

SB 242-FN-A-LOCAL - AS AMENDED BY THE SENATE

03/16/2017 0901s

2017 SESSION

17-0810

08/04

SENATE BILL ***242-FN-A-LOCAL***

AN ACT relative to video lottery and table gaming.

SPONSORS: Sen. D'Allesandro, Dist 20; Sen. Gannon, Dist 23; Sen. Soucy, Dist 18; Sen. Lasky, Dist 13; Rep. P. Long, Hills. 10; Rep. D. Sullivan, Hills. 8; Rep. Leishman, Hills. 24; Rep. O'Brien, Hills. 36

COMMITTEE: Ways and Means

ANALYSIS

This bill:

I. Allows for the selection and operation of 2 casinos in New Hampshire, including the operation of video slot machines and table games.

II. Establishes the gaming enforcement unit in the division of state police.

III. Distributes proceeds from gross slot machine income and gross table game income to reimburse the gaming regulatory oversight authority for certain expenses and to pay for the operation of the gaming commission.

IV. Distributes a percentage of proceeds from gross slot machine revenue and gross table game revenue to the host community, those communities abutting the host community, the host county, and the department of health and human services to support addiction programs in cities and towns under the revenue sharing agreement, and the gaming regulatory fund.

V. Lifts the suspension on revenue sharing with cities and towns under RSA 31-A.

VI. Prohibits the use of electronic benefit transfer cards (EBTs) at establishments licensed by the gaming commission.

VII. Establishes the gaming regulatory fund.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to video lottery and table gaming.

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

1 1 New Chapter: Gaming Regulation. Amend RSA by inserting after chapter 284-A the
2 following new chapter:

3 CHAPTER 284-B

4 GAMING REGULATION

5 284-B:1 Definitions. In this chapter:

6 I. "Affiliate" means a person who directly or indirectly through one or more intermediaries
7 controls, is controlled by, or is under common control with, a specified person.

8 II. "Applicant" means a person who has applied for a license, registration, permit, or other
9 form of authorization to engage in activity that is regulated under this chapter.

10 III. "Associated equipment" means equipment, a system, software, or mechanical,
11 electromechanical, or electronic contrivance or component used in connection with the operation of
12 a slot machine or table game or the reporting and calculation of slot machine or table game revenue
13 including, but not limited to, a central computer system, a slot machine data system, a casino
14 management system, a gaming ticket system, promotional play system, player tracking system,
15 ticket redemption unit, automated jackpot payout machine, external bonusing system, cashless
16 wagering system, a progressive controller, systems and devices for weighing and counting money,
17 replacement parts, or any other equipment, system, or software designated by the commission.

18 IV. "Cash" means United States currency and coin, or foreign currency and coin that have
19 been exchanged for its equivalent in United States currency and coin.

20 V. "Cash equivalent" means:

21 (a) Certified check, cashiers check, treasurer's check, recognized travelers check, or
22 recognized money order that:

23 (1) Is made payable to a gaming licensee where presented, a holding company of a
24 gaming licensee, "bearer," or "cash";

25 (2) Is dated, but not postdated; and

26 (3) Does not contain any endorsement.

27 (b) Certified check, cashiers check, treasurer's check, or recognized money order that:

28 (1) Is made payable to the presenting player;

29 (2) Is endorsed in blank by the presenting player;

30 (3) Is dated but not postdated; and

31 (4) Does not contain any endorsement other than that of the presenting player.

1 (c) Recognized credit card or debit card presented by a player in accordance with the
2 rules of the commission.

3 (d) Any other instrument that the commission deems to be a cash equivalent, provided,
4 however, that an instrument payable to a third party shall not be considered a cash equivalent.

5 VI. "Cashable promotional credit" means a credit or other electronic thing of value on a slot
6 machine or electronic table game that activates play and is convertible to cash at the conclusion of
7 play.

8 VII. "Cashless wagering system" means the collective hardware, software, communications
9 technology, and other ancillary equipment used to facilitate a method of wagering and accounting in
10 which the validity and value of a wager, not including a ticket, are determined, monitored, and
11 retained for an individual by an electronic system operated and maintained by a gaming licensee
12 that records each transaction involving each wager in a wagering account, separate from the slot
13 machine or table game or device on which the wager is made, including electronic systems which
14 facilitate electronic transfers of money directly to or from a slot machine or table game.

15 VIII. "Casino management system" means the collective hardware, software,
16 communications technology, and other ancillary equipment used to collect, monitor, interpret,
17 analyze, report, and audit data with regard to activity at a slot machine including slot machine level
18 accounting transactions, player tracking, and productivity analysis.

19 IX. "Central computer system" means a central monitor and control system acquired and
20 operated by the commission and connected to, and communicating with, a slot machine for purposes
21 of information retrieval, retrieval of slot machine win and loss determinations, and programs to
22 activate and disable slot machines.

23 X. "Chair" means the chair of the state lottery commission.

24 XI. "Commission" means the state lottery commission established under RSA 284:21-a.

25 XII. "Complimentary services" means any lodging, service, or item which:

26 (a) Is offered by a gaming licensee directly or indirectly to a player at no cost or at a
27 reduced cost and is not generally available to the public.

28 (b) "Complimentary services" shall not include noncashable credits issued to a player as
29 part of a player incentive or reward program or lodging available to the public through convention
30 or government rates.

31 XIII. "Count room" means an area within a gaming location approved by the commission
32 specifically designated, designed, and used for counting the contents of table game drop boxes, slot
33 machine cash storage boxes, and such other activities as the commission shall deem appropriate.

34 XIV. "Credit" means the direct or indirect extension by a gaming licensee of unsecured
35 funds to a player to facilitate play at a slot machine or table game in accordance with this chapter.

36 XV. "External bonusing system" means the collective hardware, software, communications
37 technology, and other ancillary equipment used in conjunction with a slot machine to deliver
38 randomly selected player incentives in the form of credits to an active slot machine player and to

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1 effect the accurate metering of a bonus award event on a slot machine.

2 XVI. "Game" means a slot machine or table game determined by the commission to be
3 compatible with the public interest and to be suitable for use by players.

4 XVII. "Gaming" means dealing, operating, carrying on, conducting, maintaining, or
5 exposing a game for compensation.

6 XVIII. "Gaming applicant" means a person who has applied to the commission for a gaming
7 license pursuant to this chapter.

8 XIX. "Gaming employee" means an individual, not otherwise included in the definition of a
9 key employee, who is employed by a gaming applicant or gaming licensee, and whose employment
10 duties and responsibilities involve the operation of, accounting and auditing related to, security and
11 surveillance over, or the maintenance, servicing, or repair of, slot machines or table games. Such
12 employees shall include, but not be limited to, dealers, floorpersons, boxmen, slot machine
13 personnel, slot machine technicians, count room and cashiers' cage personnel, security and
14 surveillance personnel, information technology department personnel, employees responsible for
15 handling assets and proceeds associated with the operation of a gaming location, a host or other
16 individual authorized to extend complimentary services or promotional play and an individual who,
17 in the judgment of the commission, so regularly is required to work in a restricted area that
18 registration as a gaming employee is appropriate. The term may include an employee of a person
19 holding a gaming vendor license whose duties regularly involve the installation, maintenance, or
20 repair of slot machines, associated equipment or table game devices where the commission
21 determines a gaming employee license for such an individual to be consistent with the policies of
22 this chapter. The term shall not include an employee that provides security services in a gaming
23 location other than on the gaming floor or in a restricted area, bartenders, cocktail servers, or other
24 persons engaged solely in preparing or serving food or beverages, clerical or secretarial personnel,
25 parking attendants, janitorial, stage, sound, and light technicians and other non-gaming employees
26 so designated by the commission.

27 XX. "Gaming equipment" means a collective reference to slot machines and associated
28 equipment, and table game devices.

29 XXI. "Gaming floor" means the area within a gaming location authorized by the commission
30 for the operation of slot machines and table games.

31 XXII. "Gaming license" means a license issued by the commission authorizing a gaming
32 licensee to operate slot machines and table games at a gaming location pursuant to this chapter.

33 XXIII. "Gaming licensee" means a person that has been awarded and issued a license by the
34 commission to possess, conduct, and operate slot machines and table games at a gaming location
35 pursuant to this chapter.

36 XXIV. "Gaming location" means the collective land, buildings, and structures at which a
37 gaming licensee is authorized by the commission to place and operate slot machines and table
38 games under this chapter and includes the gaming floor, restricted areas and all non-gaming

1 structures and amenities including a hotel, catering or room service operations serving a hotel,
2 convention, meeting and multipurpose facilities, retail facilities, food and beverage outlets, parking
3 structures and lots, and other amenities and activities not located on or adjacent to the gaming floor
4 or related to gaming operations.

5 XXV. "Gaming ticket system" means the collective hardware, software, communications
6 technology, and other ancillary equipment used in conjunction with a slot machine to facilitate the
7 issuance or redemption of a ticket.

8 XXVI. "Gaming vendor" means, subject to a classification system to be prescribed in
9 accordance with RSA 284-B:23:

10 (a) A management company as defined in this chapter.

11 (b) A person providing goods and services directly related to gaming including, but not
12 limited to, a person that designs, manufactures, builds or rebuilds, programs, distributes, installs,
13 or modifies a slot machine, associated equipment or gaming table device for sale or lease to a
14 gaming licensee for use in operating slot machines or table games in accordance with this chapter or
15 such other person as the commission shall designate.

16 (c) A person providing goods and services ancillary to gaming including, but not limited
17 to, a junket enterprise, junket representative, a person employed by a junket enterprise or junket
18 representative in a managerial or supervisory position, a person with an ownership or financial
19 interest in a gaming location not required to qualify for licensure in accordance with RSA 284-B:11,
20 VII, a licensor of an authorized game or such other person as the commission shall designate.

21 XXVII. "Gross slot machine revenue" means the total of:

22 (a) Cash or cash equivalent wagers received by a slot machine minus the total of:

23 (1) Cash or cash equivalents paid out to players as a result of playing a slot
24 machine, whether paid manually or paid out by the slot machine;

25 (2) Cash or cash equivalents paid to purchase an annuity to fund a prize payable to
26 player over a period of time as a result of playing a slot machine; and

27 (3) The actual cost paid by a gaming licensee for any merchandise or other non-cash
28 prize distributed to a player as a result of playing a slot machine. This does not include travel
29 expenses, food, refreshments, lodging, or services conferred as part of a promotion or as a
30 complimentary service.

31 (b) Contest or tournament fees or payments, including entry fees and administrative
32 fees, imposed by a gaming licensee to participate in a slot machine contest or tournament, less cash
33 paid or actual costs paid by a gaming licensee for prizes awarded to contest or tournament winners.

34 (c) Gross slot machine revenue shall not include;

35 (1) Counterfeit currency;

36 (2) Currency of other countries received in the playing of a slot machine except to
37 the extent that the currency is readily convertible to cash; and

38 (3) Cash taken in a fraudulent act perpetrated against a gaming licensee for which

1 the gaming licensee is not reimbursed.

2 (d) A noncashable promotional credit shall be excluded from the calculation of gross slot
3 machine revenue.

4 XXVIII. "Gross table game revenue" means the total of:

5 (a) Cash or cash equivalent wagers received in the playing of a table game minus the
6 total of:

7 (1) Cash or cash equivalents paid to players as a result of playing a table game;

8 (2) Cash or cash equivalents paid to purchase an annuity to fund a prize payable to
9 a player over a period of time as a result of playing a table game; and

10 (3) The actual cost paid by a gaming licensee for any merchandise or other non-cash
11 prize distributed to a player as a result of playing a table game. This shall not include travel
12 expenses, food, refreshments, lodging, or services conferred as part of a promotion or as a
13 complimentary service.

14 (b) Contest or tournament fees or payments, including entry fees, buy-ins, re-buys, and
15 administrative fees, imposed by a gaming licensee to participate in a table game contest or
16 tournament, less cash paid or actual costs paid by a gaming licensee for prizes awarded to contest or
17 tournament winners.

18 (c) The total amount of rake collected by a gaming licensee.

19 (d) Gross table game revenue shall not include;

20 (1) Counterfeit cash or chips;

21 (2) Currency of other countries received in the playing of a table game, except to the
22 extent that the coin or currency are readily convertible to cash; and

23 (3) Cash taken in a fraudulent act perpetrated against a gaming licensee for which
24 the gaming licensee is not reimbursed.

25 (e) A noncashable promotional credit shall be excluded from the calculation of gross
26 table game revenue.

27 XXIX. "Holding company" means a corporation, limited liability company, association, firm,
28 partnership, trust, or other form of business organization, other than an individual, which directly
29 or indirectly owns, has the power or right to control, or has the power to vote a significant part of
30 the outstanding voting securities of a corporation or any other form of business organization which
31 is a gaming applicant or gaming license pursuant to this chapter provided, however, that a "holding
32 company", in addition to any other reasonable use of the term, shall be construed as indirectly
33 holding or owning any such power, right, or security if it does so through an interest in a subsidiary
34 or any successive subsidiaries, notwithstanding how many such subsidiaries may intervene between
35 the holding company and a gaming applicant or gaming licensee.

36 XXX. "Host community" means a municipality in which a gaming location is located or in
37 which a gaming applicant has proposed locating a gaming location.

38 XXXI. "Impacted live entertainment venue" means a not-for-profit or municipally-owned

1 performance venue located in New Hampshire and operating at the time this chapter takes effect
2 that is designed in whole or in part for the presentation of live concerts, comedy or theatrical
3 performances, which the commission determines experiences, or is likely to experience, a negative
4 impact from the development or operation of a licensee live entertainment venue at a gaming
5 location.

6 XXXII. "Immediate family" means an individual's spouse, domestic partner, partner in a
7 civil union, child, parent, or sibling, whether by the whole or half blood, by marriage, adoption, or
8 natural relationship, residing in the same household.

9 XXXIII. "Independent testing laboratory" means a person engaged in the testing and
10 certification of slot machines and the associated equipment, systems, and software utilized to
11 collect, monitor, interpret, analyze, authorize, issue, redeem, report, and audit data with regard to
12 activity at slot machines and electronic table games.

13 XXXIV. "Institutional investor" means any of the following entities having an ownership
14 interest in a gaming applicant, gaming licensee, or gaming location: a corporation, bank, insurance
15 company, pension fund or pension fund trust, retirement fund, including funds administered by a
16 public agency, employees' profit-sharing fund or employees' profit-sharing trust, an association
17 engaged, as a substantial part of its business or operation, in purchasing or holding securities, or
18 any trust in respect of which a bank is a trustee or co-trustee, investment company registered under
19 the federal Investment Company Act of 1940, collective investment trust organized by banks under
20 part 9 of the Rules of the Comptroller of Currency, closed end investment trust, chartered or
21 licensed life insurance company or property and casualty insurance company, investment advisor
22 registered under the federal Investment Advisers Act of 1940, and such other persons as the
23 commission may reasonably determine to qualify as an institutional investor for the purposes of this
24 chapter.

25 XXXV. "Intermediary company" means a corporation, association, firm, partnership, trust,
26 or other form of business organization, other than an individual, which is a holding company with
27 respect to a corporation or other form of business organization which is a gaming applicant or
28 gaming licensee and is a subsidiary with respect to a holding company.

29 XXXVI. "Jackpot" means any cash, cash equivalent, ticket, annuity, or merchandise to be
30 paid to a player as a result of a specific combination of characters on a slot machine.

31 XXXVII. "Junket" means an arrangement intended to induce a person to come to a gaming
32 location to gamble, where the person is selected or approved for participation on the basis of the
33 person's ability to satisfy a financial qualification obligation related to the person's ability or
34 willingness to gamble or on any other basis related to the person's propensity to gamble and
35 pursuant to which and as consideration for which, any of the cost of transportation, food, lodging,
36 and entertainment for the person is directly or indirectly paid by a gaming licensee or an affiliate of
37 the gaming licensee.

38 XXXVIII. "Junket enterprise" means a person, other than a gaming applicant or gaming

1 licensee, who employs or otherwise engages the services of a junket representative in connection
2 with a junket to a licensed gaming location, regardless of whether or not those activities occur
3 within the state.

4 XXXIX. "Junket representative" means a person who negotiates the terms of, or engages in
5 the referral, procurement or selection of persons who may participate in, a junket to a gaming
6 location, regardless of whether or not those activities occur within the state.

7 XL. "Key employee" means any individual employed by a gaming applicant, gaming
8 licensee, or holding, intermediary, or subsidiary company required to qualify in accordance with
9 RSA 284-B:10-11, VII in a director or department head capacity and who is authorized to make
10 discretionary decisions that regulate or affect slot machine and/or table game operations, including,
11 but not limited to, a general manager, assistant manager, shift managers, director of slot machine
12 operations, director of table game operations, pit boss, director of finance, comptroller, cashiers' cage
13 manager and shift supervisor, director of internal audit, director of surveillance, director of
14 security, director of marketing, director of information technology, director of food and beverage and
15 any employee who supervises the operations of these departments or to whom these department
16 directors or department heads report, and such other positions which the commission shall
17 designate for reasons consistent with the policies of this chapter.

18 XLI. "Licensee live entertainment venue" means any indoor space at a gaming location
19 designed principally for the purpose of the presentation of live concerts, comedy or theatrical
20 performances; provided that this definition shall not include any space the principal purpose of
21 which is the sale of food or beverage, including any restaurant or bar holding an on-premises liquor
22 license pursuant to RSA 178.

23 XLII. "Management company" means a person, subject to a commission approved
24 management contract with a gaming licensee, that is responsible for the management of all or part
25 of the operation of a gaming floor.

26 XLIII. "Management contract" means a contract, subcontract, or collateral agreement
27 between a management company and a gaming licensee providing for the management of all or part
28 of a gaming floor.

29 XLIV. "Major policymaking position" means the executive director of the gaming control
30 division, any individual who reports directly to the executive director of the gaming control division,
31 the director of problem gambling and research, and any other individual so designated by the
32 commission.

33 XLV. "Minimum theoretical payout percentage" means the total value of jackpots expected
34 to be paid by a slot machine divided by the total value of slot machine wagers expected to be made
35 on that slot machine during a game cycle calculated in accordance with rules adopted by the
36 commission consistent with this chapter.

37 XLVI. "Money" means cash or instruments that are convertible to cash in any negotiable
38 currency.

1 XLVII. “Multi-casino progressive system” means a system approved by the commission
2 pursuant to which a common progressive jackpot is offered on slot machines that are interconnected
3 in more than one casino within or outside the state.

4 XLVIII. “Noncashable promotional credit” means a credit or other electronic thing of value
5 utilized to play a slot machine or electronic table game that activates play but is not convertible to
6 cash at the conclusion of play.

7 XLIX. “Non-gaming employee” means an individual, not otherwise included in the
8 definition of a key employee or gaming employee, who is employed by a gaming applicant or gaming
9 licensee to include an employee providing security services in a gaming location other than on the
10 gaming floor or in a restricted area, a bartender, cocktail server or other person engaged solely in
11 preparing or serving food or beverages, clerical or secretarial personnel, a parking attendant, a
12 janitorial, stage, sound and light technician, or other employee so designated by the commission.

13 L. “Non-gaming vendor” means a person providing goods and services not included in the
14 definition of a gaming vendor including, but not limited to, construction companies, vending
15 machine providers, linen suppliers, garbage handlers, maintenance companies, limousine services,
16 food purveyors or suppliers of alcoholic beverages.

17 LI. “Officer” means the chief executive officer, chief financial officer, chief operating officer,
18 chief information officer, chief compliance officer, and chief legal officer of a corporation, or their
19 equivalents in any unincorporated entity.

20 LII. “Person” means an individual, limited liability company, proprietorship, firm,
21 partnership, joint venture, syndicate, business trust, labor organization, company, corporation,
22 association, committee, government entity, or other legal entity.

23 LIII. “Player” means an individual who plays a slot machine or a table game at a gaming
24 location licensed by the commission.

25 LIV. “Player tracking system” means the collective hardware, software, communications
26 technology, and other ancillary equipment used to collect, monitor, interpret, analyze, authorize,
27 report and audit data with regard to player activity generally or on an individual basis at a slot
28 machine or table game.

29 LV. “Principal” means a person associated with a gaming applicant or gaming licensee
30 required to be qualified for licensure in accordance with RSA 284-B:11, VII in conjunction with a
31 gaming license application and includes the following persons:

32 (a) An officer or director of a gaming applicant or gaming licensee.

33 (b) A person, including a shareholder, general partner, limited partner, or member or
34 manager of a limited liability company who directly or indirectly holds more than 5 percent of a
35 legal or beneficial interest in, or ownership of the securities of, a gaming applicant or gaming
36 licensee.

37 (c) A person who has a controlling interest in a gaming applicant or gaming licensee.

38 (d) A person who has the ability to elect one or more members of the board of directors

1 of a gaming applicant or gaming licensee or to otherwise manage, control, influence, or affect a
2 gaming applicant or gaming licensee.

3 (e) A person who is a lender or other licensed financial institution of a gaming applicant
4 or gaming licensee, other than a bank or lending institution which makes a loan or holds a
5 mortgage or other lien acquired in the ordinary course of business.

6 (f) An institutional investor who directly or indirectly holds more than 5 percent of a
7 legal or beneficial interest in, or ownership of the securities of, a gaming applicant or gaming
8 licensee.

9 (g) An underwriter of a gaming applicant or gaming licensee.

10 (h) A person with an ownership or financial interest in a gaming location required to be
11 qualified for licensure in accordance with this chapter in conjunction with a gaming license
12 application.

13 (i) Any other person associated with a gaming applicant or gaming licensee required to
14 be qualified for licensure in accordance with this chapter in conjunction with a gaming license
15 application.

16 LVI. "Progressive controller" means a device independent of the operating system of a slot
17 machine that calculates and transmits to a slot machine the amount of an available progressive
18 jackpot based on a pre-established rate of progression and denomination of a slot machine.

19 LVII. "Promotional play" means an award by a gaming licensee of cashable and
20 noncashable credits on a slot machine or table game:

21 (a) Directly or indirectly to a player.

22 (b) With or without regard to the:

23 (1) Identity of the player; or

24 (2) Player's level of gaming activity.

25 LVIII. "Promotional play system" means the collective hardware, software, communications
26 technology, and other ancillary equipment used to facilitate the award of promotional play at a slot
27 machine or table game by means of either a:

28 (a) Promotional play instrument.

29 (b) Download from the system to a slot machine.

30 LVIX. "Rake" means a set fee or percentage assessed by a gaming licensee for providing the
31 services of a dealer, gaming table or location, to allow the play or operation of a table game at which
32 a player competes against another player.

33 LX. "Restricted area" means that part of a gaming location directly related to the operation
34 of the gaming floor where access is specifically designated by the commission as restricted,
35 including, but not limited to:

36 (a) Cashier's cage, including a satellite cashiers' cage and ancillary offices.

37 (b) A room or location in which any central computer system resides.

38 (c) Count room and trolley storage areas.

1 (d) Areas designated for the storage, repair or destruction of slot machines, associated
2 equipment and table game devices.

3 (e) Information technology department operations centers.

4 (f) Progressive controller locations.

5 (g) Surveillance monitoring rooms.

6 (h) Vault and armored car bay locations.

7 (i) Any other area that a gaming licensee, with the authorization of the commission,
8 designates as restricted in its system of accounting and internal control or that the commission
9 designates as restricted at the gaming location.

10 LXI. "Slot data system" means the collective hardware, software, communications
11 technology, and other ancillary equipment used to collect, monitor, interpret, analyze, authorize,
12 report, and audit data with regard to activity at a slot machine, including slot machine meter
13 readings, error conditions, security, accounting, player tracking, and productivity analysis.

14 LXII. "Slot machine" means a mechanical, electrical, or other device, contrivance, or
15 machine which, upon insertion of a coin, ticket, or similar object therein, or upon payment of any
16 consideration whatsoever, is available to play or operate, the play or operation of which, whether by
17 reason of the skill of the operator or application of the element of chance, or both, may deliver or
18 entitle the person playing or operating the machine to receive cash or tickets to be exchanged for
19 cash, or to receive merchandise or any thing of value, whether the payoff is made automatically
20 from the machine or in any other manner, except that the cash equivalent value of any merchandise
21 or other thing of value shall not be included in determining the payout percentage of a slot machine.
22 Slot machine shall not include a redemption slot machine or redemption poker machine available in
23 a family entertainment center pursuant to RSA 647:2, II.

24 LXIII. "Subsidiary" means a corporation, a significant part of whose outstanding equity
25 securities are owned, subject to a power or right of control, or held with power to vote, by a holding
26 company or an intermediary company, or a significant interest in a firm, association, partnership,
27 trust, or other form of business organization, other than an individual, which is owned, subject to a
28 power or right of control, or held with power to vote, by a holding company or an intermediary
29 company.

30 LXIV. "Table game" means:

31 (a) A game in the form of baccarat, big six wheel, blackjack, craps, double attack
32 blackjack, mini-baccarat, mini-craps, mini-dice, pai gow, red dog, roulette, sic bo, casino war, poker
33 including Asia poker, Boston 5 stud poker, Caribbean stud poker, Colorado hold 'em poker, double
34 cross poker, double down stud poker, fast action hold 'em, flop poker, four card poker, let it ride
35 poker, pai gow poker, pokette, Spanish 21, Texas hold 'em bonus poker, 3-card poker, 2-card joker
36 poker, ultimate Texas hold 'em, or winner's pot poker.

