, MA; OT3rdg; 02/04/2021; SJ 3
3/10/2021	Н	Introduced (in recess of) 02/25/2021 and referred to Ways and Means H 4 P. 48
3/16/2021	н	Public Hearing: 03/16/2021 09:00 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/97636968924 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
4/28/2021	н	Full Committee Work Session: 05/04/2021 09:30 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/92340576130 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
5/5/2021	н	==RECESSED== Executive Session: 05/11/2021 09:30 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/91063233087 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
5/12/2021	н	Full Committee Work Session: 05/18/2021 09:30 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/96731823451 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
5/20/2021	н	Committee Report: Ought to Pass with Amendment #2021-1491h (Vote 20-1; CC) HC 26 P. 13
6/3/2021	н	Amendment #2021-1491h: AA VV 06/03/2021 HJ 8 P. 83
6/3/2021	н	Ought to Pass with Amendment 2021-1491h: MA VV 06/03/2021 HJ 8 P. 83
6/10/2021	S	Sen. Giuda Moved Nonconcur with the House Amendment; Requests C of C, MA, VV; 06/10/2021; SJ 19
6/10/2021	S	President Appoints: Senators Reagan, Hennessey, D'Allesandro; 06/10/2021; SJ 19
6/10/2021	н	House Accedes to Senate Request for CofC (Rep. Major): MA VV 06/10/2021 HJ 10 P. 17
6/10/2021	н	

		Speaker Appoints: Reps. Abrami, Doucette, Bershtein, Ames 06/10/2021 HJ 10 P. 17
6/14/2021	Н	Conferee Change: Rep. Janigian Replaces Rep. Doucette 06/10/2021 HJ 10 P. 22
6/16/2021	S	Committee of Conference Meeting: 06/16/2021, 08:45 am, Room 100, SH
6/17/2021	н	Conference Committee Report #2021-2010c Filed 06/10/2021; As Amended by House
6/24/2021	н	Conference Committee Report 2021-2010c: Adopted, VV 06/24/2021
6/24/2021	S	Conference Committee Report #2021-2010c , Adopted, VV; 06/24/2021; SJ 20
7/23/2021	н	Enrolled (in recess of) 06/24/2021
7/21/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); SJ 20

NH House

NH Senate

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Other Referrals

June 16, 2021 2021-2010-CofC 08/04

1 Committee of Conference Report on SB 22-FN, relative to the sale of Lucky 7 tickets.

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3 Recommendation:

- 4 That the Senate recede from its position of nonconcurrence with the House amendment, and
- 5 concur with the House amendment, and
- 6 That the Senate and House each pass the bill as amended by the House.

The signatures below attest to the authenticity of this Report on SB 22-FN, relative to the sale of Lucky 7 tickets.

Conferees on the Part of the Senate

Conferees on the Part of the House

Sen. Reagan, Dist. 17

Rep. Abrami, Rock. 19

Sen. Hennessey, Dist. 1

Rep. Janigian, Rock. 8

Sen. D'Allesandro, Dist. 20

Rep. Bershtein, Rock. 2

Rep. Ames, Ches. 9

Senate Inventory Checklist for Archives

Bill Number: SB22-FN

Senate Committee: Wayst Mrans

	include all documents in the order listed below and indicate the documents which have been d with an "X" beside
$\underline{\checkmark}$	Final docket found on Bill Status
Bill He	earing Documents: {Legislative Aides}
\checkmark	Bill version as it came to the committee
\leq	All Calendar Notices
	Hearing Sign-up sheet(s)
	Prepared testimony, presentations, & other submissions handed in at the public hearing
\leq	Hearing Report
<u> </u>	Revised/Amended Fiscal Notes provided by the Senate Clerk's Office
<u>Comm</u>	ittee Action Documents: {Legislative Aides}
All ame	endments considered in committee (including those not adopted):
	amendment # <u>0153</u> amendment #
$\underline{\checkmark}$	Executive Session Sheet
\leq	Committee Report
Floor /	Action Documents: {Clerk's Office}
All floo	r amendments considered by the body during session (only if they are offered to the senate):
	amendment # amendment #
	amendment # amendment #
<u>Post F</u>	loor Action: (if applicable) {Clerk's Office}
	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
<u>All av</u>	ailable versions of the bill: {Clerk's Office}
	as amended by the senate as amended by the house
	final version
Comp	leted Committee Report File Delivered to the Senate Clerk's Office By:
4	JC JE
Comm	nittee Aide Date
Senat	e Clerk's Office