37 (b) Any variations or composites of such games, provided that such variations or
38 composites are found by the commission to be suitable for use after an appropriate test or

1 experimental period under such terms and conditions as the commission shall deem appropriate.

2 (c) Any other banking or percentage game played with cards, dice, tiles, dominoes, or
3 other equipment or an electronic, electrical or mechanical device played for money or other
4 representation of value which is determined by the commission to be compatible with the public
5 interest and to be suitable for casino use after such appropriate test or experimental period as the
6 commission shall deem appropriate.

7 (d) The term table game shall not include games of chance pursuant to RSA 287-D,
8 bingo and lucky 7 under RSA 287-E, pari-mutuel racing pursuant to RSA 284, raffles pursuant to
9 RSA 287-A, or lottery pursuant to RSA 284:21-h and RSA 287-F.

10 LXV. "Table game device" includes, but is not limited to, a gaming table, cards, dice, chips,
11 shufflers, tiles, dominoes, wheels, a drop box, or any other equipment used or consumed in
12 connection with the operation of a table game.

13 LXVI. "Ticket" means an instrument that upon insertion into a slot machine bill validator
14 entitles the player inserting the ticket to credits on a slot machine corresponding to the amount
15 printed on the ticket.

16 LXVII. "Wager" means a sum of money or representative of value that is risked on an
17 occurrence for which the outcome is uncertain.

18 284-B:2 Powers of the Division of State Police Gaming Enforcement Unit.

19 I. The commissioner of safety acting through the division of state police gaming
20 enforcement unit established in RSA 21-P:7-d, may take such actions as may be necessary in his or
21 her judgment to fulfill the responsibilities of the division of state police under this chapter and the
22 rules adopted pursuant thereto.

23 II. The division of state police gaming enforcement unit shall have primary law
24 enforcement authority over the gaming floor and restricted areas in the gaming location. It shall
25 have concurrent law enforcement authority over all other areas of the gaming location with the
26 local law enforcement agency having the primary enforcement responsibility.

27 III. The division of state police and its gaming enforcement unit shall:

28 (a) Ensure the timely processing of fingerprints and criminal history record checks in
29 connection with a license, registration, permit or other authorization required pursuant to this
30 chapter.

31 (b) Notwithstanding RSA 106-B:15, investigate alleged criminal activity and criminal
32 violations involving the gaming floor and restricted areas of a gaming location.

33 (c) Notwithstanding RSA 106-B:15, receive and investigate with regard to any referral
34 by the commission, a host community or other person relating to alleged criminal activity and
35 criminal violations involving the gaming floor and restricted areas of a gaming location.

36 (d) Participate in any hearing conducted by the commission.

37 (e) Provide advice and assistance, upon request or on his or her motion, to the
38 commission in the adoption of rules.

1 (f) Recommend, with respect to persons to be placed on a list of excluded persons to be
2 maintained by the commission.

3 (g) Discharge other responsibilities as may be provided in law.

4 III. The division of state police gaming enforcement unit shall be present at a gaming
5 location, at such times, under such circumstances, and to such extent as it deems appropriate to
6 fulfill its responsibilities under this chapter. Provision of on site office space to accommodate the
7 gaming enforcement unit shall be provided as an element of an operation certificate under RSA 284-
8 B:26.

9 IV. The commission shall notify the division of state police gaming enforcement unit of any
10 known or suspected criminal law violations that are related in any way to implementation and
11 enforcement of the provisions of this chapter. Notwithstanding any provisions relating to the
12 confidentiality of any information acquired under this chapter, the commission shall share such
13 information with the division of state police gaming enforcement unit as may be deemed necessary
14 by the commissioner of safety to ensure compliance with the provisions of this chapter.

15 V. The commission, the division of state police gaming enforcement unit and the attorney
16 general shall cooperate on the regulatory and criminal implementation and enforcement of this
17 chapter, which efforts shall include cooperation with municipal and county attorney offices and with
18 local law enforcement.

19 284-B:3 Rulemaking.

20 I. The commission shall adopt rules under RSA 541-A necessary to meaningfully and
21 efficiently regulate slot machine and table game operations and to implement, administer and
22 enforce a comprehensive regulatory scheme which shall include, but not be limited to rules relevant
23 to:

24 (a) Methods, content, and forms, consistent with RSA 284-B:11, pertaining to the
25 application to be completed by a gaming applicant and an applicant for any other license,
26 registration, permit and or authorization issued pursuant to this chapter.

27 (b) The form for delivery of an application pursuant to this chapter.

28 (c) Procedures for fingerprinting of an individual gaming applicant and an individual
29 applicant for any other license, registration, permit and or authorization awarded, issued, or
30 accepted pursuant to this chapter.

31 (d) Systems and methods for controlling access to a gaming floor and restricted areas
32 within a gaming location and for ensuring the safety and security of a gaming location and a
33 gaming licensee's players, employees, and invitees.

34 (e) Methods for notifying a gaming applicant and an applicant for any other license,
35 registration, permit and or authorization, issued pursuant to this chapter.

36 (f) The time allotted to the attorney general to conduct and report to the commission on
37 a background investigation related to an applicant for a principal license, key employee license,
38 gaming vendor license, or other license under this chapter. The rules shall balance the efficient

1 administration of the licensing process with the need to ensure licenses are issued to person
2 meeting the suitability standards of this chapter. The rules shall be developed after consultation
3 with the attorney general and the division of state police.

4 (g) Disqualification and rehabilitation standards applicable to an applicant for a gaming
5 employee registration, non-gaming employee permit, or non-gaming vendor registration.

6 (h) Procedures, consistent with RSA 284-B:16, addressing the decision of the
7 commission on a gaming license application including, but not limited to:

8 (1) Administrative procedures applicable to the conduct of a gaming license hearing.

9 (2) Rules relating to:

10 (A) Content of the statement of conditions appended to a gaming license;

11 (B) Annual reporting to the commission with regard to compliance; and

12 (C) Consequences for non-compliance with the statement of conditions.

13 (3) Rules relating to the renewal of a gaming license.

14 (4) Criteria for evaluating an application for a gaming license consistent with this
15 chapter.

16 (5) Standards for monitoring and enforcing conditions placed by the commission on
17 a gaming license; and

18 (6) Procedures for monitoring and enforcing a gaming licensee's compliance with its
19 capital investment commitment.

20 (i) Licensing procedures, consistent with RSA 284-B:11, VII, addressing a principal
21 license including, but not limited to:

22 (1) A system of classification and standard of review for principals;

23 (2) An application and review process and time frame;

24 (3) Application, investigation, and renewal fees consistent with the annual fee
25 schedule adopted and published by the commission;

26 (4) A waiver process;

27 (5) Administrative procedures applicable to the conduct of hearings related to a
28 principal license including, but not limited to:

29 (A) Rules of evidence;

30 (B) Notice requirements; and

31 (C) Rules permitting an applicant to raise an objection to the conduct of a
32 hearing procedure, process, or ruling of the commission;

33 (6) Rules relating to the renewal of a principal license;

34 (7) An abbreviated investigative process under RSA 284-B:14 applicable to a
35 principal license granted pursuant to this chapter;

36 (j) Licensing procedures, consistent with RSA 284-B:18, addressing individuals
37 employed by a gaming applicant or gaming licensee including, but not limited to:

38 (1) A system of classification for individuals employed by a gaming licensee;

- 1 (2) Application, investigation, and review processes and time frames;
- 2 (3) Application, investigation, and renewal fees for each category of license,
- 3 registration, or permit consistent with the annual fee schedule adopted and published by the
- 4 commission;
- 5 (4) Standards of review;
- 6 (5) Administrative procedures applicable to the conduct of hearings related to a key
- 7 employee license, gaming employee registration, and non-gaming employee permit;
- 8 (6) Procedures, if determined by the commission to be appropriate, for issuance of a
- 9 temporary key license, gaming employee registration, non-gaming employee permit, or other
- 10 employee authorization;
- 11 (7) Rules relating to the renewal of a license, registration, or permit; and
- 12 (8) An abbreviated investigative process, consistent with RSA 284-B:14, applicable
- 13 to any license, registration, permit, or employee authorization granted pursuant to this chapter
- 14 other than a competitively awarded gaming license where abbreviated licensing shall not be
- 15 available.
- 16 (k) Licensing procedures, consistent with RSA 284-B:11, addressing persons doing
- 17 business with a gaming applicant or gaming licensee including, but not limited to:
- 18 (1) A system of classification for persons doing business with a gaming applicant or
- 19 licensee;
- 20 (2) An application, investigation and review process;
- 21 (3) Application, investigation, and renewal fees for each category of license or
- 22 registration consistent with the annual fee schedule adopted and published by the commission;
- 23 (4) Exemption criteria and processes;
- 24 (5) Interim authorization and emergency authorization processes;
- 25 (6) Standards of review;
- 26 (7) Administrative procedures applicable to the conduct of hearings related to a
- 27 gaming vendor license and non-gaming vendor registration; and
- 28 (8) An abbreviated investigative process under RSA 284-B:14 applicable to any
- 29 license, registration, or authorization granted pursuant to this section.
- 30 (l) The issuance, suspension and revocation of an operation certificate pursuant to this
- 31 chapter and the approval of a temporary gaming location.
- 32 (m) The submission, content of, acceptance by the commission and amendment of a
- 33 gaming licensee's system of internal controls.
- 34 (n) The maintenance and retention of a licensee's books, records, and documents.
- 35 (o) The prohibition on credit and to play with credit cards and debit cards.
- 36 (p) The provision of complimentary services.
- 37 (q) Betting limits and disclosure requirements applicable to a cashless wagering system.
- 38 (r) Disclosure requirements applicable to a player tracking system.

(s) Tips and gratuities.

(t) Exclusion of individuals under the age of 21 from a gaming location.

(u) Exclusion of individuals from a gaming location.

(v) Self-exclusion of individuals from a gaming location.

(w) Comprehensive, New Hampshire specific technical standards and requirements applicable to gaming equipment including, but not limited to:

(1) Receipt, review, distribution, and the commission approval process associated with the certification reports issued by independent testing laboratories pursuant to paragraphs V and VI of this section;

(2) If the commission elects to employ a central computer system, the communications protocol and technical standards for such system;

(3) Mechanical and electrical reliability of slot machines and associated equipment;

(4) Security features preventing tampering with slot machines and associated equipment;

(5) Comprehensibility to the player of wagering options and rules of play;

(6) Noise and light levels generated by slot machines;

(7) Design features necessary to ensure the accurate recording of transactions, to protect a player from fraud or deception, and to minimize any potential negative consequences associated with the play of a slot machine including, but not limited to:

(A) A prohibition on the use of reflexive software which, for the purposes of this section, shall be defined as any software that has the ability to manipulate and/or replace a randomly generated outcome for the purposes of changing the result on a slot machine;

(B) A requirement that a slot machine utilize one, or a combination of more than one random number generators working collectively, to determine the occurrence of a specific card, number, symbol, or stop;

(C) A requirement that once a random selection has occurred that the slot machine display an accurate representation of the randomly-selected outcome and that it be prohibited from making a secondary decision which affects the result shown to the player on the slot machine; and

(D) A requirement that where a slot machine includes a strategy choice, meaning that a particular play option requires use of skill to consistently achieve the best result, that the slot machine include in its rules of play mathematically sufficient information for a player to use optimal skill unless the player is not required to make an additional wager and cannot lose any credits earned prior to the strategy choice.

(8) Slot machine and table game circulation and density requirements;

(9) Progressive slot machines including multi-casino progressive systems;

(10) Review processes and product approval standards related to table game devices;

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- 1 (11) Rules of the game for each table game permitted under this chapter;
- 2 (12) Review processes and testing and approval standards applicable to variations
3 or composites of table games; and
- 4 (13) Physical and logical access to computer systems, including but not limited to,
5 systems meeting the definition of associated equipment and the location of the primary and back-up
6 system attendant to each.
- 7 (x) The payout percentage of a slot machine.
- 8 (y) Minimum and maximum wagers and content of a gaming guide.
- 9 (z) Gaming ticket expiration, unclaimed tickets, cash and prizes.
- 10 (aa) The collection of any fee, tax, penalty, or interest required to be collected pursuant
11 to the provisions of this chapter.
- 12 (bb) The adoption of an annual fee schedule specifying application, investigation, and
13 renewal fees that are not expressly specified in this chapter and that relate to any license,
14 registration, permit, or authorization awarded, issued, or accepted pursuant to this chapter, which
15 fee schedule shall cover the reasonable costs associated with processing an application or renewal or
16 conducting an investigation, including the criminal history record check and any background
17 investigation required under this chapter.
- 18 (cc) Financial reports required to be submitted by a gaming licensee and the timing on
19 the submission of and form thereof.
- 20 (dd) The submission to the commission of an annual audit prepared by a certified public
21 accountant licensed to do business in this state attesting to the financial condition of a licensee
22 accompanied by such reports and opinions as the commission shall require
- 23 (ee) Rules applicable to advertising by or on behalf of a gaming applicant or gaming
24 licensee and the commission's role in the approval thereto designed to:
- 25 (1) Ensure that advertising is in no way deceptive, that it contains messages
26 identifying sources for help and assistance with problem gambling, and that it promotes the
27 purposes of this chapter; and
- 28 (2) Ensure that any advertising plan developed and implemented by a gaming
29 applicant or gaming licensee is consistent with the department of resources and economic
30 development's program of information and publicity to attract tourists, visitors, industrial concerns,
31 and other interested persons from outside the state to the state of New Hampshire, to publicize the
32 family-friendly attributes and natural beauty of the state, and to encourage, coordinate, and
33 participate in the efforts of other public and private organizations or groups of citizens in order to
34 publicize the facilities, industrial advantages, and other attractions of the state for the same
35 purposes.
- 36 (ff) If the commission elects to employ a central computer system, rules establishing a
37 process for selecting and licensing a provider of a central computer system.
- 38 (gg) Establishing a process pursuant to which an independent testing laboratory

1 establishes that it meets the criteria required by this chapter to offer services in this state.

2 (hh) The qualifications of, and the conditions pursuant to which state licensed
3 attorneys, engineers, accountants, and others shall be permitted to practice before the commission
4 or to submit materials on behalf of any applicant, licensee, registrant, or permittee provided,
5 however, that no member of the legislature, nor any firm with which said member is associated,
6 shall be permitted to appear or practice or act in any capacity whatsoever before the commission
7 regarding any matter whatsoever, nor shall any member of the immediate family of the governor or
8 of a member of the legislature be permitted to so practice or appear in any capacity whatsoever
9 before the commission regarding any matter whatsoever, provided, however, that the commission
10 may provide by rule for the waiver of these prohibitions for an immediate family member or firm
11 with which said member is associated based on full disclosure of the nature of the practice or
12 appearance and a finding that a potential conflict is minimal or non-existent.

13 (ii) The conditioning, suspension or revocation of a gaming license and any other
14 license, registration, permit or authorization awarded, issued or accepted pursuant to this chapter.

15 (jj) Hearings before the commission pertaining to an alleged regulatory violation and
16 sanctions and penalties applicable thereto.

17 (kk) Requiring a gaming applicant, gaming licensee, and principal licensee to comply
18 with state and local building codes, local zoning ordinances and bylaws, and any other applicable
19 land use regulations.

20 (ll) Ensuring that all employees of a gaming licensee are properly trained in their
21 respective duties and responsibilities.

22 (mm) The conduct of junkets and conditions of junket agreements between a gaming
23 licensee and a junket representative.

24 (nn) Providing for the monitoring and enforcement of representations and commitments
25 made by a gaming licensee in its license application, including, but not limited to, representations
26 and commitments made pursuant to RSA 284-B:6, I(f) relative potential negative consequences
27 associated with gambling and the operation of its gambling location.

28 (oo) Providing for the implementation of problem gambling, public health, and related
29 research strategies consistent with applicable provisions of this chapter.

30 (pp) Criteria to be applied by the commission in determining whether a live
31 entertainment venue is impacted and establishing standards for monitoring and enforcing a gaming
32 licensee's agreement with an impacted live entertainment venue, provided, however, that in
33 adopting such rules the commission shall require the consideration of factors which include, but are
34 not limited to, the venue's distance from the gaming location, venue capacity, and the type of
35 performances offered by that venue.

36 (qq) The completeness review applied to an application for a principal license, key
37 employee license, gaming employee registration, non-gaming employee permit, gaming vendor
38 license, non-gaming vendor registration, or other authorization filed with the commission.

1 (rr) Requiring a gaming licensee to update certain enumerated information in its
2 application to the commission at least one time during the 10 year duration of a gaming license and
3 rules consistent therewith for other licensees, registrants, and permittees if deemed appropriate.

4 (ss) The appointment of a conservator to temporarily manage and operate the business
5 of a suspended or revoked gaming licensee.

6 (tt) Notice of, and commission approval of, a transfer of an interest in a gaming license,
7 a gaming licensee, or gaming location including, but not limited to, a transfer of an interest in a
8 gaming license, gaming licensee, or gaming location not meeting the principal licensing threshold of
9 RSA 284-B:16.

10 (uu) Amounts related to expired tickets and unclaimed cash and winnings reverting to
11 the state.

12 (vv) The power of the commission to delegate its authority to perform any of its
13 functions under this chapter or the regulations adopted pursuant thereto to an employee of the
14 commission, which rules shall include, but not be limited to, a right of appeal to the commission
15 where a delegated action is to be deemed the final action of the commission, provided, that a
16 commission action shall thereafter be subject to review in accordance with the procedures specified
17 in RSA 284-B:16, XIII and RSA 284-B:16, XIV, and provided further that the commission shall not
18 delegate its power to issue rules.

19 (wv) Commission approval of a management contract.

20 II. The commission shall initiate the rulemaking process immediately upon the effective
21 date of this chapter.

22 III. A request for applications under RSA 284-B:11 shall not occur prior to adoption of
23 licensing rules. Operating rules shall not be prerequisite to a request for applications.

24 IV. A license, registration, or permit, including a gaming license, shall not be issued prior to
25 the adoption of, at a minimum, licensing and operating rules.

26 284-B:4 Central Computer System.

27 I. Pursuant to an open competitive bidding process conducted in accordance with the
28 provisions of RSA 21-I, the commission may acquire and operate a central computer system into
29 which all slot machines shall be connected.

30 II. Any central computer system acquired and operated by the commission shall be capable
31 of:

32 (a) Continuously monitoring, retrieving, and auditing the operations, financial data,
33 and program information of all slot machines.

34 (b) Allowing the commission to account for all money inserted in and payouts made
35 from a slot machine.

36 (c) Disabling from operation or play a slot machine as the commission deems necessary
37 to carry out the provisions of this chapter.

38 (d) Supporting and monitoring a progressive jackpot system capable of operating one or

1 more progressive jackpots.

2 (e) Providing any other function that the commission considers necessary.

3 III. The central computer system shall employ a widely accepted gaming industry
4 communications protocol, as approved by the Gaming Standards Association, to facilitate the ability
5 of slot machine manufacturers to communicate with the central computer system.

6 IV. Except as provided in paragraph II(b), the commission shall not permit a gaming
7 licensee to have access to, or obtain information from, the central computer system unless it
8 determines that such access does not in any way affect the integrity or security of the central
9 computer system and is relevant to the legitimate operation of its slot machines.

10 284-B:5 Records; Confidentiality.

11 I. The commission shall keep and maintain a list of all applications it receives under this
12 chapter together with a record of each action taken with respect to an applicant. Except as
13 provided in paragraph IV of this section, a file, including the criminal records of an applicant under
14 this chapter and the record of the actions of the commission shall be open to public inspection
15 provided, however, that information regarding an applicant whose license, registration, or permit
16 has been denied, revoked, or not renewed shall be removed from the list after 5 years from the date
17 of such action.

18 II. The commission shall publish on the commission's Internet website a complete list of all
19 persons who applied for or hold a license, registration, permit, or other authorization pursuant to
20 this chapter during the preceding calendar year including principal licensees thereof and the status
21 of the application or license, registration, permit, or other authorization, provided, however, that
22 information regarding an applicant whose license, registration, or permit has been denied, revoked,
23 or not renewed shall be removed from the list after 5 years from the date of such action.

24 III. The commission shall maintain such other files and records as the commission
25 determines are necessary. All records maintained by the commission may be maintained in digital
26 or other format, provided that such information can be produced in written form upon the request of
27 the commission.

28 IV. All personal, financial, and proprietary information and data of a gaming applicant,
29 gaming licensee or applicant for, or holder of any other license, registration, permit, or other
30 authorization pursuant to this chapter including its principals and key employees, other than their
31 criminal records, required by the commission to be furnished to it, or which may otherwise be
32 obtained, shall be considered confidential and shall not be disclosed except in the course of the
33 necessary administration of this chapter, or upon the lawful order of a court of competent
34 jurisdiction, or, with the approval of the attorney general, to a duly authorized law enforcement
35 agency. Notwithstanding this paragraph, the division of state police, the commission, and the
36 attorney general may share information as is appropriate under this chapter.

37 V. For the purposes of this section, the proprietary information and data of a gaming
38 applicant or gaming licensee shall include, but not be limited to, marketing and player incentive

1 business intelligence and plans, security and surveillance procedures and protocols, the internal
2 controls required under RSA 284-B:26, all operations related submissions required by the
3 commission to be furnished to it under this chapter, and any other information or documentation
4 designated as proprietary by the commission.

5 VI. All records, information, or data maintained or kept by the commission shall be
6 maintained or kept at the office of the commission or another site designated by the commission for
7 that purpose.

8 VII. Notice of the contents of any information or data to be released consistent with
9 paragraph IV of this section, except to a duly authorized law enforcement agency, shall be given to
10 the person that is the subject of the release in a manner prescribed by the rules adopted by the
11 commission so that the applicant or licensee has the opportunity to object to such release.

12 VIII. With regard to meetings, minutes, and records of the commission, the commission
13 shall notice all proceedings and shall make and keep a record of all proceedings held at public
14 meetings of the commission. A verbatim transcript of those proceedings shall be prepared by the
15 commission upon the request of any commissioner or upon the request of any other person and the
16 payment by that person of the costs of preparation. A copy of the transcript shall be made available
17 to any person upon request and payment of the costs of preparing the copy.

18 284-B:6 Employees and Contractors.

19 I. The commission, the attorney general, and the division of state police gaming
20 enforcement unit may from time to time contract for such legal, financial, economic, or security
21 consultants, and any other technical and professional services as it deems necessary for the
22 discharge of its duties under this chapter.

23 II. The commission may employ certain assistants, and contract with certain individuals or
24 entities experienced in the regulation of gaming to carry out the provisions of this chapter. Such
25 assistants and employees shall receive compensation at rates to be established by the department of
26 administrative services, division of personnel.

27 284-B:7 Annual Report to the General Court.

28 I. No later than November 1 of each calendar year, the commission shall provide a report to
29 the fiscal committee of the general court regarding the generation of revenues of slot machines and
30 table games by a gaming licensee.

31 II. The legislative budget assistant, and any expert consultants hired to assist the
32 legislative budget assistant in carrying out his or her duties, shall have access to any information,
33 including confidential information, the legislative budget assistant may request for the purpose of
34 conducting audits of the commission pursuant to RSA 14:31-a. If the legislative budget assistant or
35 any expert consultant requires access to confidential information, the commission shall furnish the
36 information and the legislative budget assistant or any expert consultant shall be subject to the
37 same restrictions and penalties regarding the disclosure of the information as the original custodian
38 of the information. This paragraph shall not be construed to authorize disclosure to any member of

1 the legislature. Any confidential information provided to the legislative budget assistant under this
2 section shall be subject to the provisions of RSA 14:31, IV.

3 284-B:8 Number of Gaming Licenses.

4 I. The commission shall award not more than one category 1 gaming license and not more
5 than one category 2 gaming license, as defined in paragraphs II and III of this section, for 2
6 separate gaming locations.

7 II. The category 1 license shall authorize:

8 (a) The operation of not more than 160 table games, provided that the licensee's
9 application shall propose operation of at least 80 table games; and

10 (b) The operation of no more than 3,500 slot machines, provided that the licensee's
11 application shall propose operation of at least 2,000 slot machines.

12 III. The category 2 license shall authorize:

13 (a) The operation of no more than 80 table games, provided that the licensee's
14 application shall propose operation of at least 25 table games; and

15 (b) The operation of no more than 1,500 slot machines, provided that the licensee's
16 application shall propose operation of at least 750 slot machines.

17 IV. No entity shall hold both the category 1 and category 2 licenses.

18 V. There shall be a moratorium on the issuance of any gaming licenses in addition to the 2
19 authorized by this section for a period of 10 years from the date of the issuance of the category 2
20 licensee. Thereafter, the commission shall not be given the authority to issue any additional
21 licenses unless the issuance of such licenses is approved by a 2/3 vote of both houses of the general
22 court.

23 284-B:9 Procedures for Adoption by Local Community.

24 I. Any municipality desiring to permit a gaming location may adopt the provisions of
25 RSA 284-B to allow the operation of slot machines and table games at a specific location in the
26 following manner:

27 (a) In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the
28 questions shall be placed on the warrant of an annual or special town meeting, by the governing
29 body or by petition pursuant to RSA 39:3.

30 (b) In a city or town that has adopted a charter pursuant to RSA 49-C or RSA 49-D,
31 upon request of a gaming applicant to authorize the operation of slot machines and table games at a
32 specific location within the municipality in accordance with the provisions of RSA 284-B, the
33 governing body shall place the question on the ballot to be voted upon at the next regularly
34 scheduled municipal or biennial election unless such election is more than 90 days from the request.
35 In such circumstance, the governing body shall place the question on the ballot for a special election
36 called for the purpose of voting on said question and which special election shall occur within 75
37 days after the request is made. Such special election shall be held at the usual ward polling places
38 by the regular election officials.

1 (c) In any unincorporated place, and notwithstanding any other provision of law to the
2 contrary, upon the request of a gaming applicant to authorize the operation of slot machines and
3 table games at a specific location within the unincorporated place to either the moderator of the
4 unincorporated place if the unincorporated place is organized to vote pursuant to RSA 668:1, or the
5 clerk of the designated town if the unincorporated place is not organized for voting as provided in
6 RSA 668:2, the moderator or the clerk shall place the question on the ballot to be voted upon at the
7 next regularly scheduled biennial election. The ballot shall be given to the individuals who are
8 domiciled in such unincorporated place who are registered to vote.

9 (d) If a majority of those voting on the question vote “Yes,” RSA 284-B shall apply in
10 such town or city and the operation of slot machines and table games shall be permitted at a specific
11 location within such town, city, or unincorporated place in accordance with RSA 284-B. If a
12 majority of those voting on the question vote “No” the question may be voted on at a subsequent
13 time in accordance with this section provided, however, the town may consider the question at no
14 more than one special meeting and the annual town meeting in the same calendar year after a “No”
15 vote. A city or town subject to subparagraph I(b) may consider the question at no more than one
16 special election and a regular municipal or biennial election in the same calendar year after a “No”
17 vote.

18 (e) The wording of the question shall be substantially as follows: “Shall we adopt the
19 provisions of RSA 284-B allowing the operation of slot machines and table games at [insert the
20 name of the proposed gaming location] located within the [insert name of town, city, or
21 unincorporated place]”?

22 II. When a gaming applicant requests a town, city, or unincorporated place to act under
23 paragraph I, the gaming applicant shall pay all costs associated with carrying out the actions under
24 this section.

25 284-B:10 Gaming License Authorization; Hours of Operation.

26 I. A gaming license issued by the commission shall authorize an applicant to possess,
27 conduct and operate slot machines and table games at a gaming location.

28 II. A gaming licensee may operate up to 24 hours a day on every day of the year with a
29 gaming day commencing at 6:00 AM and ending at 5:59 AM.

30 III. A gaming licensee may operate only on the days and during the hours authorized by
31 the commission in the operation certificate issued pursuant to RSA 284-B:26.

32 284-B:11 Gaming License Application Requirements.

33 I. The commission shall issue a request for applications:

34 (a) For a category 1 gaming license within 30 days of the adoption of licensing rules in
35 accordance with RSA 284-B:3, IV; and

36 (b) For the category 2 license within one year after the issuance of the request for
37 applications for the category 1 license. The request for applications shall require all gaming license
38 applications to be submitted to the commission no later than 120 days after the publication of the

request, provided, however, that an applicant who has paid the full application and investigation fees required by RSA 284-B:12 may receive one extension of up to 30 days upon a finding of good cause shown by the commission. Applications received after the deadline shall not be reviewed by the commission. The commission shall approve, approve with conditions, or deny all applications submitted in accordance with the provisions of this chapter and any applicable rules promulgated by the commission.

II. Requests for applications pursuant to paragraph I of this section shall be advertised in a newspaper of general circulation in the state, in Commerce Business Daily or an equivalent publication, and on the official Internet website of the commission.

III. An applicant for a gaming license shall submit the following documentation, as reasonably applicable to status as an individual, corporation, limited liability company or other form of business enterprise, for consideration by the commission.

(a) A fully executed and complete application on forms prescribed by the commission which may include, but need not be limited to, a multi-jurisdictional personal history and/or business entity disclosure form and any New Hampshire supplements to those forms. An application shall be deemed complete in accordance with RSA 284-B:13.

(b) The application shall include any and all information requested by the commission including, but not limited to, information regarding:

(1) The applicant's criminal history including a sworn statement with regard to all arrests and citations for non-traffic offenses that includes, at a minimum, a description of the circumstances surrounding the arrest or issuance of the citation, the specific offense charged and the ultimate disposition of the charge, including details of any dismissal, plea bargain, conviction, sentence, pardon, expungement, or other order or disposition;

(2) Fingerprints for each individual applicant and a written consent for a criminal history record check for the applicant;

(3) All civil actions, including bankruptcy filings, to which the applicant was a party during the past 10 years; including, but not limited to, actions resulting in a civil judgment;

(4) Information and documentation demonstrating by clear and convincing evidence the applicant's financial stability including, but not limited to, bank references, business and personal income and disbursement schedules, tax returns and other reports and actions filed with government agencies, details with regard to any bankruptcy filing, whether or not dismissed, business and personal accounting check records and ledgers, and other relevant source documents covering at least the 10 year period immediately prior to the date of filing of the application;

(5) Information and documentation demonstrating by clear and convincing evidence the applicant's good character, honesty and integrity including, but not limited to, information pertaining to family, habits, character, reputation, criminal history, business activities, financial affairs, and business, professional, and personal associates, covering at least the 10-year period immediately prior to the date of filing of the application;

1 (6) Information and documentation with regard to all contributions, donations,
2 loans, or any other financial transactions to or from a gaming entity or operator in the past 5 years;

3 (7) Full name, address, date of birth, a photograph, and other personal identifying
4 information; and

5 (8) Such other information as the commission shall deem relevant to its
6 consideration of the application including documentation and information that predates the 10-year
7 period immediately prior to the date of filing of the application.

8 IV. An applicant for a gaming license shall also submit the following documentation, as
9 reasonably applicable to status as an individual, corporation, limited liability company, or other
10 form of business enterprise, for consideration by the commission:

11 (a) Information and documentation demonstrating by clear and convincing evidence
12 that the applicant has sufficient business ability and experience to establish and maintain a
13 successful gaming operation, including, but not limited to, information demonstrating the
14 experience of the applicant in developing, constructing, and managing a gaming operation.

15 (b) Information and documentation in the form of a payment bond, letter of credit,
16 guaranty of private equity, or other funds which demonstrate cash and reserve availability
17 supporting the applicant's ability to pay the license fee required pursuant to this chapter.

18 (c) If the applicant held or holds a gaming license in another jurisdiction that fact shall
19 be disclosed to the commission and the applicant shall submit a letter of reference as appropriate
20 from the relevant gaming enforcement or control agency which sets forth the experience of that
21 agency with the applicant and the gaming operation with which the applicant was or is associated.
22 If no letter of reference is issued and received within 30 days of a written request, a statement
23 under oath that the person is or was during the period of licensure in good standing with the
24 relevant gaming enforcement or control agency may be substituted in lieu of a letter of reference.

25 (d) If directed to do so by the commission, an application to any federal or state agency
26 deemed appropriate by the commission for agency records pertaining to the applicant under the
27 Freedom of Information Act (5 U.S.C. section 552) and the subsequent provision of the complete
28 record received from said agency, provided, however, that nothing shall preclude the commission
29 from awarding or issuing a license prior to receipt of any information so requested.

30 (e) Documentation to support the applicant's ability to pay, exchange, refinance, or
31 extend debts, including long-term and short-term principal and interest and capital lease
32 obligations, which will mature or otherwise come due and payable during the gaming license term,
33 or to otherwise manage such debts and any default with respect to such debts.

34 (f) Documentation supporting the applicant's recognition of its obligation to identify,
35 address, and minimize any potential negative consequences associated with gambling and the
36 operation of its gaming location including, but not limited to, the following:

37 (1) Demonstration of an adequately funded commitment to combat problem
38 gambling to include efforts directed at prevention, intervention, treatment, and research;

1 (2) Provision of rent free on-site space for an independent substance abuse and
2 mental health counseling service to be selected by the commission;

3 (3) Commitment to the prominent display throughout the gaming location of
4 information on the signs of problem gambling and how to access assistance;

5 (4) Commitment to the full implementation of the exclusion and self-exclusion rules
6 adopted by the commission;

7 (5) Maintenance of a smoke-free environment within enclosed places within the
8 gaming location consistent with RSA 155:66;

9 (6) Commitment to the full implementation of other problem gambling and public
10 health strategies deemed appropriate by the commission; and

11 (7) Commitment to the full implementation of procedures and controls precluding
12 the offer of alcoholic beverages free of charge for consumption at the gaming location; and

13 (8) Commitment to the operation of a gaming location that provides or facilitates the
14 availability of childcare services to employees but does not provide for or facilitate such services for
15 the convenience of players.

16 (g) A workforce development plan that advances job growth, positive economic
17 development and fulfills the related purposes of this chapter by:

18 (1) Incorporating an affirmative action program pursuant to which the applicant
19 guarantees to provide equal opportunities to all persons qualified for licensure, registration, or
20 permitting in all employment categories, including persons with disabilities;

21 (2) Providing outreach to, and maximizing use of, the state's existing labor force and
22 requiring an accurate estimate and encouragement of, the utilization of the existing labor force in
23 New Hampshire;

24 (3) Providing an accurate estimate of the number of construction jobs the gaming
25 location will generate;

26 (4) Providing an equal opportunity plan for construction jobs, as delivered by a
27 contractor or subcontractor, that includes specific goals for utilization of women, minorities, and
28 veterans;

29 (5) Identifying and describing workforce training programs to be offered by the
30 applicant or its agents;

31 (6) Addressing the applicant's plan for providing childcare for children of employees;

32 (7) Providing a plan for funding and maintaining hiring, training, and management
33 practices that promote the development of a skilled and diverse workforce;

34 (8) Providing a plan to achieve business participation by women, minorities, and
35 veterans; and

36 (9) Identifying a method for assessing on an annual basis the applicant's compliance
37 with its workforce development plan and the submission of a written assessment to the commission;
38 and

1 (h) Such other information as the commission shall deem relevant to its consideration of
2 the application.

3 V. An applicant for a gaming license shall also submit to the commission the following
4 documentation regarding the gaming location and gaming operation proposed by the applicant.

5 (a) Evidence that the applicant has obtained local approval in accordance with RSA 284-
6 B:9.

7 (b) Details with regard to the amount and timing of its proposed capital investment,
8 which capital investment must meet or exceed the minimum capital investment requirements
9 established by RSA 284-B:16.

10 (c) A complete description of the proposed gaming location, including architectural
11 renderings, a site plan and proposed gaming floor plan identifying type and number of slot
12 machines and table games, and the names and addresses of the architects, engineers, and designers
13 to be utilized.

14 (d) Documentation as to the assessed value of the land to be developed as a gaming
15 location as of the date of application as well as ownership of the land over the past 10 years,
16 including all interests, options, and agreements related to the land during that period.

17 (e) A timeline on construction that includes details regarding each stage of construction
18 for the gaming location to include a completion date for each stage of construction as well as for
19 infrastructure improvements and representations with regard to the ability of the applicant to
20 comply with statutory, regulatory, and technical standards including, but not limited to, those
21 related to zoning, infrastructure, and environmental considerations applicable to the design and
22 development of the proposed gaming location.

23 (f) A description of the supporting amenities and ancillary entertainment services to be
24 offered at the proposed gaming location, including the number of hotels and rooms, if any,
25 restaurants and other amenities located within the proposed gaming location and how they measure
26 in quantity and quality to other area amenities.

27 (g) The number of employees and independent contractors required to operate the
28 proposed gaming location, including detailed information as to the projected breakdown between
29 full and part time employees and independent contractors and proposed pay ranges and benefit
30 packages for each category of employee or contractor.

31 (h) Documentation to support the applicant's ability to make necessary capital and
32 maintenance expenditures in a timely manner that are adequate to ensure maintenance of a
33 superior, first-class gaming location.

34 (i) Evidence in the form of completed studies and/or reports issued by independent,
35 recognized experts in the most relevant field to establish how the gaming location and gaming
36 operation proposed by the applicant addresses or impacts the following:

37 (1) The availability of local resources to support services and amenities necessary to
38 accommodate projected guest volume in the form of transportation, regional geography, work force

1 demographics, rooms and meals, utilities, and law enforcement;

2 (2) The immediate and long range financial feasibility of the applicant's proposed
3 gaming location and operation including a projection of the revenues to be produced by the
4 operation of slot machines and table games at the gaming location, the ability to achieve positive
5 gross operating profit on an annual basis in a specific time frame, and the estimated municipal and
6 state tax revenue to be generated by the gaming location, as supported by an expert experienced in
7 the field of gaming;

8 (3) Economic and environmental benefits to the region and the state from the
9 project, including the ability of the applicant's proposed gaming location and operation, both in its
10 construction and its operation, to provide new and sustainable jobs for the community and to meet
11 the highest practicable energy efficiency and environmental sustainability standards;

12 (4) The accessibility of the proposed gaming location to public transportation and
13 public highway infrastructures;

14 (5) The ability of the design of the proposed gaming location to enhance tourism and
15 development and to create commercial development opportunities for the community and its
16 compatibility with historic uses, regional branding and local zoning ordinances;

17 (6) The impact on the local and regional community, including:

18 (A) Impact on the local and regional economies, including but not limited to,
19 cultural institutions and small businesses in the host community and surrounding communities;
20 and

21 (B) Costs and benefits to the host and surrounding communities in the form of
22 jobs, revenues, business development, and social issues associated with the gaming location; and

23 (7) Signed agreements between the impacted live entertainment venue and the
24 applicant setting forth the agreement of the parties with regard to mitigation of any potential
25 negative impact resulting from the construction and operation of a licensee live entertainment
26 venue at a gaming location in proximity to the impacted live entertainment venue, provided,
27 however, that the agreement shall include, but not be limited to, terms relating to cross marketing,
28 limitations to exclusivity arrangements with performers, coordination of performance schedules,
29 promotions, and ticket prices.

30 (8) A description of any licensee live entertainment venue proposed, which space
31 shall not have a seating capacity in excess of 1,500 seats; provided that this restriction on seating
32 capacity shall not be applied to limit the attendance at any outdoor event hosted by the facility.

33 (j) Such other information as the commission shall deem relevant to its consideration of
34 the application.

35 VI. If the applicant for a gaming license is a corporation, limited liability company, or other
36 form of business enterprise, the applicant shall also provide or ensure the submission of the
37 following information:

38 (a) The ownership, organization, financial structure, and nature of all businesses

1 operated by the applicant including the name of the state under the laws of which each business is
2 formed and the location of its principal place of business.

3 (b) The names and personal employment and criminal histories of all officers, directors,
4 and key employees of the applicant.

5 (c) The names of all holding, intermediary, and subsidiary companies of the applicant.

6 (d) With regard to any holding, intermediary, or subsidiary company the ownership,
7 organization, financial structure and nature of all businesses operated by each company and, to the
8 extent required by paragraph VII and the rules adopted by the commission, the names and personal
9 employment and criminal histories of all officers, directors and key employees of such holding,
10 intermediary, and subsidiary companies.

11 (e) The rights and privileges acquired by the holders of different classes of authorized
12 securities in the applicant including the names, addresses, and amounts held by all holders of such
13 securities.

14 (f) The terms upon which securities in the applicant have been or are to be offered.

15 (g) Any other indebtedness or security devices utilized by the applicant.

16 (h) The extent of the equity security holdings in the applicant of all officers, directors,
17 and key employees together with their remuneration in the form of salary, wages, fees, or
18 otherwise.

19 (i) A description of all bonus and profit-sharing arrangements.

20 (j) Details with regard to any management or inter-company shared service agreements
21 or functional equivalent thereof.

22 (k) A listing of stock options existing or to be created.

23 (l) Documentation establishing that the applicant and any holding, intermediary or
24 subsidiary company required to qualify in conjunction with the gaming license application pursuant
25 to paragraph VII are qualified to do business in the state of New Hampshire.

26 (m) If a direct or indirect interest in the applicant is a trust, the application shall
27 disclose the names and addresses of all trustees and beneficiaries and shall provide details with
28 regard to their respective interests.

29 (n) Such other information as the commission shall deem relevant to its consideration of
30 the application.

31 VII. All persons associated with a gaming applicant or gaming licensee meeting the
32 definition of a principal in RSA 284-B:1 shall be qualified for licensure in accordance with this
33 chapter in conjunction with a gaming license application.

34 (a) The commission shall adopt rules consistent with this chapter and the efficient
35 administration of the licensing process relating to:

36 (1) A system of classification and standards of review for principals;

37 (2) An application and review process and time frame;

38 (3) Application, investigation, and renewal fees consistent with the annual fee

1 schedule adopted and published by the commission;

2 (4) A waiver process;

3 (5) Administrative procedures applicable to the conduct of hearings related to a
4 principal license including, but not limited to:

5 (A) Rules of evidence;

6 (B) Notice requirements; and

7 (C) Rules permitting an applicant to raise an objection to the conduct of a
8 hearing procedure, process or ruling of the commission;

9 (6) Rules relating to the renewal of a license;

10 (7) An abbreviated licensing process under RSA 284-B:11 of this chapter applicable
11 to any license, registration, permit, or employee authorization granted pursuant to this section;

12 (8) Such other procedures as are necessary to efficiently implement and administer
13 this paragraph.

14 (b) A principal license issued pursuant to this chapter shall expire 5 years from the date
15 of issuance subject to renewal pursuant to this chapter.

16 (c) An individual required to qualify and be licensed as a principal pursuant to this
17 paragraph shall be required, at a minimum, to establish by clear and convincing evidence his or her
18 qualification in accordance with the standards applicable to a key employee under this chapter with
19 the exception of any requirement related to residency.

20 (d) A person other than an individual required to qualify and be licensed as a principal
21 pursuant to this paragraph shall be required, at a minimum, to establish by clear and convincing
22 evidence financial stability, good character, honesty, and integrity to the same standard as a
23 gaming licensee.

24 (e) The commission may waive a principal license requirement pursuant to this
25 paragraph for a person directly or indirectly holding more than a 5 percent ownership interest in
26 the securities in a publicly traded company upon a showing by the person seeking the waiver that
27 they do not have the ability to elect one or more members of the board of directors of a gaming
28 applicant or gaming licensee or to otherwise manage, control, influence, or affect the affairs or
29 operations of a gaming applicant or gaming licensee or its holding, intermediary, or subsidiary
30 company.

31 (f) The commission may waive a principal license requirement pursuant to this
32 paragraph for an institutional investor holding up to 15 percent of the stock of a gaming applicant
33 or gaming licensee upon a showing by the person seeking the waiver that the applicant purchased
34 the securities for investment purposes only and does not have the ability to, or the intention of,
35 managing, controlling, or otherwise influencing or affecting the affairs or operations of a gaming
36 applicant or gaming licensee or its holding, intermediary, or subsidiary company. An institutional
37 investor granted a waiver that subsequently determines to manage or control or to take an action
38 that potentially influences or affects the affairs or operations of an applicant or gaming license or its

1 holding, intermediary or subsidiary company shall be licensed under this chapter before the
2 institutional investor takes such action. The commission may, at any time, make a determination
3 that an institutional investor is in a position to control, manage, or otherwise influence or affect a
4 gaming applicant or gaming licensee and, on that basis, may require an institutional investor,
5 regardless of the extent of the ownership interest, to be licensed as a principal under this chapter.

6 (g) The commission may waive a principal license requirement pursuant to this
7 paragraph in accordance with rules adopted by the commission requiring a showing that the person
8 seeking the waiver does not have the ability to, or the intention of, managing, controlling, or
9 otherwise influencing or affecting the affairs or operations of a gaming applicant or gaming licensee
10 or its holding, intermediary, or subsidiary company. In no event, however, shall the commission
11 waive the requirements of this paragraph for a person holding more than 15 percent of a gaming
12 applicant or gaming licensee.

13 VIII. An applicant for a principal license shall submit the following documentation, as
14 reasonably applicable to status as an individual, corporation, limited liability company, or other
15 form of business enterprise, for consideration by the commission:

16 (a) A description of the relationship triggering the requirement to be licensed as a
17 principal under paragraph VII.

18 (b) A fully executed and complete application on forms prescribed by the commission.
19 An application shall be deemed complete in accordance with RSA 284-B:13.

20 (c) All documentation, fingerprints and consents required of a gaming license applicant
21 under paragraph III.

22 (d) All documentation required of a gaming license applicant under subparagraph IV(a).

23 (e) The documentation related to a similar gaming license, registration, permit, or other
24 authorization required of a gaming licensee applicant under subparagraph IV(c).

25 (f) Where applicable, all documentation required of a gaming license applicant under
26 paragraph VI.

27 (g) Such other information as the commission shall deem relevant to its consideration of
28 the application.

29 IX. The hearing, decision, and appeal procedures enumerated in RSA 284-B:16, X through
30 RSA 284-B:16, XIV shall also apply to an applicant for or holder of a principal license.

31 X. A principal license for which a completed renewal application and fee, if required, has
32 been received by the commission shall continue in effect unless and until the commission sends
33 written notification to the holder that the commission has denied the renewal of the principal
34 license.

35 284-B:12 Gaming License Fees; License Term.

36 I. The commission shall collect in conjunction with either a category 1 gaming license
37 application or a category 2 gaming license application a nonrefundable gaming license application
38 fee in the amount of \$400,000 to cover the cost of processing and reviewing an application. If the

1 cost of processing and reviewing the application exceeds the amount of the initial application fee,
2 the commission may impose upon the applicant an additional fee sufficient to cover any documented
3 shortfall which the applicant shall pay to the commission within 15 days of the date of an invoice.
4 The amount shall be deposited in the gaming regulatory fund and shall be available to the state in
5 the fiscal year received.

6 II. The commission shall collect in conjunction with a gaming license application, and
7 transmit to the attorney general, a nonrefundable gaming license investigation fee in the amount of
8 \$100,000 to cover the cost of the background investigation. If the cost of the background
9 investigation exceeds the amount of the initial application fee, the commission may impose upon the
10 applicant an additional fee sufficient to cover any documented shortfall which the applicant shall
11 pay to the commission, for transmission to the attorney general, within 15 days of the date of an
12 invoice. The amount shall be deposited in the gaming regulatory fund and shall be available to the
13 state in the fiscal year received.

14 III. Upon an award of a gaming license, the commission shall collect an initial license fee in
15 the following amounts:

16 (a) In the case of a category 1 gaming license, a fee of \$80,000,000; and

17 (b) In the case of a category 2 gaming license, a fee \$40,000,000. Such fees shall be paid
18 to the gaming regulatory fund within 30 days of the award of the license.

19 IV(a). Upon payment of a license fee by a gaming licensee under this chapter, the
20 commission shall fully reimburse funds received:

21 (1) By the commission from activities authorized by RSA 284, RSA 287-D, RSA 287-
22 E, and RSA 287-F in proportion to the expenses of the commission borne by each such activity in
23 the administration of this chapter as authorized by RSA 284-B:3 prior to the payment of the license
24 fee.

25 (2) By the gaming regulatory oversight authority from activities authorized by
26 RSA 284 and RSA 287-F in proportion to the expenses of the authority borne by each such activity
27 in the administration of RSA 284-A.

28 (b) The general court shall determine the distribution of the balance of the initial
29 license fee revenue after the reimbursements required by RSA 284-B:11, provided that distributions
30 shall include the following:

31 (1) Distributions to host or near-by municipalities deemed sufficient by the general
32 court to offset costs incurred by such municipalities attributable to a gaming location's placement.

33 (2) Revenue in an amount determined by the general court shall be paid to the state
34 treasurer and credited to the commissioner of the department of health and human services to
35 support programs established by RSA 172 to fund baseline research into the prevalence of problem
36 gambling in New Hampshire prior to the expansion of gaming as authorized by this chapter, to
37 identify and assess the treatment needs of individuals with compulsive and problem gambling
38 disorders, to identify effective programming to prevent and control compulsive and problem

1 gambling, and to examine the connections between gambling disorders and drug and alcohol
2 addiction disorders.

3 (3) Distributions to the state treasurer for transfer to the commission, attorney
4 general and department of safety in amounts equal to any costs of regulatory control over a gaming
5 licensee that are not covered by any other designated source of funding in this chapter.

6 (c) Upon receipt of the license fee, and satisfaction of any additional conditions
7 precedent imposed by the commission, the commission shall issue the gaming license.

8 (d) The amount shall be deposited in the gaming regulatory fund and shall be available
9 to the state in the fiscal year received.

10 V. A gaming license shall expire 10 years from the date of issuance of the gaming license
11 subject to renewal pursuant to this chapter.

12 (a) The commission shall adopt rules consistent with this chapter relating to procedures
13 for renewal of a gaming license, including an application and review process and such other
14 procedures as are necessary to implement this paragraph.

15 (b) The commission shall collect a license renewal fee in the amount of \$1,500,000 which
16 shall be paid to the state treasurer by the gaming licensee within 30 days of the award of the
17 renewal of the license. The general court shall determine the distribution of the license renewal fee.
18 Upon receipt of the renewal fee, and satisfaction of any additional conditions precedent imposed by
19 the commission, the commission shall issue the gaming license renewal. The amount shall be
20 deposited in the gaming regulatory fund and shall be available to the state in the fiscal year
21 received.

22 VI. There is established in the office of the state treasurer a nonlapsing fund to be known
23 as the gaming regulatory fund to be administered by the gaming commission which shall be kept
24 distinct and separate from all other funds. All moneys in the gaming regulatory fund shall be
25 nonlapsing and continually appropriated to the gaming commission for the purpose of distribution
26 under this section.

27 284-B:13 Application Completeness Review.

28 I. For the purposes of this section, a complete application under this chapter is an
29 application that is timely received, accompanied by all applicable fees and includes all information
30 and documentation required by this chapter, any rules adopted by the commission and any
31 instructions prescribed by the commission in connection with the application process.

32 II. The content of an application made pursuant to this chapter shall be subject to the
33 confidentiality requirements of RSA 284-B:3.

34 III. The commission shall examine each application for a gaming license, principal license,
35 key employee license, gaming employee registration, non-gaming employee permit, gaming vendor
36 license, non-gaming vendor registration, or other authorization filed pursuant to this chapter for
37 completeness.

38 IV. The commission shall apply the following completeness review procedures to a gaming

1 license application.

2 (a) If the commission determines a gaming license application to be incomplete, the
3 commission shall provide a written notification of incompleteness to the applicant within 30 days of
4 actual receipt by the commission of the application. The notification of incompleteness shall include
5 an explanation of the reason the application was deemed incomplete. If a written notice of
6 incompleteness is not issued by the commission within 30 days of actual receipt, the application
7 shall be deemed complete and the applicant notified to that effect.

8 (b) Upon receipt of a first written notice of incompleteness, an applicant shall have 15
9 business days from the date of the written notice of incompleteness to submit to the commission the
10 information requested. The applicant shall not include in its resubmission information unrelated to
11 the deficiencies enumerated in the commission's notice. The commission shall review the additional
12 information submitted by the applicant within 10 business days of actual receipt by the commission.

13 (1) If the additional information is satisfactory, the commission shall notify the
14 applicant in writing that the gaming license application has been deemed complete;

15 (2) If the gaming license application remains incomplete, the commission shall
16 provide a second written notice of incompleteness to the applicant. The second notice of
17 incompleteness shall include a explanation of the reason the application was deemed incomplete
18 and shall allow the applicant an additional 10 business days from the date of the second written
19 notice of incompleteness to provide any requested information. The applicant shall not include in
20 its resubmission information unrelated to the deficiencies enumerated in the commission's notice.
21 The commission shall review the additional information submitted by the applicant within 10
22 business days of actual receipt by the commission:

23 (A) If the additional information is satisfactory, the commission shall notify the
24 applicant in writing that the gaming license application has been deemed complete; and

25 (B) If the gaming license application remains incomplete, the commission shall
26 provide a third and final written notice of incompleteness to the applicant. The third and final
27 notice of incompleteness shall include an explanation of the reason the application was deemed
28 incomplete and shall allow the applicant an additional 3 business days from the date of the third
29 and final written notice of incompleteness to provide any requested information. The applicant
30 shall not include in its resubmission information unrelated to the deficiencies enumerated in the
31 commission's notice. The commission shall review the additional information submitted by the
32 applicant within 10 business days of actual receipt by the commission;

33 (3) If the additional information is satisfactory, the commission shall notify the
34 applicant in writing that the gaming license application has been deemed complete; and

35 (4) If the gaming license application remains incomplete after a third and final
36 notice of incompleteness the application shall be administratively denied by the commission.

37 V. The commission shall adopt rules consistent with this chapter relative to the
38 completeness review applied to an application for a principal license, key employee license, gaming

1 employee registration, non-gaming employee permit, gaming vendor license, non-gaming vendor
2 registration, or other authorization filed with the commission. The rules shall provide for a form of
3 notice to the applicant and a time frame for notice of deficiency and resubmission by an applicant
4 consistent with the efficient administration of the licensing process.

5 VI. An applicant for a license may withdraw a complete application only with the approval
6 of the commission.

7 284-B:14 License Background Review.

8 I. Upon a determination by the commission that a gaming license, principal license, key
9 employee license, gaming vendor license, or other license application is complete, the commission
10 shall request that the attorney general commence an investigation into the suitability of the
11 applicant.

12 II. The full investigative file related to a background investigation performed in connection
13 with a license application shall be subject to the confidentiality requirements of RSA 284-B:3.

14 III. In any investigation conducted pursuant to this chapter the attorney general or any
15 duly authorized member of the attorney general's staff may require by subpoena or otherwise the
16 attendance of witnesses and the production of such correspondence, documents, books, and papers
17 as he or she deems advisable and may administer oaths and take the testimony of witnesses.

18 IV. In conducting a background investigation for a license under this chapter the attorney
19 general shall consider the suitability of the applicant including, but not limited to:

20 (a) Financial stability.

21 (b) Good character, honesty, and integrity.

22 (c) Business ability and gaming experience.

23 (d) Where applicable, the applicant's history of compliance in other regulated gaming
24 jurisdictions including, but not limited to, a letter of reference or sworn statement of good standing
25 produced in accordance with RSA 284-B:11, IV(c).

26 (e) Where applicable, the suitability of all principals required to qualify in conjunction
27 with the gaming license application in accordance with RSA 284-B:11, VII.

28 (f) Whether the applicant is disqualified from receiving a license under RSA 284-B:11.

29 (g) The applicant's ability, if required, to demonstrate rehabilitation in accordance with
30 RSA 284-B:11.

31 V. The attorney general may include in the scope of his or her investigation any other
32 information that the attorney general, in the exercise of his or her sole discretion, may deem
33 relevant.

34 VI. Where the commission finds, after study and comparison of applicable licensing
35 standards, that the licensing standards of another jurisdiction within the United States or Canada
36 are comprehensive, thorough, and require a suitability assessment substantially similar to this
37 chapter, the commission may prescribe by rules consistent with this chapter, an abbreviated
38 investigative process pursuant to which the attorney general and/or commission may, but are not

1 obligated to, expedite an applicant's background investigation or review by affording a degree of
2 deference to a license, registration, or permit held by an applicant in a jurisdiction found to be
3 comparable to New Hampshire. The availability of an abbreviated investigative process shall not
4 limit the discretion of or otherwise preclude the attorney general or commission from determining
5 that information it has independently or separately developed or received shall supersede or
6 outweigh a license, registration, or permit in good standing in a comparable state. An applicant's
7 eligibility for an abbreviated investigation process shall not be construed to waive any fees
8 associated with an application. An abbreviated licensing process shall not be applied to an
9 applicant for a gaming license.

10 VII. The attorney general may contract for legal, financial, and other professional services
11 as he or she deems appropriate to discharge his or her duties under this chapter. The attorney
12 general may also outsource a background investigation to an entity with demonstrated experienced
13 in gaming related background investigations provided that any recommendation to the commission
14 as to the suitability of an applicant to hold a license is made by the attorney general.

15 VIII. In the course of its background investigation, the attorney general may draw upon the
16 department of safety, division of state police and any other state or federal law enforcement agency
17 or regulating authority he or she deems appropriate.

18 IX. The attorney general may obtain from, and provide to, a law enforcement agency,
19 regulating authority or other domestic, federal, or foreign jurisdiction, including the Federal
20 Bureau of Investigation, pertinent information regarding an applicant or licensee and may transmit
21 or receive such information electronically.

22 X. The attorney general's report to the commission with regard to an applicant's
23 background investigation shall state whether or not in his or her opinion the person is suitable to
24 hold, or to qualify in conjunction with, a license in New Hampshire. The attorney general shall
25 determine the extent to which and the manner in which investigative results are reported to the
26 commission and, if reported, whether such results are to retain their confidential character.

27 XI. The attorney general's report to the commission with regard to an applicant for a
28 gaming license's background investigation shall be submitted to the commission within 120 days of
29 the date of the commission's referral of a complete application to the attorney general unless the
30 attorney general determines that additional time is needed and notifies the commission that good
31 cause exists for an extension to a date certain. Nothing herein shall limit the attorney general to
32 one extension for good cause.

33 XII. The commission shall prescribe rules consistent with this chapter, after consultation
34 with the attorney general and division of state police, relative to the time allotted to the attorney
35 general to conduct and report to the commission on a background investigation related to an
36 applicant for a principal license, key employee license, gaming vendor license, or other background
37 investigation performed pursuant to this chapter. The rules shall be consistent with the efficient
38 administration of the licensing process.

1 284-B:15 Grounds for Denial of a License.

2 I. The commission shall deny an application for a gaming license, principal license, key
3 employee license, gaming vendor license, or other license filed pursuant to this chapter where it
4 determines the applicant to be disqualified on the basis of any of the following criteria:

5 (a) Failure of the applicant to prove by clear and convincing evidence that the applicant
6 is qualified in accordance with the provisions of this chapter.

7 (b) Failure of the applicant to provide information, documentation, and assurances
8 required by this chapter or requested by the commission, failure of the applicant to reveal any fact
9 material to qualification or the supplying of information which is untrue or misleading as to a
10 material fact pertaining to the qualification criteria or other requirements of this chapter.

11 (c) The conviction of the applicant:

12 (1) For a felony or other crime involving embezzlement, theft, fraud or perjury in
13 any jurisdiction; or

14 (2) Any other offense under present New Hampshire or federal law which indicates
15 that licensure of the applicant would be inimical to the policies of this chapter or injurious to the
16 interests of the state in issuing a license, provided, however, that disqualification shall not be
17 automatic if the conviction:

18 (A) Did not occur within the 10-year period immediately preceding application
19 for licensure provided the applicant demonstrates its rehabilitation and the commission finds, after
20 hearing, that the applicant has established by clear and convincing evidence that automatic
21 disqualification pursuant to this paragraph is not justified; or

22 (B) Has been the subject of a judicial order of expungement or sealing.

23 (d) Current prosecution or pending charges in any jurisdiction for any of the offenses
24 enumerated in subparagraph (c), provided, however, that at the request of the applicant or the
25 person charged, the commission may defer decision upon such application during the pendency of
26 such charge.

27 (e) The pursuit by the applicant of economic gain in an occupational manner or context
28 which is in violation of the criminal or civil public policies of this state, if such pursuit creates a
29 reasonable belief that the participation of such person in gaming operations would be inimical to the
30 policies of this chapter or injurious to the interests of the state in issuing a license. For purposes of
31 this paragraph, occupational manner or context shall be defined as the systematic planning,
32 administration, management, or execution of an activity for financial gain.

33 (f) The identification of the applicant as a career offender or a member of a career
34 offender cartel in a manner that creates a reasonable belief that the association is of such a nature
35 as to be inimical to the policies of this chapter or injurious to the interests of the state in issuing a
36 gaming license. For purposes of this paragraph, career offender shall be defined as any person
37 whose behavior is pursued in an occupational manner or context for the purpose of economic gain,
38 utilizing such methods as are deemed criminal violations of the public policy of this state. A career

offender cartel shall be defined as any group of persons who operate together as career offenders.

(g) Failure by the applicant to make required payments in accordance with a child support order or repay any other debt owed to the state, unless such applicant provides proof to the commission's satisfaction of payment of, or arrangement to pay, any such debts prior to licensure.

(h) The commission may allow an applicant for a principal license that is unable to demonstrate by clear and convincing evidence the financial stability, good character, honesty, and integrity required by this chapter the opportunity to completely divest the interest in the applicant and, after such divestiture, may proceed with its assessment of the suitability of the gaming applicant.

(i) The applicant is an elected official of the general court, executive council, or executive branch of the state of New Hampshire, an employee of the attorney general's office or the department of safety on a full-time, part-time, or contractual basis, or has held any such position at any time during the previous 2 years.

II. The commission shall adopt rules consistent with this chapter and the efficient administration of licensing relating to disqualification and rehabilitation applicable to an applicant for a gaming employee registration, non-gaming employee permit, or non-gaming vendor registration.

284-B:16 Gaming License Decision.

I. The commission shall adopt rules consistent with this chapter relative to:

(a) Administrative procedures applicable to the conduct of a gaming license hearing under this chapter including, but not limited to:

(1) Rules applicable to a competitive gaming license selection hearing;

(2) Special rules of evidence applicable to a gaming license hearing;

(3) Notice requirements applicable to a hearing; and

(4) Rules permitting an applicant to raise an objection to the conduct of a hearing procedure, process or ruling of the commission as it relates to its own hearing or to the hearing of a competing applicant.

(b) Rules relating to the statement of conditions appended by the commission to a gaming license issued pursuant to this chapter requiring:

(1) That the statement of conditions enumerate, at a minimum, conditions which are precedent to the issuance of a gaming license, conditions which are precedent to the commencement of gaming operations at a gaming location and conditions which are ongoing throughout the license term;

(2) Annual reporting to the commission with regard to compliance with the statement of conditions; and

(3) Consequences for non-compliance with the statement of conditions.

(c) Rules relating to the renewal of a gaming license.

(d) Criteria for evaluating an application for a gaming license consistent with this

chapter including, but not limited to, that relating to local approval of the gaming location under RSA 284-B:8, an evaluation of architectural design and concept excellence, integration of the gaming location into its surroundings, potential access to multi-modal means of transportation, tourism appeal, level of capital investment commitment, financial stability of the applicant, and the applicant's financial plan.

(e) Standards for monitoring and enforcing conditions placed by the commission on a gaming license including those related to an impacted live entertainment venue and host community.

(f) Procedures for monitoring and enforcing a gaming licensee's compliance with its capital investment commitment.

II. The commission may contract for such legal, financial, and other professional services as it deems appropriate to assist it in the discharge of its duties under this chapter.

III. In any decision by the commission relating to the issuance of a license, the commission shall consider the attorney general's report provided pursuant to RSA 284-B:14, XI; provided that, notwithstanding any other provision of law, no person shall be issued or hold a license under this chapter if in the opinion of the attorney general such person is not suitable to hold such a license.

IV. If there is only one complete application for a gaming license pending, then the commission shall end the selection process and issue another request for applications pursuant to RSA 284-B:11.

V. The commission shall conduct a hearing with regard to an application under paragraph IV within 60 days of actual receipt by the commission the attorney general's suitability report. At the licensing hearing, the commission shall first consider whether the applicant is able to demonstrate by clear and convincing evidence its financial stability, good character, honesty, integrity, business ability and gaming experience in accordance with this chapter. If the commission determines that the applicant is unable to establish the required suitability the commission shall not give further consideration to the application. Any determination including, but not limited to, that relating to the standards for licensure set out in this chapter shall be made by majority vote of eligible commission members. Any commission member who has a personal or business conflict with any application shall not vote on such application. The licensing decision shall be in the form of an approval, denial, or an approval with conditions of a gaming license.

VI. If there is more than one gaming license application deemed complete by the commission, upon receipt of all of the reports of the attorney general on an applicant's suitability to hold a gaming license in New Hampshire the commission shall commence consideration of each application in a competitive process pursuant to which each application is evaluated in relationship to each other application. Within 30 days of actual receipt by the commission of all of the attorney general's suitability reports the commission shall schedule a competitive hearing and shall instruct each applicant to file prehearing memoranda as prescribed by the commission which shall include, at a minimum, a summary of evidence each applicant intends to present in support of its application

1 for licensure. Competing applications shall be heard separately by the commission at one hearing to
2 be held no more than 75 days of actual receipt by the commission of all of the attorney general's
3 suitability reports unless the commission determines that additional time is needed and notifies the
4 applicants that good cause exists for an extension of the hearing date to a date certain. Nothing
5 herein shall limit the commission to one extension for good cause. An applicant shall have no right
6 to cross-examine the witnesses of a competing applicant but there shall be a right to raise an
7 objection to the conduct of a hearing procedure, process, or ruling of the commission as it relates to
8 the applicant or a competitor applicant.

9 VII. At the competitive hearing the commission shall first consider whether each applicant
10 is able to demonstrate by clear and convincing evidence its financial stability, good character,
11 honesty, integrity, business ability, and gaming experience in accordance with this chapter. If the
12 commission determines that an applicant is unable to establish the required suitability the
13 commission shall not give further consideration to the application.

14 VIII. At the competitive hearing the commission shall determine, based on the evidence
15 submitted, including completed studies and/or reports issued by independent, recognized experts in
16 the most relevant fields, which suitable applicants demonstrate superiority in meeting the
17 standards set forth in this chapter. In making its determination the commission shall consider the
18 following relevant factors.

19 (a) Business and market factors including:

20 (1) Highest potential benefit and highest prospective total revenues to be derived by
21 the state;

22 (2) Potential gaming revenues to be generated by a gaming location based upon
23 expert market analysis;

24 (3) The extent to which the proposed gaming location could be expected to
25 encourage New Hampshire gaming participants to remain in the state;

26 (4) The extent to which the proposed gaming location could be expected to be a
27 substantial regional and national tourist destination;

28 (5) The extent to which the proposed gaming location could be expected to create
29 commercial development, opportunities for the community consistent with historic uses, regional
30 branding, and local zoning ordinances;

31 (6) The applicant's proposed capital investment in the gaming location and
32 operation and the expected competitiveness of the proposed gaming operation;

33 (7) The extent to which the proposed gaming location will preserve existing
34 New Hampshire jobs and the number of net new full-time and part-time jobs to be created;

35 (8) The applicant's plan to identify, address, and minimize any potential negative
36 consequences associated with gambling and the operation of its gaming location including, but not
37 limited to, an adequately funded commitment to combat compulsive gambling to include efforts
38 directed at prevention, intervention, treatment and research;

- 1 (9) The impact on the host community and municipalities in the region; and
- 2 (10) Such other considerations as the commission shall deem relevant to business
- 3 and market factors.
- 4 (b) Economic development factors, including:
- 5 (1) The applicant's workforce development plan;
- 6 (2) Any additional economic development planned in the area of the proposed
- 7 gaming location; and
- 8 (3) Such other considerations as the commission shall deem relevant to economic
- 9 development factors.
- 10 (c) Site location factors including
- 11 (1) Existing transportation infrastructure surrounding the proposed gaming
- 12 location;
- 13 (2) Any negative impact, if any, of a proposed gaming location on the host
- 14 community;
- 15 (3) The need for additional public infrastructure expenditures at the proposed
- 16 gaming location;
- 17 (4) The analysis related to impacted live entertainment venues as described in
- 18 paragraph IX.
- 19 (5) Such other considerations as the commission shall deem relevant to site location.
- 20 IX. The commission shall identify live entertainment venues to be designated as impacted
- 21 live entertainment venues pursuant to this chapter, provided, however, that any live entertainment
- 22 venue that has negotiated an agreement with an applicant that was submitted with the application
- 23 shall be considered an impacted live entertainment venue by the commission. If the commission
- 24 determines a live entertainment venue to be an impacted live entertainment venue and the
- 25 applicant has not submitted a fully executed agreement with that live entertainment venue in the
- 26 application filed pursuant to RSA 284-B:11, the applicant shall negotiate a signed agreement with
- 27 that live entertainment venue within 21 days of the award of a gaming license and no gaming
- 28 license shall be issued prior to the execution and submission to the commission of that agreement.
- 29 In the event an applicant awarded a license by the commission and an impacted live entertainment
- 30 venue cannot reach an agreement, the commission, in making its decision on issuance of the gaming
- 31 license, shall consider the reasons for such failure to agree in relation to the standards for licensure
- 32 set forth in this chapter. A gaming licensee's compliance with an agreement with an impacted live
- 33 entertainment venue shall be a condition of licensure enumerated in its statement of conditions and
- 34 shall be considered upon a gaming licensee's application for renewal of a gaming license.
- 35 X. During the course of its review of an application, the commission shall take reasonable
- 36 measures to prohibit and prevent all ex parte communication relating to the merits of an
- 37 application.
- 38 XI. Any licensing determination including, but not limited to, that related to the selection of

1 an applicant shall be made by majority vote of eligible commission members. Any commission
2 member who has a personal or business conflict with any application shall not vote on such
3 application. The actual selection decision shall be in the form of an approval or an approval with
4 conditions. Unsuccessful applicants that were nonetheless found to be suitable in accordance with
5 paragraph VII of this section shall be deemed "denied on the basis of a competitive process."
6 Applicants failing to meet the standards for suitability set forth in paragraph VII shall be denied.

7 XII. Any decision of the commission approving a gaming license application, approving an
8 application with conditions, or denying an application shall be issued by the commission within 30
9 days of the conclusion of the hearing conducted pursuant to this section is a final, binding, non-
10 appealable determination which is not subject to legal challenge except as permitted by this
11 chapter.

12 XIII. An award by the commission of a gaming license shall be evidenced by a written
13 decision with detailed findings accompanied by a statement of conditions enumerating those
14 conditions precedent to the issuance by the commission of a gaming license, conditions that are
15 precedent to the commencement of gaming operations at a gaming location, and conditions that are
16 ongoing during the pendency of the license term.

17 XIV. A gaming applicant or gaming licensee aggrieved or dissatisfied with a final decision
18 of the commission shall have the right to immediate appeal from a final decision to the supreme
19 court pursuant to RSA 541.

20 XV. The provisions of RSA 541 shall govern all appeals under this section, provided that
21 any request for rehearing provided for by RSA 541 shall be presented as a request for
22 reconsideration to the commission within 10 calendar days of the commission's decision and the
23 commission's decision on said request shall be issued within 10 days of the presentation of the
24 request.

25 XVI. The appellant's burden of proof in any appeal to the supreme court under this section
26 shall be as provided for by RSA 541:13.

27 XVII. A gaming license issued by the commission shall expire 10 years from the date of
28 issuance subject to renewal pursuant to this chapter.

29 XVIII. The division of state police shall promptly notify the commission in the event an
30 applicant or licensee is arrested for a crime or offense in this state after the date the background
31 check was performed.

32 XIX. A gaming license for which a completed renewal application and fee, if required, has
33 been received by the commission shall continue in effect unless and until the commission sends
34 written notification to the holder that the commission has denied the renewal of the gaming license.

35 284-B:17 Minimum Capital Investment.

36 I. A gaming licensee shall be required as a condition of licensure to make the capital
37 investment in the gaming location proposed in its gaming license application, which amount shall
38 meet or exceed:

1 (a) In the case of the category 1 gaming licensee, \$450,000,000 exclusive of land
2 acquisition, off-site improvement costs, and license fees; or

3 (b) In the case of the category 2 gaming licensee, \$125,000,000 exclusive of land
4 acquisition, off-site improvement costs, and license fees.

5 II. The full capital investment required under this section shall be made within 5 years of
6 the date of issuance of a gaming license.

7 III. In addition to the requirements of paragraph I, beginning with the sixth year after
8 receiving a gaming license, a gaming licensee shall make, or cause to be made, on an annual basis
9 capital expenditures to its gaming location in a minimum aggregate amount equal to 3.5 percent the
10 total gross gaming revenues derived from the gaming location, provided, however, that a gaming
11 licensee may make capital expenditures in an amount less than 3.5 percent per year as part of a
12 multi-year capital expenditure plan approved by the commission.

13 IV. A gaming licensee who fails to obtain an operation certificate under RSA 284-B:26
14 within one year after the date specified in the construction timeline submitted with its application
15 and incorporated by the commission as a condition on the gaming license:

16 (a) May, if the commission finds good cause for such action after a hearing in
17 accordance with this chapter, be subject to suspension or revocation of the gaming license.

18 (b) May, if found by the commission after a hearing in accordance with this chapter to
19 have acted in bad faith in its application, be assessed a fine by the commission of up to \$50,000,000.

20 V. Concurrent with the payment of the license fee required pursuant to RSA 284-B:12, III,
21 the gaming licensee shall be required to deposit 10 percent of the total capital investment proposed
22 in its application into an interest-bearing account under the control of the commission. Moneys
23 received from the gaming licensee shall be held in escrow until the final stage of construction, as
24 detailed in the timeline of construction submitted with the licensee's application and incorporated
25 by the commission as a condition on the gaming license, at which time the deposit, together with
26 any accrued interest, shall be returned to the applicant to be applied for the final stage of
27 construction. Should the licensee be unable or unwilling to complete the gaming location in
28 accordance with the timeline, the deposit shall be forfeited to the state in accordance with the
29 conditions on the license related to the construction timeline. The commission may, in lieu of a cash
30 deposit, accept a performance or deposit bond in an amount equivalent to 10 percent of the total
31 capital investment proposed in the application provided it determines that the bond would be a
32 functional equivalent of the deposit and would timely ensure the intended forfeiture to the state.

33 284-B:18 Revocable Privilege; Limits on License Transfer and Transfer of an Interest.

34 I. Any gaming license issued by the commission shall be a revocable privilege and may be
35 conditioned, suspended, or revoked upon a finding by the commission that such action is necessary
36 to accomplish the purposes of this chapter as a result of:

37 (a) A breach of a condition enumerated or inferred in the statement of conditions
38 applicable to the gaming license, including failure to timely complete any phase of construction of

1 the gaming location or to comply with any representation or promise made to the commission, the
2 attorney general, division of state police gaming enforcement unit or other state entity in
3 connection with a gaming license.

4 (b) Any action or event that constitutes grounds for denial of a gaming license under
5 RSA 284-B:15.

6 (c) A finding by the commission that a gaming licensee no longer meets the standards
7 for suitability set forth in this chapter.

8 (d) Such other finding as the commission deems relevant.

9 II. A gaming license issued by the commission pursuant to this chapter is transferable with
10 the prior approval of the commission pursuant to rules adopted by the commission consistent with
11 this chapter. A person seeking to acquire a gaming license through a transfer shall qualify for
12 licensure under this chapter. The commission shall reject a gaming license transfer to an
13 unsuitable person and may reject a proposed transfer that, in the opinion of the commission, would
14 be disadvantageous to the interests of the state. A transfer of a gaming license without the prior
15 approval of the commission shall result in the immediate and automatic termination of the gaming
16 license.

17 III. An interest in a gaming licensee or gaming location substantial enough to trigger a
18 requirement that a person qualify as a principal licensee in accordance with RSA 284-B:11, VII is
19 transferable with the prior approval of the commission pursuant to rules adopted by the commission
20 consistent with this chapter. A person seeking to acquire an interest in a gaming licensee or
21 gaming location shall qualify for licensure under this chapter. The commission shall reject a
22 transfer of an interest in a gaming licensee or gaming location to an unsuitable person and may
23 reject a proposed transfer that, in the opinion of the commission, would be disadvantageous to the
24 interests of the state. A transfer of an interest in a gaming licensee or gaming location meeting the
25 requirements of this paragraph without the prior approval of the commission may result in the
26 termination of a gaming license.

27 IV. The commission shall adopt rules consistent with this chapter relating to notice of, and
28 commission approval of, a transfer of a gaming license and the transfer of an interest in a gaming
29 licensee or gaming location including, but not limited to, a transfer not meeting the principal
30 licensing threshold of paragraph III.

31 284-B:19 Individuals Employed by a Gaming Licensee

32 I. The commission shall adopt rules consistent with this chapter relating to:

33 (a) A system of classification for individuals employed by a gaming licensee, which
34 classification system shall include, but need not be limited to, a key employee license, gaming
35 employee registration and non-gaming employee permit based on the degree of connection to the
36 operation, maintenance, security and accounting functions associated with a slot machine or table
37 game, access to the gaming floor or a restricted area or such other criteria as the commission shall
38 deem appropriate.

- 1 (b) Application, investigation, and review processes and time frames.
- 2 (c) Application, investigation, and renewal fees for each category of license, registration,
3 or permit consistent with the annual fee schedule adopted and published by the commission.
- 4 (d) Standards of review.
- 5 (e) Administrative procedures applicable to the conduct of hearings related to a key
6 license, gaming employee registration, and non-gaming employee permit including, but not limited
7 to:
- 8 (1) Rules of evidence;
- 9 (2) Notice requirements;
- 10 (3) Rules permitting an applicant to raise an objection to the conduct of a hearing
11 procedure, process or ruling of the commission; and
- 12 (4) Any delegation of commission authority specific to registrations and permits.
- 13 (f) Procedures for issuance of a temporary key license, gaming employee registration,
14 non-gaming employee permit, or other employee authorization if the commission determines that
15 such procedures are necessary to the efficient implementation of this chapter.
- 16 (g) Rules relative to the renewal of a license, registration, or permit.
- 17 (h) A term for any employee license, registration, permit, or employee authorization
18 granted pursuant to this chapter.
- 19 II. A key employee license, gaming employee registration, a non-gaming employee permit,
20 and any other employment related authorization issued pursuant to this chapter shall expire 5
21 years from the date of issuance subject to renewal pursuant to this chapter.
- 22 III. In connection with a key employee license, gaming employee registration, non-gaming
23 employee permit, or other employee authorization, the commission shall be authorized to exchange
24 fingerprint data with, and to receive criminal history record and background information from, the
25 department of safety, division of state police, the office of the attorney general, the Federal Bureau
26 of Investigation, or other sources consistent with applicable federal and state laws, rules, and
27 regulations.
- 28 IV. No gaming applicant, gaming licensee, or holding, intermediary, or subsidiary company
29 required to qualify in conjunction with a gaming license under this chapter shall employ or
30 otherwise allow an individual to perform the duties of a key employee unless the person is the
31 holder of a valid key employee license issued by the commission.
- 32 V. No gaming licensee shall employ or otherwise allow an individual to perform duties
33 requiring a gaming employee registration, non-gaming employee permit, or other employee
34 authorization required pursuant to this chapter unless the person is registered, permitted, or
35 otherwise authorized by the commission.
- 36 VI. A gaming licensee shall not utilize an independent contractor to perform duties
37 requiring a key employee license, gaming employee registration, non-gaming employee permit, or
38 other employee authorization required pursuant to this chapter without the prior approval of the

1 commission.

2 VII. An independent contractor of a gaming licensee authorized by the commission to
3 perform duties requiring a key employee license, gaming employee registration, non-gaming
4 employee permit, or other employee authorization required pursuant to this chapter shall be subject
5 to all of the provisions of this chapter applicable to an employee of a gaming licensee.

6 VIII. During the course of its review of any application, the commission shall take
7 reasonable measures to prohibit and prevent all ex parte communication relating to the merits of
8 such application.

9 IX. In any decision relating to a key employee license, and with regard to a gaming
10 employee registration subject to a background investigation under RSA 284-B:14, II, the
11 commission shall consider, the attorney general's report provided pursuant to RSA 284-B:14;
12 provided that, notwithstanding any other provision of law, no person shall be issued or shall hold a
13 license under this chapter if in the opinion of the attorney general such person is not suitable to
14 hold such a license.

15 X. Any licensing determination including, but not limited to, that related to a key license,
16 gaming employee registration, non-gaming employee permit, or other employee authorization shall
17 be made by majority vote of eligible commission members. Any commission member who has a
18 personal or business conflict with any application shall not vote on such application.

19 XI. Any decision of the commission approving an application, approving an application with
20 conditions, or denying an application under this section shall be issued by the commission within 30
21 days of the conclusion of the hearing conducted pursuant to this section and is a final, binding, non-
22 appealable determination which is not subject to legal challenge except as permitted by this
23 chapter.

24 XII. The issuance by the commission of a license, registration, permit, or other employee
25 authorization shall be evidenced by a written decision.

26 XIII.(a) Within 30 days after any order or decision has been made by the commission, any
27 party to the action or proceeding before the commission, or any person directly affected thereby,
28 may apply for a rehearing in respect to any matter determined in the action or proceeding, or
29 covered or included in the order, specifying in the motion all grounds for rehearing, and the
30 commission may grant such rehearing if in its opinion good reason for the rehearing is stated in the
31 motion.

32 (b) Such motion shall set forth fully every ground upon which it is claimed that the
33 decision or order complained of is unlawful or unreasonable. No appeal from any order or decision
34 of the commission shall be taken unless the appellant shall have made application for rehearing as
35 herein provided, and when such application shall have been made, no ground not set forth therein
36 shall be urged, relied on, or given any consideration by the court, unless the court for good cause
37 shown shall allow the appellant to specify additional grounds.

38 (c) Upon the filing of such motion for rehearing, the commission shall within 10 days

1 either grant or deny the same, or suspend the order or decision complained of pending further
2 consideration, and any order of suspension may be upon such terms and conditions as the
3 commission may prescribe.

4 (d) Within 30 days after the application for a rehearing is denied, or, if the application
5 is granted, then within 30 days after the decision on such rehearing, any party aggrieved or
6 dissatisfied by any final decision of the commission under this section shall have the right to appeal
7 from a final decision to the superior court. The petition shall set forth that such decision or order is
8 arbitrary or capricious or not made in compliance with law, and shall specify the grounds on which
9 such claim is made.

10 XIV. The appellant's burden of proof in any appeal to the superior court under this section
11 shall be as provided for by RSA 541:13.

12 XV. A key employee license, gaming employee registration and non-gaming employee
13 permit issued by the commission shall expire 5 years from the date of issuance subject to renewal
14 pursuant to this chapter.

15 XVI. A key employee license, gaming employee registration and non-gaming employee
16 permit for which a completed renewal application and fee, if required, has been received by the
17 commission shall continue in effect unless and until the commission sends written notification to
18 the holder that the commission has denied the renewal of the gaming license, registration, or
19 permit.

20 XVII. The division of state police shall promptly notify the commission in the event an
21 applicant for or key employee licensee, gaming employee registrant, or non-gaming employee
22 permittee is arrested for a crime or offense in this state after the date the background check was
23 performed.

24 284-B:20 Key Employee Licensing.

25 I. A key employee of an applicant, gaming licensee, or principal licensee required to qualify
26 in conjunction with a gaming license under RSA 284-B:10, VII shall submit to the commission the
27 following information, documentation, and assurances:

28 (a) A description of the applicant's employment responsibilities.

29 (b) A fully executed and complete application on forms prescribed by the commission.

30 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
31 B:13.

32 (c) All documentation, fingerprints, and consents required of a gaming license applicant
33 under RSA 284-B:11, III.

34 (d) All documentation required of a gaming license applicant under RSA 284-B:11,
35 IV(a).

36 (e) If applicable, the documentation related to a similar gaming license, registration,
37 permit, or other authorization required of a gaming licensee applicant under RSA 284-B:11, IV(c).

38 (f) Such other information as the commission shall deem relevant to its consideration of

1 the application.

2 II. Upon a determination by the commission that a key employee license application is
3 complete in accordance with RSA 284-B:13, the commission shall request that the attorney general
4 commence an investigation into the suitability of the applicant in accordance with RSA 284-B:14.
5 In conducting its background investigation the attorney general shall consider the suitability of the
6 applicant including, but not limited to:

7 (a) Financial stability.

8 (b) Good character, honesty, and integrity.

9 (c) Business ability and gaming experience.

10 (d) Whether the applicant is disqualified from receiving a license under RSA 284-B:15.

11 (e) The applicant 's ability, if required, to demonstrate rehabilitation in accordance with
12 RSA 284-B:14.

13 III. Upon receipt of the report of the attorney general on an applicant's suitability to hold a
14 key employee license the commission shall conduct a licensing hearing in accordance with rules
15 adopted pursuant to RSA 284-B:13 of this chapter to determine whether the applicant meets the
16 standards for licensure set forth in this chapter. In any decision by the commission relating to the
17 issuance of a license, the commission shall consider the attorney general's report provided pursuant
18 to RSA 284-B:14, XI provided that, notwithstanding any other provision of law, no person shall be
19 issued or hold such a license under this chapter if in the opinion of the attorney general such person
20 is not suitable to hold such license.

21 284-B:21 Gaming Employee Registration.

22 I. A gaming employee seeking to register with the commission shall submit to the
23 commission the following information, documentation, and assurances with regard to qualification
24 under this chapter:

25 (a) A description of the applicant's employment responsibilities.

26 (b) A fully executed and complete application on forms prescribed by the commission.

27 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
28 B:14.

29 (c) All documentation, fingerprints and consents required of a gaming license applicant
30 under RSA 284-B:14, III(b)(1) through (2).

31 (d) If applicable, the documentation related to a similar gaming license, registration,
32 permit or other authorization required of a gaming licensee applicant under RSA 284-B:11, IV(c).

33 (e) Such other information as the commission shall deem relevant to its consideration of
34 the application.

35 II. Upon a determination by the commission that a gaming employee registration
36 application is complete in accordance with RSA 284-B:13 the commission may request that the
37 attorney general commence an investigation into the suitability of the applicant or conduct within
38 the commission such other form of review as it deems appropriate. The commission shall register

1 the applicant provided it is able to establish, at a minimum:

2 (a) Good character, honesty, and integrity.

3 (b) That the applicant is not disqualified from receiving a license under rules adopted
4 pursuant to RSA 284-B:13 or is rehabilitated in accordance with rules adopted pursuant to
5 RSA 284-B:13 of this chapter.

6 284-B:22 Non-Gaming Employee Permit.

7 I. A non-gaming employee seeking to be permitted by the commission shall submit to the
8 commission the following information, documentation, and assurances with regard to qualification
9 under this chapter.

10 (a) A description of the applicant's employment responsibilities.

11 (b) A fully executed and complete application on forms prescribed by the commission.
12 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
13 B:13.

14 (c) All fingerprints and consents required of a gaming license applicant under RSA 284-
15 B:11, III(b)(2).

16 (d) Such other information as the commission shall deem relevant to its consideration of
17 the application.

18 II. Upon a determination by the commission that a non-gaming employee permit
19 application is complete in accordance with rules adopted pursuant to RSA 284-B:13, the commission
20 shall permit the applicant provided it is able to establish that the applicant is not disqualified from
21 receiving a permit under rules adopted pursuant to RSA 284-B:13 or is rehabilitated in accordance
22 with rules specific to permit applications adopted pursuant to RSA 284-B:13.

23 284-B:23 Persons Doing Business with a Gaming Licensee

24 I. The commission shall adopt rules consistent with this chapter relating to:

25 (a) A system of classification for persons doing business with a gaming applicant or
26 gaming licensee, which classification system shall include, but need not be limited to, a gaming
27 vendor license and non-gaming vendor registrant, based upon product type, amount of business
28 conducted, access to the gaming floor or any restricted area, or such other criteria deemed relevant
29 by the commission.

30 (b) Application, investigation, and review process.

31 (c) Application, investigation, and renewal fees for each category of license or
32 registration consistent with the annual fee schedule adopted and published by the commission.

33 (d) Exemption criteria and processes.

34 (e) An interim authorization and emergency authorization processes.

35 (f) Standards of review.

36 (g) Administrative procedures applicable to the conduct of hearings related to a key
37 license, gaming employee registration and non-gaming employee permit including, but not limited
38 to:

- 1 (1) Rules of evidence;
- 2 (2) Notice requirements;
- 3 (3) Rules permitting an applicant to raise an objection to the conduct of a hearing
- 4 procedure, process or ruling of the commission; and
- 5 (4) Any delegation of commission authority specific to a registration.
- 6 (h) An abbreviated investigative process under RSA 284-B:14 applicable to any license,
- 7 registration or authorization granted pursuant to this section.
- 8 (i) Such other procedures as are necessary to efficiently implement and administer this
- 9 paragraph.

10 II. A gaming vendor license, a non-gaming vendor registration and any other vendor-

11 related authorization issued pursuant to this chapter shall expire 5 years from the date of issuance

12 subject to renewal pursuant to this chapter.

13 III. The commission may exempt a person or type of business from the requirements of this

14 section if the board determines the following:

15 (a) The person or type of business is regulated by an agency of the federal government,

16 an agency of the state, the New Hampshire supreme court, or any other regulatory oversight

17 deemed sufficient by the commission.

18 (b) The regulation of the person or type of business is determined not to be necessary in

19 order to protect the public interest or the integrity of gaming.

20 IV. The commission may require an employee of a vendor required to be licensed,

21 registered, or otherwise authorized under this section to become licensed, registered, or otherwise

22 authorized under this section if, after an analysis of the duties, responsibilities, and functions of the

23 vendor employee it determines that action to be necessary to protect the integrity of gaming.

24 V. The commission may permit a vendor required to be licensed, registered, or otherwise

25 authorized under this section to engage in business with an applicant or gaming licensee prior to

26 being licensed, registered, or otherwise authorized under this section if all of the following criteria

27 have been satisfied:

28 (a) A complete application has been filed with the commission.

29 (b) The gaming applicant or gaming licensee contracting or doing business with the

30 vendor certifies to the commission that it has performed due diligence on the person and believes

31 that the applicant meets the qualification to be a licensed, registered, or otherwise authorized under

32 this section.

33 (c) The person required to be licensed, registered, or otherwise authorized under this

34 section agrees in writing that the grant of interim authorization to conduct business prior to

35 commission action on its application does not create a right to continue to engage in business if the

36 commission determines that the applicant is not suitable or continued authorization is not in the

37 public interest.

38 (d) Nothing in this section shall be construed to prohibit the commission from

1 rescinding a grant of interim authorization if, at any time, the suitability of the person subject to
2 interim authorization is at issue or if the person fails to cooperate with the commission, the attorney
3 general, the division of state police or their agent.

4 VI. The commission shall establish a master vendor list to monitor all vendor contracts with
5 a gaming licensee which master list will also identify prohibited vendors.

6 (a) A gaming applicant or gaming licensee may not enter into an agreement or engage
7 in business with a person listed on the prohibited vendor list.

8 (b) The commission may prohibit a person required to be licensed, registered, or
9 otherwise authorized under this section from doing business with a gaming licensee if that person
10 fails to submit an application under this chapter.

11 (c) The commission may terminate any contract that has been entered into with an
12 unlicensed or unregistered gaming or non-gaming vendor.

13 VII. A gaming applicant or gaming licensee may utilize a vendor that has not been licensed,
14 registered, or otherwise authorized under this section by the commission when a threat to public
15 health, welfare, or safety exists or circumstances outside the control of the applicant or gaming
16 licensee require immediate action to mitigate damage or loss to the gaming location or to the state.
17 Any rules adopted shall include a requirement that the applicant or gaming licensee contact the
18 board immediately upon utilizing a vendor that would otherwise require licensing under this
19 chapter.

20 VIII. A person doing business with a gaming applicant or gaming licensee required to be
21 licensed, registered, or otherwise authorized under this section shall have the continuing duty to
22 provide any assistance or information required by the commission, the attorney general or the
23 division of state police and to cooperate in any inquiry, investigation, or hearing conducted by the
24 commission. If, upon issuance of a formal request to answer or produce information, evidence, or
25 testimony, a person doing business with an gaming applicant or gaming licensee required to be
26 licensed, registered or otherwise authorized under this section refuses to comply, the application,
27 license, registration, or authorization of such person may be denied, suspended, or revoked.

28 IX. In any decision relating to a gaming vendor license or non-gaming vendor registration
29 the commission shall consider the attorney general's report provided pursuant to RSA 284-B:14;
30 provided that, notwithstanding any other provision of law, no person shall be issued or hold a
31 license under this chapter if in the opinion of the attorney general such person is not suitable to
32 hold a license.

33 X. Any licensing determination including, but not limited to, that related to a gaming
34 vendor license or gaming vendor registration shall be made by majority vote of eligible commission
35 members. Any commission member who has a personal or business conflict with any application
36 shall not vote on such application.

37 XI. Any decision of the commission approving an application, approving an application with
38 conditions, or denying an application under this section shall be issued by the commission within 30

1 days of the conclusion of the hearing conducted pursuant to this section and is a final, binding, non-
2 appealable determination which is not subject to legal challenge except as permitted by this
3 chapter.

4 XII. Any award by the commission of a license, registration, permit, or other employee
5 authorization shall be evidenced by a written decision.

6 XIII.(a) Within 30 days after any order or decision has been made by the commission, any
7 party to the action or proceeding before the commission, or any person directly affected thereby,
8 may apply for a rehearing in respect to any matter determined in the action or proceeding, or
9 covered or included in the order, specifying in the motion all grounds for rehearing, and the
10 commission may grant such rehearing if in its opinion good reason for the rehearing is stated in the
11 motion.

12 (b) Such motion shall set forth fully every ground upon which it is claimed that the
13 decision or order complained of is unlawful or unreasonable. No appeal from any order or decision
14 of the commission shall be taken unless the appellant shall have made application for rehearing as
15 herein provided, and when such application shall have been made, no ground not set forth therein
16 shall be urged, relied on, or given any consideration by the court, unless the court for good cause
17 shown shall allow the appellant to specify additional grounds.

18 (c) Upon the filing of such motion for rehearing, the commission shall within 10 days
19 either grant or deny the same, or suspend the order or decision complained of pending further
20 consideration, and any order of suspension may be upon such terms and conditions as the
21 commission may prescribe.

22 (d) Within 30 days after the application for a rehearing is denied, or, if the application
23 is granted, then within 30 days after the decision on such rehearing, any party aggrieved or
24 dissatisfied by any final decision of the commission under this section shall have the right to appeal
25 from a final decision to the superior court. The petition shall set forth the grounds on which such
26 claim is made.

27 XIV. The appellant's burden of proof in any appeal to the superior court under this section
28 shall be as provided for by RSA 541:13.

29 XV. The division of state police shall promptly notify the commission in the event an
30 applicant for or gaming vendor licensee or non-gaming vendor registrant is arrested for a crime or
31 offense in this state after the date the background check was performed.

32 XVI. The commission may require a non-gaming vendor conducting over \$100,000 of
33 business with a gaming licensee within a 12-month period or \$250,000 of business with a gaming
34 licensee within a 3-year period to be licensed as a gaming vendor.

35 XVII. The commission may require a registered non-gaming vendor to be licensed as a
36 gaming vendor if, after an analysis of the functions of the vendor and its relationship with the
37 gaming applicant or gaming licensee it determines that action to be necessary to protect the
38 integrity of gaming.

1 XVIII. A gaming vendor license, a non-gaming vendor registration and any other
2 authorization for which a completed renewal application and fee, if required, has been received by
3 the commission shall continue in effect unless and until the commission sends written notification
4 to the holder that the commission has denied the renewal of the gaming license, registration or
5 authorization.

6 284-B:24 Gaming Vendor Licensing.

7 I. In connection with a gaming vendor license the commission shall be authorized to
8 exchange fingerprint data with, and to receive criminal history record and background information
9 from, the department of safety, division of state police, the office of the attorney general, the
10 Federal Bureau of Investigation or other source consistent with applicable federal and state laws
11 and rules.

12 II. A gaming applicant or gaming licensee shall not conduct business with a person
13 required to be licensed as a gaming vendor pursuant to this chapter unless the person is licensed by
14 the commission or otherwise authorized to engage in business with an applicant or the gaming
15 licensee in accordance with RSA 284-B:23, V(a)-(d).

16 III. A gaming vendor license applicant shall submit to the commission the following
17 information, documentation and assurances with regard to qualification under this chapter:

18 (a) A description of the applicant's business relationship with a gaming licensee.

19 (b) A fully executed and complete application on forms prescribed by the commission.
20 An application shall be deemed complete in accordance with rules issued pursuant to RSA 284-B:13.

21 (c) All documentation, fingerprints, and consents required of a gaming license applicant
22 under RSA 284-B:10, III of this chapter.

23 (d) All documentation required of a gaming license applicant under RSA 284-B:11,
24 IV(a).

25 (e) The documentation related to a similar gaming license, registration, permit, or other
26 authorization required of a gaming licensee applicant under RSA 284-B:11, IV(c).

27 (f) If the applicant for a gaming vendor license is a corporation, limited liability
28 company or other form of business enterprise, all documentation required of a gaming license
29 applicant under RSA 284-B:11, VI and RSA 284-B:11, VII.

30 (g) Such other information as the commission shall deem relevant to its consideration of
31 the application.

32 IV. Upon a determination by the commission that a gaming vendor license application is
33 complete in accordance with RSA 284-B:13, the commission shall request that the attorney general
34 commence an investigation into the suitability of the applicant in accordance with RSA 284-B:14.
35 In conducting its background investigation the attorney general shall consider the suitability of the
36 applicant including, but not limited to:

37 (a) Financial stability.

38 (b) Good character, honesty, and integrity.

1 (c) Business ability and gaming experience.

2 (d) If applicable, the applicant's history of compliance in other regulated gaming
3 jurisdictions including, but not limited to, a letter of reference or sworn statement of good standing
4 produced in accordance with RSA 284-B:10, IV(c).

5 (e) Whether the applicant is disqualified from receiving a license under RSA 284-B:15.

6 (f) The applicant's ability, if required, to demonstrate rehabilitation in accordance with
7 RSA 284-B:15.

8 V. Upon receipt of the report of the attorney general on an applicant's suitability to hold a
9 gaming vendor license the commission shall conduct a licensing hearing in accordance with rules
10 adopted pursuant to RSA 284-B:13 to determine whether the applicant meets the standards for
11 licensure set forth in this chapter. In any decision by the commission relating to the issuance of a
12 gaming vendor license, the commission shall consider the attorney general's report provided
13 pursuant to RSA 284-B:14; provided that notwithstanding any other provision of law, no person
14 shall be issued or hold a license under this chapter if in the opinion of the attorney general such
15 person is not suitable to hold such a license.

16 284-B:25 Non-Gaming Vendor Registration.

17 I. In connection with a non-gaming vendor registration the commission shall be authorized
18 to exchange fingerprint data with, and to receive criminal history record and background
19 information from, the division of state police, the attorney general, the Federal Bureau of
20 Investigation or other source consistent with applicable federal and state laws and rules.

21 II. A gaming applicant or gaming licensee shall not conduct business with a person
22 required to be registered as a non-gaming vendor pursuant to this chapter unless the person is
23 registered with the commission.

24 III. A non-gaming vendor seeking to register with the commission shall submit to the
25 commission the following information, documentation, and assurances with regard to qualification
26 under this chapter.

27 (a) A description of the applicant's business relationship with a applicant or gaming
28 licensee.

29 (b) A fully executed and complete application on forms prescribed by the commission.
30 An application shall be deemed complete in accordance with rules adopted pursuant to RSA 284-
31 B:13.

32 (c) All documentation, fingerprints, and consents required of a gaming license applicant
33 under RSA 284-B:11, III(b)(1)-(2).

34 (d) The documentation related to a similar gaming license, registration, permit, or other
35 authorization required of a gaming licensee applicant under RSA 284-B:11, IV (c).

36 (e) Such other information as the commission shall deem relevant to its consideration of
37 the application.

38 IV. Upon a determination by the commission that a non-gaming vendor registration

1 application is complete in accordance with RSA 284-B:13, the commission shall register the
2 applicant provided it is able to establish, at a minimum:

3 (a) Good character, honesty, and integrity.

4 (b) If applicable, the applicant's history of compliance in other regulated gaming
5 jurisdictions including, but not limited to, a letter of reference or sworn statement of good standing
6 produced in accordance with RSA 284-B:11, IV(c) of this chapter.

7 (c) Whether the applicant is disqualified from receiving a license under RSA 284-B:15.

8 (d) That the applicant is not disqualified from receiving a registration under rules
9 adopted pursuant to RSA 284-B:15 or is rehabilitated in accordance with rules adopted pursuant to
10 RSA 284-B:14.

11 284-B:26 Issuance of an Operation Certificate to a Gaming Licensee.

12 I. A gaming licensee shall not commence slot machine and table operations at a gaming
13 location without an operation certificate issued by the commission.

14 II. An operation certificate shall specify the date and time at which gaming operations may
15 commence and shall fix the maximum square footage of the gaming floor, the maximum number of
16 slot machines, and the maximum number of table games that may be operated by a gaming licensee
17 under the operation certificate. Once an operation certificate is issued by the commission, a gaming
18 licensee may not exceed the maximum square footage of gaming floor, slot machines, or table games
19 specified therein without the prior approval of the commission.

20 III. The commission may amend, modify, restrict, or limit an operation certificate and may
21 remove any restriction, limitation, or condition imposed on an operation certificate at any time
22 consistent with the purposes of this chapter and the rules adopted thereunder.

23 IV. The commission shall issue an operation certificate where it determines that the
24 gaming licensee has satisfied all conditions precedent to the commencement of gaming operations
25 enumerated in its statement of conditions, this chapter and the rules adopted by the commission
26 including the following requirements:

27 (a) That the gaming location complies with the provisions of this chapter and any
28 relevant rules adopted by the commission relative to:

29 (1) Communication systems and the ability of persons at the gaming location to
30 timely communicate with the commission, all law enforcement exercising criminal or regulatory
31 jurisdiction over the gaming location, and emergency first responders;

32 (2) A commission approved surveillance system and function:

33 (A) Configured to provide adequate and effective surveillance of all slot
34 machines and table games on the gaming floor;

35 (B) Enabled with a digital video recording format;

36 (C) Equipped with a monitoring station, for the exclusive use of the commission
37 and division of state police gaming enforcement unit, configured with full camera control capability
38 over the surveillance system and able to establish priority over a camera controlled by the gaming

1 licensee; and

2 (D) Meeting any minimum staffing requirements.

3 (3) A commission approved security system including required alarm systems and
4 meeting any minimum staffing requirements;

5 (4) An area for the detention of individuals taken into custody by any federal, state
6 or local law enforcement agency exercising proper jurisdiction over the gaming location;

7 (5) Signage;

8 (6) A count room and such other commission approved secure facilities as may be
9 required by the commission for the counting and storage of cash, tickets, checks, and other devices
10 or items of value used in wagering and for the inspection, counting, and storage of cards, dice,
11 chips, and other representatives of value;

12 (7) Office space for use by the commission and division of state police gaming
13 enforcement unit located within the gaming location in an area satisfactory to the commission and
14 equipped as specified by the commission including, at a minimum, computer terminals permitting
15 read-only access by authorized commission staff to any computerized video lottery monitoring
16 system, casino management system or player tracking system used by the gaming licensee; and

17 (8) If the commission elects to acquire a central computer system, data center space
18 for that system:

19 (A) Equipped with system appropriate HVAC;

20 (B) Supplied with system appropriate power including an uninterruptable back-
21 up power supply; and

22 (C) Subject to surveillance coverage and secured in a manner satisfactory to the
23 commission.

24 (b) All slot machines, associated equipment, and table game devices have been tested,
25 certified, or otherwise accepted or approved in accordance with this chapter and the rules adopted
26 by the commission.

27 (c) A floor plan depicting its gaming floor, all restricted areas, automatic teller
28 machines, and lottery ticket vending locations has been received and reviewed and/or approved in
29 accordance with this chapter and rules adopted by the commission.

30 (d) The gaming licensee's system of internal control, gaming equipment procedures and
31 technical standards, rules of the games, security and surveillance procedures, and any other pre-
32 opening submissions have been received and reviewed and/or approved in accordance with this
33 chapter and rules adopted by the commission.

34 (e) The gaming licensee is prepared to implement all operating procedures and systems,
35 including but not limited to, accounting and internal controls, and surveillance and security
36 procedures necessary to insure the safe conduct of slot machine and table game operations.

37 (f) The gaming licensee's employees are licensed, registered, or permitted by the
38 commission as required and trained in the performance of their responsibilities.

1 (g) The gaming location is prepared in all respects to receive the public.

2 (h) The gaming licensee has successfully completed a test period.

3 (i) The gaming licensee has filed an emergency response plan with the commission, the
4 division of state police gaming enforcement unit, and the fire department and police department of
5 the host community which includes:

6 (1) A layout identifying all relevant areas of the gaming location's safety support
7 systems and internal and external access routes;

8 (2) The location and inventory of emergency response equipment and the contact
9 information of the emergency response coordinator for the gaming licensee;

10 (3) The location of any hazardous substances and a description of any public health
11 or safety hazards present on site;

12 (4) A description of any special equipment needed to respond to an emergency at the
13 gaming location;

14 (5) An evacuation plan; and

15 (6) Any other information relating to emergency response requested by the
16 commission, the division of state police gaming enforcement unit, or the fire department or the
17 police department of the host community.

18 (j) The gaming licensee has complied with any additional conditions precedent to the
19 commencement of gaming operations imposed by the commission.

20 V. The commission may issue an operation certificate to a temporary gaming location and
21 may, on its own initiative, waive, relax, or permit deviations from the requirements of this chapter
22 in accordance with rules consistent with this chapter.

23 VI. A gaming licensee shall obtain an operation certificate for a permanent facility within
24 18 months of the date of issuance of an operation certificate on a temporary gaming location, unless
25 an extension is granted pursuant to paragraph VIII.

26 VII. A gaming licensee shall be responsible for all costs associated with the transition from
27 a temporary gaming location to a permanent gaming location, including the cost of relocation of the
28 commission's and division of state police gaming enforcement unit's on-site offices and any central
29 computer system.

30 VIII. If the commission determines upon the written petition of a gaming licensee that
31 extenuating circumstances beyond the control of the gaming licensee have prevented the gaming
32 licensee from complying with the permanent facility requirements of paragraph VI, the commission:

33 (a) May approve an extension of 6 months to comply.

34 (b) May not grant more than 2 extensions to a gaming licensee under this section.

35 IX. If a gaming licensee fails to timely obtain an operation certificate on a permanent
36 gaming location, including any commission approved extensions, its gaming license shall be revoked
37 and shall revert to the state.

38 284-B:27 A Gaming Licensee's System of Internal Controls.

1 I. A gaming licensee shall submit to the commission a written description of its system of
2 administrative and accounting procedures over slot machine and table game operations (referred to
3 as “internal controls”) at least 90 days before slot machine or table game operations are to
4 commence.

5 II. A gaming licensee’s internal controls shall, at a minimum, be designed to achieve the
6 following safeguards by providing for the following:

7 (a) Secure its assets and revenues.

8 (b) Reliable records, accounts, and reports on any transaction or financial event that
9 occurs in the operation of a slot machine or table game.

10 (c) If the commission elects to employ a central computer system, ensure that each slot
11 machine and fully automated electronic gaming table directly provides or communicates all
12 required activities and financial details to the central computer system.

13 (d) Ensure that transactions or financial events which occur in the operation of a slot
14 machine or table game are recorded as necessary to permit preparation of financial statements in
15 conformity with generally accepted accounting principles in the United States, this chapter and the
16 rules issued thereunder.

17 (e) Ensure any transaction or financial event that occurs in the operation of a slot
18 machine or table game is performed only in accordance with a gaming licensee’s general or specific
19 authorization as represented to the commission in its internal controls.

20 (f) Ensure that any transaction or financial event that occurs in the operation of a slot
21 machine and table game is recorded adequately to permit proper and timely reporting of gross
22 revenue and the calculation of fees, taxes and assessments related thereto.

23 (g) Ensure that access to assets is permitted only in accordance with a licensee’s general
24 or specific authorization as represented to the commission in its internal controls.

25 (h) Ensure that recorded accountability for assets is compared with actual assets at
26 reasonable intervals and appropriate action is taken with respect to any discrepancy.

27 (i) Ensure that all functions, duties, and responsibilities relating to slot machine or
28 table game operations are appropriately segregated and performed in accordance with sound
29 financial practices by competent, qualified personnel.

30 (j) Establish comprehensive procedures addressing all transactions and reconciliations
31 that routinely occur in the operation of a slot machine or table game including, but not limited to,
32 the following:

33 (1) The receipt, storage and disbursal of cash, cash equivalents, and chips used in
34 table games;

35 (2) Conversion of a cash equivalent to cash;

36 (3) Redemption of chips and other representations of value at a table game and the
37 payment of winnings and prizes;

38 (4) Recording of financial transactions pertaining to a table game;

1 (5) Transfer of chips and cash equivalents between a gaming table and the cashier's
2 cage;

3 (6) Transfer of a drop box from a gaming table to the count room and a slot cash
4 storage box from a slot machine to the count room;

5 (7) Payment of a manual jackpot and redemption of a ticket;

6 (8) Counting and recording of gross slot machine and table game revenue; and

7 (9) Collection and recording of revenue from poker and other table games when
8 played as non-banked games, including the type of rake utilized and the methodology for
9 calculating the amount of rake.

10 (k) Establish procedures and security standards for the receipt, use, and storage of table
11 game devices and associated equipment used in connection with table game and slot machine
12 operations;

13 (l) Establish procedures and rules governing the conduct of each table game and the
14 responsibility of employees in the conduct of each table game;

15 (m) Ensure, through the use of surveillance and security departments, that a gaming
16 location is secure during normal operations and during any emergencies due to malfunctioning
17 equipment, loss of power, natural disaster, or any other cause.

18 III. A gaming licensee's system of internal controls shall ensure the safeguards enumerated
19 in paragraph II and the written description submitted to the commission pursuant to paragraph I
20 shall include, at a minimum:

21 (a) Organization charts depicting the appropriate segregation of functions and
22 responsibilities between departments involved in the conduct of slot machine and table game
23 operations.

24 (b) A description of the duties and responsibilities of each employee position shown on
25 the organization charts, their respective lines of authority and whether that position requires a key
26 employee license, gaming employee registration, non-gaming employee permit or other commission
27 licensing designation.

28 (c) Procedures addressing the transactions, controls, and assurances enumerated in
29 paragraph II.

30 (d) Record retention policies addressing retention, storage and destruction of books,
31 records and documents.

32 (e) Procedures governing the authorization and documentation of gaming-related
33 promotions to be offered by the gaming licensee.

34 (f) Policies related to prevention of prohibited political contributions in accordance with
35 RSA 284-B:44 and the annual certification to the commission required by that section.

36 (g) Such other information, narratives, documents, or assurances as shall be required
37 by the commission.

38 IV. An initial internal control submission submitted pursuant to paragraph I shall be

1 accompanied by the following attestations and reports:

2 (a) An attestation by the gaming licensee's chief executive officer or a designee with a
3 direct reporting relationship to the chief executive officer attesting that the officer believes, in good
4 faith, that the submitted internal controls conform to the requirements of the chapter and the rules
5 issued by the commission.

6 (b) An attestation by the chief financial officer or a designee with a direct reporting
7 relationship to the chief financial officer attesting that the officer believes, in good faith, that the
8 submitted internal controls are designed to provide reasonable assurance that financial reporting
9 conforms to generally accepted accounting principles in the United States and complies with
10 applicable laws and regulations, including this chapter and the rules issued by the commission.

11 (c) A report from an independent registered public accounting firm licensed to practice
12 in New Hampshire expressing an opinion regarding:

13 (1) The effectiveness of the design of the submitted system of internal controls over
14 financial reporting; and

15 (2) Whether the submitted system of internal controls materially deviates from the
16 requirements of applicable laws, rules, and regulations, this chapter and the rules issued by the
17 commission.

18 V. Any change to a gaming licensee's internal controls shall be submitted to the commission
19 along with the certifications required by paragraphs IV(a) and (b) at least 10 calendar days prior to
20 implementation. If the commission does not interpose an objection in writing, the gaming licensee
21 may implement the precise change submitted on the eleventh day following the date of submission
22 to the commission.

23 284-B:28 A Gaming Licensee's Books, Records and Documents .

24 I. A gaming licensee shall maintain and retain all books, records, and documents pertaining
25 to the operation of slot machines and table games in accordance with such rules and at such
26 location as shall be authorized by the commission.

27 II. A gaming licensee shall maintain all books, records, and documents pertaining to the
28 operation of slot machines and table games immediately available for inspection upon request of the
29 commission, the division of state police gaming enforcement unit, the attorney general or agents of
30 such agencies during all hours of operation.

31 III. No later than 2 days after the date of filing with the applicable agency, a gaming
32 licensee shall file with the commission a copy of each Suspicious Activity Report-Casino and
33 Currency Transaction Report by Casino filed under 31 C.F.R. sections 1000-1099.

34 284-B:29 Prohibition on Credit and Play with Credit Cards or Debit Cards.

35 I. A gaming licensee shall not extend credit to a player at a gaming location.

36 II. A gaming licensee shall not permit or enable in any way the direct use of credit cards or
37 debit cards by a player at a slot machine or table game.

38 III. No credit card or debit card advance machine, kiosk, or booth shall be located on or

1 within 100 feet of a gaming floor.

2 IV. No automatic teller machine shall be located on or within 100 feet of a gaming floor.

3 V. A player may use a credit card or a debit card at a gaming location to purchase chips,
4 slot machine credits, or table game credits or for an advance of cash to be used at a slot machine or
5 table game, provided the purchase or advance is processed by a payment processor licensed and
6 classified as a gaming vendor providing services ancillary to gaming.

7 284-B:30 Complimentary Services.

8 I. The commission shall adopt rules consistent with this chapter relating to the direct or
9 indirect offer by a gaming licensee to a player and a player's guests of complimentary services. The
10 rules shall require a gaming licensee to provide such information as the commission shall require
11 with regard to complimentary services at least quarterly and shall further require more timely and
12 detailed disclosure to the commission where a player or a player's guests receive complimentary
13 services valued in excess of \$2,000 over a specified period.

14 II. A gaming licensee is prohibited from directly or indirectly offering alcoholic beverages
15 free of charge for consumption on its gaming floor.

16 III. The gaming licensee shall comply with the provisions of RSA 179:44, I, prohibiting the
17 provision of free drinks in any part of the gaming location.

18 284-B:31 Betting Limits and Disclosure Requirements Applicable to a Cashless Wagering
19 System.

20 I. A gaming licensee utilizing a cashless wagering system to facilitate cashless wagering
21 accounts shall allow a player to monitor and impose betting limits on his or her cashless wagering
22 account including, but not limited to, per bet limits, hourly limits, daily limits, weekly limits, and
23 monthly limits. A player may decrease and increase limits in the exercise of his or her discretion
24 provided, however, that a player shall not increase a betting limit more than once in a 24-hour
25 period.

26 II. A gaming licensee shall issue to a player who utilizes a cashless wagering system a
27 monthly statement, mailed to the player at the player's physical mailing address, which shall
28 include the player's total bets, wins, and losses as recorded by the cashless wagering system,
29 provided, however, that a player shall be given the opportunity to decline receiving a monthly
30 statement during the process of opening a wagering account, provided, however, that a player who
31 elects to receive a monthly statement may thereafter opt out of receiving monthly statements by
32 providing a written request to cease monthly statements to a gaming licensee.

33 III. A gaming licensee offering a cashless wagering system shall annually report to the
34 commission the amount of money spent and lost by players with wagering accounts aggregated by
35 zip code. Activity under this section shall be monitored by the commission.

36 IV. An individual who has self-excluded under this chapter shall not open a cashless
37 wagering account.

38 284-B:32 Disclosure Requirements Applicable to a Player Tracking System.

1 I. A gaming licensee utilizing a player tracking system to facilitate a player incentive
2 program shall issue to a player who participates in its incentive program a monthly statement,
3 mailed to the player at the player's postal mailing address, which shall include the player's total
4 bets, wins, and losses as recorded by the player tracking system.

5 (a) A player shall be given the opportunity to decline receiving a monthly statement
6 during the process of joining the incentive program.

7 (b) A player who elects to receive a monthly statement may thereafter opt out of
8 receiving monthly statements by providing a written request to cease monthly statements to a
9 gaming licensee.

10 II. A gaming licensee utilizing a player tracking system to facilitate a player incentive
11 program shall annually report to the commission the amount of money spent and lost by players
12 participating in its incentive program aggregated by zip code. Activity under this section shall be
13 monitored by the commission.

14 III. An individual who has self-excluded under this chapter shall not be permitted to join or
15 otherwise participate in an incentive program offered by a gaming licensee.

16 284-B:33 Tips and Gratuities.

17 I. The commission shall adopt rules consistent with applicable state law relating to the
18 acceptance, accounting for, and distribution of tips and gratuities received by an employee of a
19 gaming licensee from a player at a slot machine or table game.

20 II. No key employee, box person, floor person, or other gaming employee who serves in a
21 supervisory position shall solicit or accept, and no employee may solicit, a tip or gratuity from a
22 player at a slot machine or table game.

23 284-B:34 Exclusion of Individuals Under the Age of 21 from a Gaming Location.

24 I. Except as provided in paragraph II, no individual under the age of 21 shall be permitted
25 access to a gaming floor or restricted area or to otherwise place a wager on a slot machine or table
26 game.

27 II. An individual 18 years or older who is a commission licensed, registered, or permitted
28 employee of a gaming licensee may access a gaming floor or restricted area only at such times and
29 to the extent necessary to perform the duties the individual was employed to perform.

30 III. No gaming licensee shall conduct marketing and promotional communications or
31 otherwise target or incent to gamble an individual under the age of 21.

32 IV. An individual who is prohibited from gaming in a gaming location under this section
33 shall not collect any winnings or recover any losses arising as a result of prohibited gaming
34 winnings and any winnings shall be forfeited to the commission and deposited into the general
35 fund.

36 V. A gaming licensee shall take all reasonable measures to prevent violations of the
37 criminal code provisions related to gambling by individuals under the age of 21 including the
38 provisions set forth in this chapter and RSA 672.

1 284-B:35 Exclusion of an Individual from a Gaming Location.

2 I. The commission shall adopt rules consistent with this chapter relating to the exclusion of
3 an individual from a gaming location including, but not limited to, standards for exclusion,
4 administration of an exclusion list, and notice to gaming licensees of placement of an individual on
5 the exclusion list.

6 II. In determining whether an individual should be excluded from a gaming location the
7 commission shall assess whether the individual's presence in a gaming location is inimical or a
8 potentially injurious threat to the interest of the state, the gaming licensee or both. The
9 commission shall consider, at a minimum, the following factors:

10 (a) Whether an individual has been convicted of:

11 (1) A criminal offense under the laws of any state or the United States that is
12 punishable by more than 6 months in a state prison, a house of correction, or any comparable
13 incarceration;

14 (2) A crime of moral turpitude; or

15 (3) A violation of the gaming laws of any state.

16 (b) Whether an individual has violated or conspired to violate this chapter relating to:

17 (1) Failure to disclose an interest in a gaming licensee for which the individual is
18 required to obtain a license; or

19 (2) Willful evasion of fees or taxes.

20 (c) Whether an individual has a notorious or unsavory reputation that would adversely
21 affect public confidence and trust that the gaming industry is free from criminal or corruptive
22 elements.

23 (d) Whether an individual's presence is otherwise inimical or a potentially injurious
24 threat to the interests of the state, the gaming licensee or both.

25 III. No individual shall be placed by the commission on its exclusion list due to race, color,
26 religion, national origin, ancestry, sexual orientation, disability, or sex.

27 IV. No gaming license shall conduct marketing and promotional communications or
28 otherwise target or incent to gamble an individual placed by the commission on its exclusion list.

29 V. The commission may revoke, limit, condition, suspend, or fine a gaming licensee if the
30 licensee knowingly or recklessly fails to exclude or eject from its gaming location an individual
31 placed by the commission on its exclusion list.

32 VI. Whenever the commission places a name on the exclusion list, the commission shall
33 serve written notice upon that individual by personal service, registered or certified mail return
34 receipt requested to the last ascertainable address or by publication in a daily newspaper of general
35 circulation for one week.

36 VII. Within 30 days of receipt of service by mail or 60 days after the last publication under
37 paragraph VI an individual placed on the exclusion list may request an hearing before the
38 commission and show cause as to why the individual should be removed from the exclusion list.

1 Failure to demand a hearing within the time allotted in this section shall preclude the individual
2 from having a hearing but shall not affect the individual's right to petition for judicial review.

3 VIII. Upon receipt of a demand for hearing, the commission shall set a time and place for
4 the hearing. This hearing shall be held not later than 30 days after receipt of the demand for the
5 hearing, unless the time of the hearing is changed by agreement of the commission and the
6 individual demanding the hearing.

7 IX. If upon completion of the hearing the commission determines that the individual was
8 wrongfully placed on the exclusion list, the commission shall remove the individual's name from the
9 exclusion list and notify all gaming licensees. The decision shall be final.

10 X. Placement of an individual on the exclusion list shall be evidenced by a written decision.

11 XI.(a) Within 30 days after any order or decision has been made by the commission, any
12 party to the action or proceeding before the commission, or any person directly affected thereby,
13 may apply for a rehearing in respect to any matter determined in the action or proceeding, or
14 covered or included in the order, specifying in the motion all grounds for rehearing, and the
15 commission may grant such rehearing if in its opinion good reason for the rehearing is stated in the
16 motion.

17 (b) Such motion shall set forth fully every ground upon which it is claimed that the
18 decision or order complained of is unlawful or unreasonable. No appeal from any order or decision
19 of the commission shall be taken unless the appellant shall have made application for rehearing as
20 herein provided, and when such application shall have been made, no ground not set forth therein
21 shall be urged, relied on, or given any consideration by the court, unless the court for good cause
22 shown shall allow the appellant to specify additional grounds.

23 (c) Upon the filing of such motion for rehearing, the commission shall within 10 days
24 either grant or deny the same, or suspend the order or decision complained of pending further
25 consideration, and any order of suspension may be upon such terms and conditions as the
26 commission may prescribe.

27 (d) Within 30 days after the application for a rehearing is denied, or, if the application
28 is granted, then within 30 days after the decision on such rehearing, any party aggrieved or
29 dissatisfied by any final decision of the commission under this section shall have the right to appeal
30 from a final decision to the superior court. The petition shall specify the grounds on which such
31 claim is made.

32 XII. The appellant's burden of proof in any appeal to the superior court under this section
33 shall be as provided for by RSA 541:13.

34 XIII. An individual who is prohibited from gaming in a gaming location under this section
35 shall not collect any winnings or recover any losses arising as a result of prohibited gaming
36 winnings and any winnings shall be forfeited to the commission and deposited into the general
37 fund.

38 XIV. A gaming licensee may also exclude or eject from its gaming location an individual

1 who is known to it to have been convicted of a misdemeanor or felony committed in the gaming
2 location. Nothing in this chapter shall limit the right of a gaming licensee to exercise its common
3 law right to exclude or eject permanently from its gaming location an individual who disrupts its
4 gaming operations, threatens the security of the gaming location or its employees, players and
5 invitees or is disorderly or intoxicated.

6 284-B:36 Self-Exclusion By an Individual From a Gaming Location.

7 I. The commission shall establish and administer a list of individuals voluntarily electing to
8 self-exclude themselves from a gaming location operated pursuant to this chapter. The commission
9 may further adopt provisions expanding the availability of self-exclusion to games of chance
10 conducted pursuant to RSA 287-D.

11 II. The commission shall adopt rules consistent with this chapter relating to the self-
12 exclusion of an individual from a gaming location including, but not limited to, multiple time
13 periods for self- exclusion, administration of, and removal from, the self-exclusion list, notice to
14 gaming licensees of placement of an individual on the self-exclusion list and forfeiture of winnings
15 and recovery of losses.

16 III. An individual may place his or her name on the self-exclusion list by filing a request
17 with the commission acknowledging that they are a problem gambler and by agreeing that, during
18 any period of voluntary exclusion, that they shall not collect any winnings or recover any losses
19 resulting from any gaming activity at a gaming location operated pursuant to this chapter.

20 IV. No gaming license shall:

21 (a) Authorize and conduct marketing and promotional communications or otherwise
22 target or incent to gamble an individual electing to place their name on the commission's self-
23 exclusion list.

24 (b) Provide complimentary services, check cashing privileges, incentive program
25 membership or other benefits to a person electing to place their name on the commission's self-
26 exclusion list.

27 V. The commission may revoke, limit, condition, suspend or fine a gaming licensee if the
28 licensee knowingly or recklessly fails to exclude or eject from its gaming location an individual
29 electing to place their name on the commission's self-exclusion list.

30 VI. Notwithstanding any other general or special law to the contrary, the commission's list
31 of individuals electing to place their name on the commission's self-exclusion list shall not be open
32 to public inspection.

33 VII. A gaming licensee receiving notice from the commission that an individual has elected
34 to place their name on the commission's self-exclusion list shall not be precluded from disclosing the
35 identity of the self-excluding individual to affiliated gaming operations in other jurisdictions for the
36 limited purpose of assisting in the proper administration of responsible gaming programs operated
37 by affiliated gaming operations.

38 VIII. An individual who is prohibited from gaming in a gaming location under this section

1 shall not collect any winnings or recover any losses arising as a result of prohibited gaming
2 winnings and any winnings shall be forfeited to the commission and deposited into the general
3 fund.

4 284-B:37 Authorized Gaming; Possession, Testing, and Certification.

5 I. This chapter shall not be construed to authorize any gaming other than in connection
6 with a slot machine and table game meeting the requirements of this chapter.

7 II. The commission shall adopt rules consistent with this chapter relating to gaming
8 equipment including, but not limited to, requirements addressing:

9 (a) Receipt, review, distribution, and the commission approval process associated with
10 the certification reports issued by independent testing laboratories pursuant to paragraphs V and
11 VI;

12 (b) If the commission elects to employ a central computer system, the communications
13 protocol and technical standards applicable thereto.

14 (c) Mechanical and electrical reliability of slot machines and associated equipment.

15 (d) Security features preventing tampering with slot machines and associated
16 equipment.

17 (e) Comprehensibility to the player of wagering options and rules of play.

18 (f) Noise and light levels generated by slot machines.

19 (g) Design features necessary to ensure the accurate recording of transactions, to
20 protect a player from fraud or deception, and to minimize any potential negative consequences
21 associated with the play of a slot machine including, but not limited to:

22 (A) A prohibition on the use of reflexive software which, for the purposes of this
23 section, shall be defined as any software that has the ability to manipulate and/or replace a
24 randomly generated outcome for the purposes of changing the result on a slot machine;

25 (B) A requirement that a slot machine utilize one, or a combination of more than
26 one random number generators working collectively, to determine the occurrence of a specific card,
27 number, symbol, or stop;

28 (C) A requirement that once a random selection has occurred that the slot
29 machine display an accurate representation of the randomly selected outcome and that it be
30 prohibited from making a secondary decision which affects the result shown to the player on the
31 slot machine; and

32 (D) A requirement that where a slot machine includes a strategy choice,
33 meaning that a particular play option requires use of skill to consistently achieve the best result,
34 that the slot machine include in its rules of play sufficient information for a player to use optimal
35 skill unless the player is not required to make an additional wager and cannot lose any credits
36 earned prior to the strategy choice.

37 (h) Slot machine and table game circulation and density requirements including, but
38 not limited to, those related to:

- 1 (1) Promotion of optimum physical safety, security, and the comfort of players;
- 2 (2) Creation and maintenance of a gracious playing environment; and
- 3 (3) Promotion of a competitive games mix.
- 4 (i) Progressive slot machines including multi-casino progressive systems.
- 5 (j) Commission review requirements and product approval standards related to table
- 6 game devices.
- 7 (k) Rules of the game for each table game permitted under this chapter which include a
- 8 prohibition on:
 - 9 (1) Use of a shill or barker to induce an individual to enter a gaming floor or play a
 - 10 table game;
 - 11 (2) A dealer in a table game in which cards are dealt to deal cards by hand or other
 - 12 than from a device specifically designed for that purpose unless otherwise permitted by the rules of
 - 13 the commission; and
 - 14 (3) A key employee, gaming employee directly involved with the conduct of gaming
 - 15 operations, including but not limited to dealers, floor persons, box persons, security and surveillance
 - 16 employees, or any other individual so designated by the commission from wagering at the gaming
 - 17 location at which they are employed.
- 18 (l) Physical and logical access to computer systems, including but not limited to,
- 19 systems meeting the definition of associated equipment and the location of the primary and back-up
- 20 system attendant to each.
- 21 (m) Such other gaming equipment requirements as the commission shall deem
- 22 appropriate.
- 23 III. A gaming licensee shall only possess, maintain, offer for play, or exhibit a slot machine,
- 24 associated equipment, and table game devices on a gaming floor or in a restricted area approved by
- 25 the commission for the installation, inspection, repair, or storage of such equipment, provided,
- 26 however, that this limitation shall not apply to a licensed gaming vendor who operates a warehouse,
- 27 showroom, or sales facility within the state subject to the approval of the commission.
- 28 IV. Notwithstanding the provisions of paragraph III, the commission may allow the
- 29 collective hardware, software, communications technology, and other ancillary equipment used to
- 30 facilitate a multi-casino progressive system to reside outside a gaming location in a secure facility
- 31 inaccessible to the public and specifically designed for that purpose.
- 32 V. No slot machine shall be sold, leased, or distributed within the state or used by a gaming
- 33 licensee to conduct gaming unless it is identical in all electrical, mechanical, and other respects to a
- 34 prototype thereof that has been both:
 - 35 (a) Tested and certified by an independent testing laboratory meeting the requirements
 - 36 of paragraph VIII as complying with the requirements of this chapter and the rules, technical
 - 37 standards, and testing protocols adopted by the commission; and
 - 38 (b) Approved by the commission.

1 VI. No associated equipment shall be sold, leased, or distributed within the state or utilized
2 by a gaming licensee to facilitate the operation of a slot machine, the conduct of a table game, or the
3 calculation of gaming revenue unless a prototype thereof is both:

4 (a) Tested and certified by an independent testing laboratory meeting the requirements
5 of paragraph VIII as complying with the requirements of this chapter and the rules, technical
6 standards, and testing protocols adopted by the commission; and

7 (b) Approved by the commission.

8 VII. The cost of all testing and certification services required in accordance with
9 paragraphs V and VI shall be paid by the licensed gaming vendor of the slot machine or associated
10 equipment.

11 VIII. The commission shall periodically test slot machines and associated equipment
12 installed at a gaming location and may utilize the services of independent testing laboratories to
13 assist its staff in the performance of such testing. The gaming licensee shall pay the cost of such
14 testing including, but not limited to, the cost of any independent testing laboratory services utilized
15 by the commission.

16 IX. The commission shall utilize, and shall accept data, forensic reports, and certifications
17 in accordance with paragraphs V, VI, and VII of this section from multiple independent testing
18 laboratories provided each laboratory meets the following criteria:

19 (a) Holds a certificate in good standing for compliance with:

20 (1) International Organization for Standardization # 17025 — General
21 Requirements for the Competence of Testing and Calibration Laboratories as amended, amplified,
22 or substituted by that organization or a functional equivalent; and

23 (2) International Organization for Standardization # 17020 — General Criteria for
24 the Operation of Various Types of Bodies Performing Inspections as amended, amplified, or
25 substituted by that organization or a functional equivalent.

26 (b) Has performed testing and certification of gaming equipment, systems, and software
27 on behalf of a state or tribal jurisdiction within the United States for a period of 5 or more years.

28 (c) Has been determined by the commission to be qualified in accordance with standards
29 adopted by rules consistent with this chapter.

30 284-B:38 Payout Percentage.

31 I. No slot machine shall be sold, leased, or distributed within the state or used by a gaming
32 licensee to conduct gaming unless it has been certified by an independent testing laboratory
33 meeting the requirements of RSA 284-B:37, VIII as having a minimum theoretical payout
34 percentage of 85 percent and a maximum theoretical payout percentage of less than 100 percent.

35 II. A gaming licensee shall prominently post on its gaming floor information regarding the
36 minimum theoretical payout percentage required by paragraph I of this section and such other
37 disclosures to slot machine players as the commission shall deem in the best interest of slot machine
38 players.

1 III. The commission shall require that each slot machine prominently display to slot
2 machine players an award schedule disclosing the value of each winning combination.

3 284-B:39 Wagers; Table Games Gaming Guide.

4 I. A gaming licensee shall equip each gaming table with a sign indicating the permissible
5 minimum and maximum wagers pertaining thereto.

6 II. A gaming licensee shall not accept a wager greater than the stated maximum or less
7 than the stated minimum, provided, however, that a wager actually made by a player and not
8 rejected by a gaming licensee prior to the commencement of play shall be treated as a valid wager.

9 III. A gaming licensee shall make available to any player upon request the complete text of
10 any rules adopted by the commission regarding table games and the conduct of play, the pay-off of a
11 winning wager, an approximation of the odds of winning for each wager, and such other disclosures
12 to the player as the commission shall require. If requested by the player, the information required
13 by this paragraph shall be made available in hard copy form at no cost to the player.

14 IV. A gaming licensee shall prominently post on its gaming floor such information
15 regarding the conduct of table game play, the pay-off of a winning wager, an approximation of the
16 odds of winning for each wager, and such other disclosures to the player as the commission shall
17 require.

18 284-B:40 Gaming Ticket Expiration, Unclaimed Tickets, Cash, and Prizes.

19 I. A gaming licensee shall redeem a ticket issued by a slot machine for cash or a cash
20 equivalent for a period of one year from the date of issuance of the ticket.

21 II. Upon the expiration of the one-year period in paragraph I, the value of the expired ticket
22 shall revert to the state as an unclaimed prize.

23 III. A gaming licensee shall retain unclaimed cash and winnings for a player for a one-year
24 period from the date of the transaction generating the cash or winnings.

25 IV. Upon the expiration of the one-year period in paragraph III, the value of the unclaimed
26 cash or winnings shall revert to the state as unclaimed prizes.

27 V. The commission shall issue rules consistent with this chapter and the efficient
28 administration of a gaming licensee's obligations hereunder with regard to the reversion of amounts
29 to the state.

30 284-B:41 Junkets. No junket may be organized or permitted and no person may act as a junket
31 representative or junket enterprise except as authorized by the commission under rules adopted
32 pursuant to this chapter.

33 284-B:42 Gross Revenue Tax and Other Assessments Payable by a Gaming Licensee.

34 I. A gaming licensee shall remit to the state treasurer a tax of 35 percent of gross slot
35 machine revenue and 18 percent of gross table game revenue in a manner and time as provided for
36 by this chapter.

37 (a) Upon receipt of payment of taxes on gross slot machine revenue and gross table
38 game revenue by a gaming licensee under this chapter and in accordance with a schedule

1 established by the state treasurer, the state treasurer shall:

2 (1) Pay 3 percent of the gross slot machine revenue of the gaming licensee located in
3 the host community to the host community;

4 (2) Pay one percent of the gross slot machine revenue of the gaming licensee to the
5 New Hampshire community or communities that abut the host community, dividing such one
6 percent for payment in equal shares if there is more than one abutting community; provided,
7 however, that if a community abuts more than one host community, such abutting community shall
8 only receive a percentage of gross slot machine revenue pursuant to this paragraph from that
9 gaming licensee who operates a gaming location in closer proximity to the abutting community as
10 measured by distance between the gaming location and the town line of such abutting community;

11 (3) Pay one percent of the gross slot machine revenue of the gaming licensee to the
12 county in which the host community is located;

13 (4) Pay one percent of the gross slot machine revenue to the commissioner of the
14 department of health and human services to support programs established by RSA 172 to identify,
15 assess, prevent, and treat both compulsive and problem gambling and the related disorders of drug
16 and alcohol addiction;

17 (5) Return that part of the gross slot machine revenue remaining after the
18 distributions provided in subparagraphs (1) through (4) to cities and towns in New Hampshire equal
19 to the amounts determined in accordance with RSA 31-A:4 as restored by this act, or if the
20 remaining gross slot machine revenue is less than the amounts that would otherwise be payable in
21 accordance with RSA 31-A:4, then each such city's or town's pro rata share of the total available
22 amount determined in accordance with RSA 31-A:4; and

23 (6) Deposit the balance into the gaming regulatory fund established by RSA 284-
24 B:18, VI.

25 (b) Upon payment of taxes on gross slot machine revenue and gross table game revenue
26 by a gaming licensee under this chapter, and subject to payment by the state treasurer of the
27 amounts specified in subparagraph (a), the commission shall:

28 (1) Reimburse funds received by the commission from activities authorized by
29 RSA 284, RSA 287-D, RSA 287-E, and RSA 287-F in proportion to the expenses of the commission
30 borne by each such activity in the administration of this chapter as authorized by RSA 284-B:3 prior
31 to the payment of the license fee.

32 (2) Reimburse funds received by the gaming regulatory oversight authority from
33 activities authorized by RSA 284 and RSA 287-F in proportion to the expenses of the authority
34 borne by each such activity in the administration of RSA 284-A.

35 (3) Charge to and pay out of the tax payments received the compensation of the
36 commissioners, expenses of the commissioners, compensation of assistants, and other necessary
37 expenses of the commission, of the office of the commission chair, and of the division of gaming
38 control, including suitable furniture, equipment, supplies, and office expenses, provided that the

1 commission shall submit an operating budget based on accounting units or other budgetary units
2 required by the general court and shall submit its budget in the same format and at the same time
3 as other state agencies; provided, however, the commission is authorized to transfer funds between
4 line items within and among any budgetary unit.

5 (4) Make distributions to the state treasurer for transfer to the attorney general and
6 the department of safety and local law enforcement agencies in amounts equal to any costs of
7 regulatory control over a gaming licensee that are not covered by any other designated source of
8 funding in this chapter, provided that such distributions shall be in accordance with a budget
9 approved by the general court.

10 II. The general court shall determine the distribution of the balance of tax payments on
11 gross slot machine revenue or gross table game revenue remitted by a gaming licensee that remains
12 after provision for the distributions and charges provided for by paragraph I.

13 III. A gaming licensee shall deliver to the state treasurer the amount due to the state
14 treasurer provided for in this section in immediately available funds of the United States at least
15 once a week in such manner and at such time as the state treasurer, with the concurrence of the
16 commission, shall agree. At the time payment is delivered, a gaming licensee shall provide to the
17 state treasurer a written accounting of gross table game revenue and gross slot machine revenue on
18 an aggregate basis together with its calculation of the amount due to the state treasurer pursuant
19 to this section. The gaming licensee's written accounting shall be in a form satisfactory to the
20 commission and shall be filed concurrently with the commission. A gaming licensee shall pay a
21 penalty of \$1,000 for each day that payment or the accounting is not delivered on time to the state
22 treasurer and/or the commission.

23 IV. A gaming licensee shall remit to the commission a fee in the amount of \$600 per year
24 per slot machine which fee shall be deposited in a public health trust fund administered by the
25 commission dedicated to addressing problems associated with compulsive gambling, including, but
26 not limited to, gambling prevention and addiction services, substance abuse services, educational
27 campaigns to mitigate the potential addictive nature of gambling, research, and any studies and
28 evaluations consistent with this chapter.

29 284-B:43 Conservatorship.

30 I. Upon revocation or suspension of a gaming license by the commission or upon the failure
31 or refusal of a gaming licensee to renew a gaming license for any reason, the commission may seek
32 the appointment of a conservator pursuant to this section to temporarily manage and operate the
33 business of the gaming licensee relating to a gaming location if it is able to establish both of the
34 following:

35 (a) The possible adverse economic impact of closure of the gaming location upon the
36 host community and upon the state generally is significant.

37 (b) Continued gaming operations pursuant to a conservatorship would facilitate speedy
38 transfer of ownership of the gaming location in a manner that does not unreasonably endanger the

1 public health, safety, morals, good order and general welfare. Such conservator shall be a person of
2 similar experience in the field of gaming management and, in the case of replacing a gaming
3 licensee, shall have experience operating a gaming location of similar caliber in another jurisdiction,
4 and shall be in good standing in any jurisdiction where the person has held or holds a license,
5 registration or other authorization. Upon appointment, a conservator shall agree to operate a
6 gaming location in compliance with all requirements of the statement of conditions issued by the
7 commission in connection with the gaming license for the gaming location.

8 II. If the commission deems it warranted pursuant to this section, the commission, and only
9 the commission, may petition ex parte for a court order appointing a conservator for the gaming
10 location. The decision to file such a petition is discretionary with the commission, and in
11 determining whether such a petition shall be filed, the commission shall consider, at any time
12 following issuance of an order revoking or suspending a gaming license or upon the failure or
13 refusal to renew a gaming license the following criteria.

14 (a) The nature of the violation or event that resulted in the revocation, suspension,
15 surrender, or lapse.

16 (b) The ability and actions taken, if any, for a removal by a gaming licensee in good
17 standing of persons who committed the violation.

18 (c) The involvement in the operation during a proposed conservatorship of persons
19 whose licenses were revoked, suspended, surrendered, or lapsed.

20 (d) The economic impact of closure of the gaming location upon the community in which
21 the establishment is located.

22 (e) The economic impact of closure of the gaming location upon the state of New
23 Hampshire.

24 (f) The prior efforts, if any, to sell the gaming location.

25 (g) The involvement, if any, of undisclosed interests in the gaming location.

26 (h) The presence, if any, of a publicly traded holding company and the public trading
27 that would occur during a conservatorship.

28 (i) The current status of all fees and taxes applicable to the operation.

29 (j) The adequacy of existing financing for the operation, if continued, and the suitability
30 of the source of such financing.

31 (k) The impact upon public confidence and trust that gaming operations in New
32 Hampshire are conducted honestly, competitively, and free from criminal and corruptive elements.

33 (l) The ownership of the gaming location or an interest therein by persons other than
34 the offending, surrendering, or lapsed licensee.

35 (m) Any other matter material to a full and complete consideration of the particular
36 circumstances presented.

37 (n) The availability of 2 or more persons qualified and willing to assume the position of
38 conservator for the gaming location in question, unless, in the opinion of the commission, only one

1 person is available who is qualified to serve, in which case the commission may name only that
2 person.

3 III. The commission may decline to petition for appointment of a conservator if satisfied
4 that because of any or all of the above considerations or for any other reason, a continuation of the
5 operation of the gaming location would not be in the best interest of the state, the gaming industry,
6 or both.

7 IV. The commission shall not petition for a conservator to continue gaming operations at
8 any gaming location if any of the following are established:

9 (a) A rehearing has been granted by the commission to the gaming licensee on the
10 revocation or suspension of its license and the rehearing has not been concluded.

11 (b) The gaming location has never been in operation and opened to the public.

12 (c) The gaming location is, or reasonably appears to be, insolvent.

13 (d) Gaming operations ceased at the gaming location for any reason prior to revocation,
14 suspension, or lapse of an essential license.

15 V. A conservator shall, before assuming managerial or operational duties, execute and file a
16 bond for the faithful performance of its duties payable to the commission with such surety and in
17 such form and amount as the commission shall approve.

18 VI. After issuance of an order to appoint a conservator, the former or suspended gaming
19 licensee may not exercise any of its privileges, collect or receive any debts, or pay out, sell, assign,
20 or transfer any of its assets to anyone without prior approval of the appointed conservator and the
21 commission.

22 VII. A conservator shall not distribute earnings of the gaming location to the former
23 licensed owners thereof, until deduction is made for:

24 (a) All amounts payable under this chapter.

25 (b) The costs of the conservatorship, including compensation and expenses incurred by
26 the conservator and those engaged by the conservator to aid in the conservator's duties, then due
27 and owing.

28 (c) Amounts deemed necessary by the conservator for continuing the operation of the
29 gaming location including, but not limited to, bankroll, salaries, and foreseeable operating expenses.

30 (d) Amounts deemed necessary by the conservator to preserve the assets of the gaming
31 location.

32 (e) A reserve fund sufficient, in the determination of the conservator, to facilitate
33 continued operation in light of pending civil litigation, disputed claims, contractual obligations,
34 taxes, fees, and any other contingency known to the conservator which may require payment by the
35 gaming location.

36 VIII. During the period of conservatorship, the commission shall, as applicable, initiate
37 proceedings under this chapter to award a new gaming license to a qualified applicant. An
38 applicant for a new gaming license shall be qualified for licensure under this chapter, provided,

1 however, that the commission shall determine an appropriate minimum capital investment by an
2 applicant into the preexisting gaming location and upon award of a new gaming license, the new
3 gaming licensee shall pay the original licensing fee required under this chapter.

4 IX. Following the sale, assignment, conveyance, or other disposition in bulk of all the
5 property subject to a conservatorship and the payment of any obligations to the state and political
6 subdivisions pursuant to this chapter, the commission shall conduct a hearing to determine the
7 distribution of the remaining assets.

8 X. The commission may issue an order to discontinue a conservatorship when:

9 (a) The commission determines that circumstances requiring the appointment of the
10 conservator no longer exist.

11 (b) The conservator has, with the prior approval of the commission, consummated the
12 sale, assignment, conveyance, or other disposition of all the assets or interest of the former gaming
13 licensee relating to the gaming license.

14 284-B:44 Prohibitions on Certain Political Contributions.

15 I. For the purposes of this section:

16 (a) "Candidate" means any person publicly declared as such, including any person who
17 prior to the opening of the period for the filing of a declaration of candidacy has made a public
18 statement of intent to run for elective office, and for whom votes are sought in an election, but shall
19 not include a person seeking nomination or election to any federal public office.

20 (b) "Close associate" means a person who holds a relevant financial interest in, or is
21 entitled to exercise power in, the business of a gaming applicant or gaming licensee and, by virtue
22 of that interest or power, is able to exercise a significant influence over the management or
23 operation of a gaming location or business licensed under this chapter.

24 (c) "Co-employee" means a individual that through a contractual arrangement is
25 employed by 2 separate business entities that share control over an employee's work or working
26 conditions.

27 (d) "Contribution" shall be defined as in RSA 664:2.

28 (e) "Political committee" shall be defined as in RSA 664:2.

29 (f) "Political party" shall be defined as in RSA 664:2.

30 (g) "Independent expenditure" shall be defined as in RSA 664:2.

31 (h) "Dependent person" means an individual that is an employee or co-employee of a
32 gaming applicant or gaming licensee, an employee or co-employee of a person affiliated with a
33 gaming applicant or gaming licensee or an enterprise or firm, or an officer, director, partner, owner,
34 or key employee of an enterprise or firm, that is a party to any contract with, or is bidding for or
35 seeking to enter any contract with, or regularly represents or provides services to, a gaming
36 applicant or gaming licensee.

37 (i) "Public official" means any person holding the office of governor, executive councilor,
38 state senator, state representative, county commissioner, county treasurer, county attorney, county

1 sheriff, county registrar of deeds, or local, town or city office.

2 (j) "Solicitation" means a request, suggestion, or recommendation made to a particular
3 person, by any means of communication, that the person make a contribution, provided, however,
4 that a statement to a person expressing support for or opposition to the election of any candidate, or
5 support for or opposition to any political party, which is made without reference to a contribution,
6 or a statement intended for and given public dissemination encouraging all persons to make
7 contributions to any candidate or political party, is not a solicitation.

8 (k) "Thing of value" means an item of real, personal, or intellectual property that may
9 be converted into money by selling it or pledging it as security for a loan or other advance of funds;
10 a loan of assets, property, personnel, or facilities for use by a candidate or political party, such as,
11 without limitation, office space, automobiles, telephones or telephone services, or the time and effort
12 of employees or consultants who are paid by the person making the contribution; a personal or
13 professional service that is not incidental to the expression of a person's ideological beliefs or
14 membership in a political party, and that has a value to the candidate or political organization; a
15 non-reimbursed expense that is not incidental to the expression of a person's ideological beliefs or
16 membership in a political party, and is of the type normally incurred by the candidate or political
17 organization; or any thing, service, expense, or other item of value similar to that identified in this
18 paragraph.

19 II. A gaming applicant, a gaming licensee, a close associate of a gaming applicant or gaming
20 licensee or any holding, intermediary, or subsidiary company of a gaming applicant or gaming
21 licensee or any dependent person thereof; an officer, director, key employee, or principal of a
22 gaming applicant or gaming licensee; a person who holds at least a one percent interest in a gaming
23 applicant or gaming licensee; the spouse or children of a gaming applicant or gaming licensee; or
24 any person or agent acting on behalf of any of the persons enumerated herein are prohibited from
25 making contributions of money or things of value to public officials or candidates for public office
26 and political parties in New Hampshire provided further that the above-mentioned persons shall
27 not offer or give to a candidate or public official or his or her spouse, his or her parent, brother,
28 sister, or child or spouse of such child, or a business with which he or she is associated, anything of
29 value, including, but not limited to, a gift, loan, political contribution, reward, or promise of future
30 employment.

31 III. A gaming applicant, a gaming licensee, a close associate of a gaming applicant or
32 gaming licensee or any holding, intermediary, or subsidiary company of a gaming applicant or
33 gaming licensee or any dependent person thereof; an officer, director, key employee, or principal of
34 a gaming applicant or gaming licensee; a person who holds at least a one percent interest in a
35 gaming applicant or gaming licensee; the spouse or children of a gaming applicant or gaming
36 licensee; or any person or agent acting on behalf of any of the persons enumerated herein are
37 prohibited from making a contribution to a candidate or political committee through a legal entity
38 that is established, directed, or controlled by the persons described in this paragraph.

1 IV. No candidate or public official or political committee shall solicit or accept from a
2 gaming applicant, a gaming licensee, a close associate of a gaming applicant or gaming licensee or
3 any holding, intermediary, or subsidiary company of a gaming applicant or gaming licensee or any
4 dependent person thereof; an officer, director, key employee, or principal of a gaming applicant or
5 gaming licensee; a person who holds at least a one percent interest in a gaming applicant or gaming
6 licensee; the spouse or children of a gaming applicant or gaming licensee; or any person or agent
7 acting on behalf of any of the persons enumerated herein anything of value, including but not
8 limited to, a gift, loan, political contribution, reward, or promise of future employment.

9 V. This prohibition is designed to protect the public interest in both the fact and the
10 appearance of the independence of the political process, and the insulation of the government
11 institutions that are responsible for the supervision of the gaming industry, from the uniquely
12 powerful economic force that is presented by that industry. The protection of these interests is
13 critical to the maintenance of public confidence and trust in the regulation of gaming in New
14 Hampshire.

15 VI. A violation of the prohibitions in paragraphs II through V shall be punishable by a fine
16 not to exceed \$20,000 per illicit donation plus the amount of each illicit donation and such other
17 sanctions and penalties as the commission shall deem appropriate.

18 VII. The prohibitions enumerated in paragraphs II through V shall also apply to an
19 applicant for, or holder of, a key employee license or gaming vendor license, a close associate of a
20 gaming vendor applicant or gaming vendor licensee, or any holding, intermediary, or subsidiary
21 company of a gaming vendor applicant or gaming vendor licensee or any dependent person thereof;
22 an officer, director, key employee, or principal of a gaming vendor applicant or gaming vendor
23 licensee; a person who holds at least a one percent interest in a gaming vendor applicant or gaming
24 vendor licensee; the spouse or children of a key employee applicant or key employee licensee,
25 gaming vendor applicant, or gaming vendor licensee; or any person or agent acting on behalf of any
26 of the persons enumerated herein.

27 VIII. A violation of the prohibitions in paragraphs VII shall be punishable by a such
28 sanctions and penalties as the commission shall deem appropriate.

29 IX. The chief executive officer of a gaming applicant, a gaming licensee, an applicant for a
30 gaming vendor license, or a gaming vendor licensee shall annually certify to the commission and to
31 the attorney general under oath that they have developed and implemented internal safeguards
32 and policies intended to prevent a violation of this provision and that such person has conducted a
33 good faith investigation that has not revealed any violation of this provision during the past year.

34 284-B:45 Data; Research.

35 I. Notwithstanding any law to the contrary, a gaming licensee shall supply the commission
36 with customer tracking data collected or generated by loyalty programs, player tracking software,
37 player card systems, cashless wagering systems, or any other player incentive related information
38 system. The commission shall contract with an experienced nonprofit research entity to develop an

1 anonymizing system that automatically removes from the data:

2 (a) Personal identifying information, including player name, street address, bank or
3 credit information, and the last 4 digits of a player's zip code.

4 (b) Slot machine identifying information, including game name and manufacturer, in
5 protection of corporate intellectual property.

6 (c) The data shall retain information on player characteristics including, but not limited
7 to, gender, age, and region of residence, and player behavior including, where available on the
8 systems referenced in this paragraph, frequency of play, length of play, speed of play, denomination
9 of play, amounts wagered and, if applicable, number of lines or hands played and the characteristics
10 of the games played including, but not limited to, reel configuration, return-to-player, and volatility
11 index.

12 II. The commission shall convey the anonymized data to a research facility which shall
13 make the data available to qualified researchers for the purposes of:

14 (a) Conducting analyses that improve understanding of how gambling addiction
15 develops and progresses.

16 (b) Developing evidence-based harm minimization strategies.

17 (c) Developing evidence-based systems to monitor, detect, and intervene in high-risk
18 gambling.

19 III. The commission shall request reports on researcher analyses of the behavioral data,
20 which could provide informed recommendations to the general court relative to more effective
21 regulation of gambling operations. The commission may directly initiate studies assessing the
22 effectiveness of any specific measures, programs, or interventions which the state has imposed on
23 its gaming licensees and which might be illuminated through the behavioral data in question.

24 IV. The commission, with the advice of the gaming regulatory oversight authority, shall
25 develop an annual research agenda in order to understand the social and economic effects of
26 expanding gaming in New Hampshire and to obtain scientific information relative to the
27 neuroscience, psychology, sociology, epidemiology, and etiology of gambling. The commissioner of
28 health and human services, with the advice and consent of the commission, may expend funds
29 received pursuant to RSA 284-B:42 to implement the objectives of the research agenda. The
30 commission shall annually make scientifically-based recommendations which reflect the results of
31 this research to the general court. The commission shall consider any such recommendations,
32 research, and findings in all decisions related to enhancing responsible gaming and mitigating
33 problem gambling.

34 284-B:46 Adjusted Charitable Benefit. Any charity that held charitable games in
35 New Hampshire in accordance with RSA 287-D or RSA 287-E during the fiscal year ending June 30,
36 2017 ("FY 17") or the fiscal year ending June 30, 2018, ("FY 18") shall be eligible to receive an
37 adjusted charitable benefit as follows:

38 (a) If the eligible charity held charitable games during FY 17, but not during FY 18,

1 then the commission shall determine the total net revenue awarded to each such eligible charity
2 from charitable games held during FY 17. This amount shall be called the “FY 17 base charitable
3 benefit.”

4 (b) If the eligible charity held charitable games during FY 18, then the commission shall
5 determine the total net revenue awarded to each such eligible charity from charitable games held
6 during FY 18. This amount shall be called the “FY 18 base charitable benefit.”

7 (c) Within 60 days of the close of each fiscal year in which a gaming licensee has
8 operated video lottery machines or table gaming pursuant to this chapter, the commission shall
9 determine the total net revenue awarded from charitable games for the immediately preceding
10 fiscal year for each charity that both:

11 (1) Is an eligible charity under this section; and

12 (2) Conducted charitable games during the immediately preceding fiscal year. This
13 amount shall be called the “annual charitable benefit.”

14 (d) For each charity for which an annual charitable benefit calculation was made under
15 subparagraph (c), the commission shall determine if the FY 17 base charitable benefit or the FY 18
16 base charitable benefit, as applicable, exceeds the annual charitable benefit. If the FY 17 base
17 charitable benefit or FY 18 base charitable benefit, as applicable, exceeds the annual charitable
18 benefit, the difference shall be called the “adjusted annual charitable benefit” and the commission
19 shall notify the gaming licensee of the amount of the aggregate adjusted annual charitable benefit
20 for all applicable eligible charities for the immediately preceding fiscal year.

21 (e) Within 20 days of receipt of such notice, each gaming licensee shall pay 1/2 of the
22 aggregate adjusted annual charitable benefit determined under subparagraph (d) to the
23 commission; provided that in any fiscal year in which only one gaming licensee has conducted
24 operations for the entire fiscal year, that one gaming licensee shall pay the entire adjusted annual
25 charitable benefit.

26 (f) Within 15 days of receipt of payment of the aggregate adjusted annual charitable
27 benefit, the commission shall pay the individual adjusted annual charitable benefit to each
28 applicable eligible charity.

29 (g) The payment due under this section shall not be subject to offsets or credits.

30 (h) To the extent the gaming licensee has operated video lottery machines or table
31 games for only a portion of a fiscal year, that gaming licensee’s share of the adjusted annual
32 charitable benefit amount for that year shall be proportionally pro-rated.

33 (i) An eligible charity shall only be entitled to receive an adjusted annual charitable
34 benefit for a particular fiscal year if it conducted charitable games in accordance with RSA 287-D or
35 RSA 287-E during that same fiscal year. If a charity eligible under this paragraph stops conducting
36 such charitable games for 2 consecutive fiscal years after the opening of the gaming licensee, such
37 charity shall no longer be eligible to receive an annual charitable benefit.

38 284-B:47 Legal Shipment of Gaming Devices Into New Hampshire. All shipments into this

1 state of gaming devices, including slot machines, the registering, recording, and labeling of which
2 has been duly made by the manufacturer or dealer in accordance with sections 3 and 4 of an Act of
3 Congress of the United States entitled "An Act to Prohibit Transportation of Gambling Devices in
4 Interstate and Foreign Commerce," designated as 15 U.S.C. sections 171-1172, shall be deemed
5 legal shipments into this state.

6 284-B:48 Declaration of Limited Exemption From Operation of the Provisions of 15 U.S.C.
7 sections 1171-1178. Pursuant to section 2 of an act of Congress of the United States entitled "An
8 Act to Prohibit Transportation of Gambling Devices in Interstate and Foreign Commerce,"
9 designated as 15 U.S.C. sections 1171-1178, the state of New Hampshire, acting by and through the
10 duly elected and qualified members of its legislature, does hereby, in accordance with and in
11 compliance with the provisions of that section 2 of that act of Congress, declare and proclaim that
12 section 2 of that Act of Congress shall not apply to any gambling device in this state where the
13 transportation of such a device is specifically authorized by and done in compliance with the
14 provisions of this chapter and any rules adopted by the commission pursuant to it, and that any
15 such gambling device transported in compliance with state law or regulations shall be exempt from
16 the provisions of that Act of Congress.

17 284-B:49 Severability and Preemption.

18 I. If any clause, sentence, subparagraph, paragraph, subsection, section, article, or other
19 portion of this chapter or the application thereof to a person or circumstances shall be held to be
20 invalid, such holding shall not affect, impair, or invalidate the remainder of this chapter or the
21 application of such portion held invalid to any other person or circumstances, but shall be confined
22 in its operation to the clause, sentence, paragraph, subparagraph, subsection, section, article, or
23 other portion thereof directly involved in such holding or to the person or circumstance therein
24 involved.

25 II. If any provision of this chapter is inconsistent with, in conflict with, or contrary to any
26 other provision of law, such provision of this act shall prevail over such other provision and such
27 other provision shall be deemed to be amended, superseded, or repealed to the extent of such
28 inconsistency or conflict. Notwithstanding the provisions of any other law to the contrary, no local
29 government unit of this state shall enact or enforce any ordinance or resolution conflicting with any
30 provision of this act or with any policy of this state expressed or implied herein, whether by
31 exclusion or inclusion. The commission shall have exclusive jurisdiction over all matters delegated
32 to it or within the scope of its powers under the provisions of this chapter.

33 284-B:50 Impact Study. Within 3 years of the issuance of the first gaming license, the lottery
34 commission shall begin a study of the impact of the gaming facility on the host community, on
35 neighboring communities, and on the state, and shall determine a way to evaluate the success of the
36 gaming facility. The lottery commission shall have one year to complete its study and submit a
37 report to the speaker of the house of representatives, the president of the senate, and the governor.
38 The lottery commission may recommend legislation that creates more gaming licenses, with

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1 consideration given to the potential for success of different sized gaming facilities.

2 2 New Sections; Department of Safety; Gaming Enforcement Unit Established. Amend RSA 21-
3 P by inserting after section 7-c the following new sections:

4 21-P:7-d Division of State Police; Gaming Enforcement Unit.

5 I. There is established within the division of state police a gaming enforcement unit under
6 the supervision of the commissioner of the department of safety. Notwithstanding RSA 106-B:15,
7 the unit shall:

8 (a) Investigate violations of RSA 284-B and the rules adopted under the provisions of
9 RSA 284-B, and initiate proceedings before the commission for such violations. The unit shall
10 report the results of any investigation conducted to the commission.

11 (b) Participate in any hearing conducted by the commission.

12 (c) Investigate crimes which may involve a violation of RSA 284-B that occur at a
13 gaming location.

14 II. The commissioner of the department of safety shall organize the unit as the
15 commissioner deems necessary. The commissioner of safety may employ such state police personnel
16 as the commissioner deems necessary to fulfill the responsibilities of the unit.

17 21-P:7-e Enforcement Expenditures. The governor and council, upon request from the
18 commissioner of the department of safety, may authorize the transfer of general funds as necessary
19 to the department of safety to implement and enforce RSA 21-P:7-d and RSA 284-B.

20 3 Restriction on Gambling. RSA 284:17-c is repealed and reenacted to read as follows:

21 284:17-c Restriction on Gambling. Except as provided in the introductory paragraph of
22 RSA 284:22, RSA 284:22-a, and RSA 284-B, no licensee who holds running horse races shall at the
23 same facility hold any other kinds of races or permit any other type of gambling except harness
24 horse races, thoroughbred races, and activities licensed by the commission or the racing and
25 charitable gaming commission.

26 4 New Paragraph; Facility License; Cocktail Lounge License. Amend RSA 178:22 by inserting
27 after paragraph V the following new paragraph:

28 VI. The commission may issue a special license to a person holding a gaming license under
29 the provisions of RSA 284-B, provided the gaming location has an existing liquor license. Such
30 special license shall allow the sale of liquor and beverage within the gaming location, including
31 dining room, function room, gaming room, lounge, or any other area designated by the commission,
32 without regard to whether meals are served therein, but only during the time gaming is being
33 conducted under RSA 284-B and subject to the same hours of sale as all other on-premises licenses
34 pursuant to RSA 179:17, II(b).

35 5 New Subparagraph; Authorized Slot Machines and Table Games. Amend RSA 647:2, V by
36 inserting after subparagraph (c) the following new subparagraph:

37 (d) Slot machines and table games authorized pursuant to RSA 284-B.

38 6 Rehabilitation of Problem Gambling. Amend RSA 172:2-a to read as follows:

1 172:2-a Program Established. The commissioner shall provide for the scientific care,
2 treatment, and rehabilitation of **gambling**, alcohol and drug abusers, and work towards the
3 prevention of, and assist in the control of, **gambling**, alcohol and drug abuse within the state
4 through education, treatment, community organization, and research.

5 7 Rehabilitation of Problem Gaming. Amend RSA 172:8 to read as follows:

6 172:8 Duties of Commissioner. The commissioner shall:

7 I. Study the problems presented by **gambling**, alcohol and drug abuse, including methods
8 and facilities available for the care, treatment, custody, employment, and rehabilitation of persons
9 who are **problem gamblers**, inebriates, alcohol abusers, drug dependent, or drug abusers.

10 II. Promote meetings and programs for the discussion of **gambling**, alcohol and drug
11 dependency and abuse for the guidance and assistance of individuals, schools, courts, and other
12 public and private agencies.

13 III. Conduct, promote and finance, in full or in part, studies, and other appropriate facilities
14 dealing with the physical, psychological, and/or social aspects of **gambling**, alcohol and drug abuse.

15 IV. Have the authority to accept or reject for examination, diagnosis, guidance, and
16 treatment, insofar as funds and facilities permit, any resident of the state who comes to the
17 commissioner voluntarily for advice and treatment.

18 V. [Repealed.]

19 VI. Render biennially to the governor and council a report of his activities including
20 recommendations for improvements therein by legislation or otherwise.

21 VII. Coordinate community medical resources for the emergency medical care of persons
22 suffering acute mental or physical reaction to **gambling**, alcohol or drugs and of persons suffering
23 from drug dependency.

24 VIII. Employ such assistants as may be necessary to carry out the purposes of this chapter,
25 in accordance with state personnel regulations, and within available appropriations and funds.

26 IX. Disseminate information on the subjects of **gambling**, alcohol and drug abuse for the
27 guidance and assistance of individuals, schools, courts and other public and private agencies.

28 X. [Repealed.]

29 8 Problem Gaming Added. Amend RSA 172:8-a to read as follows:

30 172:8-a Confidentiality of Client Records. No reports or records or the information contained
31 therein on any client of the program or a certified **gambling**, alcohol or drug abuse treatment
32 facility or any client referred by the commissioner shall be discoverable by the state in any criminal
33 prosecution. No such reports or records shall be used for other than rehabilitation, research,
34 statistical or medical purpose, except upon the written consent of the person examined or treated.
35 Confidentiality shall not be construed in such manner as to prevent recommendation by the
36 commissioner to a referring court, nor shall it deny release of information through court order
37 pursuant to appropriate federal regulations.

38 9 Problem Gaming Added. Amend RSA 172:8-b to read as follows:

1 172:8-b Rulemaking. The commissioner shall adopt rules under RSA 541-A relative to the
2 following:

3 I. The acceptance, care, and treatment of **gambling**, alcohol or drug dependent persons
4 and alcohol or drug abusers who are clients of the program established under this chapter or a
5 certified substance abuse treatment facility.

6 II. A fee schedule and collection of fees under RSA 172:14, IV.

7 III. Certification of **such** substance abuse treatment facilities including, but not limited to:

- 8 (a) Program content;
9 (b) Qualifications of program staff; and
10 (c) Type of substance abuse treatment offered.

11 IV. Certification and recertification of **gambling**, alcohol and drug abuse counselors
12 including, but not limited to:

- 13 (a) Peer review of applicants.
14 (b) Minimum qualifications and competency.
15 (c) Education and continuing education.
16 (d) Experience required.
17 (e) Required knowledge of **gambling**, alcohol and drug abuse counseling.
18 (f) Such other matters as the commissioner may deem necessary to carry out the
19 purposes of this chapter.

20 V. Voluntary admissions under RSA 172:13.

21 10 Acceptance of Funds; Treatment of Problem Gamblers. Amend RSA 172:9 to read as follows:

22 172:9 Acceptance of [~~Grants~~] **Funds**. The commissioner is authorized to accept in the name of
23 the state special grants or money or services from the federal or state governments or any of their
24 agencies and may accept gifts to carry on the functions provided for in this chapter.

25 11 New Paragraphs; Gaming Offenses. Amend RSA 647:2 by inserting after paragraph I-b the
26 following new paragraphs:

27 I-c.(a) A person shall be guilty of cheating if such person, during a game in a gaming
28 location licensed by the commission, knowingly and by any trick or sleight of hand performance or
29 by a fraud or fraudulent scheme, cards, dice, or other gaming device for oneself or for another:

- 30 (1) Wins, or attempts to win, money or property; or
31 (2) Reduces, or attempts to reduce, a losing wager in said gaming location shall be
32 guilty of cheating.
33 (3) Uses a cheating device or game in a gaming location licensed by the commission
34 shall be guilty of cheating.

35 (b) Whoever commits the offense of cheating shall be punished as follows:

- 36 (1) A person is guilty of a class A felony if the value of the money, property, or
37 wager cheated is \$75,000 or more, and in the case of a person other than a natural person, by a fine
38 not to exceed \$100,000.

1 (2) A person is guilty of a class B felony if the value of the money, property, or
2 wager cheated is \$10,000 or more but less than \$75,000, and in the case of a person other than a
3 natural person, by a fine not to exceed \$100,000.

4 (3) A person if guilty of a class A misdemeanor if the value of the money, property
5 or wager cheated is \$1,000 or more but less than \$10,000, and in the case of a person other than a
6 natural person, by a fine not to exceed \$20,000.

7 (d) Each episode or transaction of cheating may be the subject of a separate prosecution
8 and conviction. In the discretion of the state, multiple episodes or transactions of cheating
9 committed as part of a single scheme or course of conduct may be treated as a single offense and the
10 amounts involved in acts of cheating committed according to a scheme or course of conduct, whether
11 by the same person or several persons, may be aggregated in determining the value of money,
12 property, or wager involved in the offense.

13 (e) A gaming applicant, gaming licensee, and an applicant for, or holder of, a principal
14 license, key employee license, gaming employee registration, non-gaming employee permit, gaming
15 vendor license, non-gaming vendor registration, or other person who, in a gaming location,
16 knowingly:

17 (1) Conducts or operates any game using a cheating device or game;

18 (2) Displays for play a cheating game; or

19 (3) Permits to be conducted, operated or displayed, any cheating device or game
20 shall be guilty of a class B felony, and in the case of a person other than a natural person, by a fine
21 not to exceed \$100,000.

22 I-d.(a) Whoever possesses a cheating device or game, with the intent to defraud, cheat, or
23 steal, shall be guilty of a class A misdemeanor, and in the case of a person other than a natural
24 person, by a fine not to exceed \$20,000.

25 (b) Knowing possession of a cheating device or game within a gaming location shall
26 constitute prima facie evidence of an intent to defraud, cheat, or steal, except possession by a
27 gaming licensee or an employee of a gaming licensee, acting lawfully in furtherance of such person's
28 employment within the casino, and shall constitute a class B felony.

29 12 New Subparagraph; Gaming Offenses. Amend RSA 647:2, V by inserting after
30 subparagraph (c) the following new subparagraph:

31 (d) A gaming location approved and licensed by the commission under RSA 284-B.

32 13 New Paragraph; Gaming Offenses. Amend RSA 647:2 by inserting after paragraph VI the
33 following new paragraph:

34 VII.(a) Whoever, being under 21 years old, plays, places wagers at or collects winnings
35 from, whether personally or through an agent, a game in a gaming location licensed by the
36 commission shall be guilty of a violation level offense and shall be punished by a fine not to exceed
37 \$1,000.

38 (b) Whoever, being a gaming location licensee by the commission or an employee of a

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1 gaming location licensee, who knowingly allows a person under the age of 21 to play, place wagers
2 at, or collect winnings from a game in a gaming location licensed by the commission, whether
3 personally or through an agent, shall be guilty of a class B misdemeanor and shall be punished, for
4 a first offense, by a fine not to exceed \$1,200, and in the case of a person other than a natural
5 person, by a fine not to exceed \$20,000 and, for a second or subsequent offense, shall be guilty of a
6 class A misdemeanor, and in the case of a person other than a natural person, by a fine not to
7 exceed \$20,000.

8 (c) Whoever knowingly plays, places wagers at, or collects winnings from a game in a
9 gaming location licensed by the commission for or on behalf of a person under 21 years of age shall
10 be guilty of a class B misdemeanor and shall be punished by a fine of not more than \$1,200 for the
11 first offense, and, for a second or subsequent offense, shall be guilty of a class A misdemeanor, and
12 in the case of a person other than a natural person, by a fine not to exceed \$20,000.

13 14 New Subparagraphs; Gaming Regulatory Fund; Health Trust Fund. Amend RSA 6:12, I(b)
14 by inserting after subparagraph (333) the following new subparagraphs:

15 (334) The gaming regulatory fund established in RSA 284-B:12, VI.

16 (335) The public trust health fund established in RSA 284-B:42, IV.

17 15 Effective Date. This act shall take effect upon its passage.

SB 242-FN-A-LOCAL- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2017-0901s)

AN ACT relative to video lottery and table gaming.

FISCAL IMPACT: ☒ State ☒ County ☒ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2018	FY 2019	FY 2020	FY 2021
Appropriation	\$0	\$0	\$0	\$0
Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	<input type="checkbox"/> General <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Restricted Revenue, Gaming Regulatory Fund, Public Health Trust Fund			

COUNTY:

Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

LOCAL:

Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	Indeterminable	Indeterminable	Indeterminable	Indeterminable

The Department of Justice and New Hampshire Municipal Association were first contacted on January 6, 2017 for a fiscal note worksheet. The Department of Justice was also contacted on January 14, 2017 and January 17, 2017 for a fiscal note worksheet which the Department has not provided as of March 18, 2017. The Association was contacted on January 19, 2017 for a fiscal note worksheet which the Association has not provided as of March 18, 2017.

METHODOLOGY:

This bill allows for slot machine games and table games at two locations in the State pursuant to an application process. The bill authorizes a maximum of 5,000 slot machines and 240 table games at two separate locations operating under two types of licenses (Category 1 and Category 2). A Category 1 license will permit up to 3,500, but not less than 2,000, slot machines and a maximum of 160 table games, and a Category 2 license will permit up to 1,500, but not less than 750, slot machines and a maximum of 80 table games. Category 1 and Category 2 initial license fees are \$80,000,000 and \$40,000,000, respectively. Both categories

of licenses shall be valid for ten years, and the renewal fee shall be \$1,500,000, which will also be valid for ten years.

This bill requires gaming licensees remit to the State a tax of 35% of gross slot machine revenue and 18% of gross table game revenue, with proceeds allocated as follows:

- 3% of gross slot machine revenue of the gaming licensee locating in the host community to the host community;
- 1% of gross slot machine revenue of the gaming licensee to the New Hampshire community or communities that abut the host community, divided equally if more than one, with limitations if a community abuts more than one host community;
- 1% of gross slot machine revenue of the gaming licensee to the county in which the host community is located;
- 1% of the gross slot machine revenue to the Department of Health and Human Services to support programs relative to prevention and treatment of problem gambling;
- Up to \$25,216,054, or amount available, for “revenue sharing” payments to municipalities pursuant to RSA 31-A:4; and,
- The remainder deposited into the gaming regulatory fund.

In addition to license fees, the bill imposed a variety of application and investigation fees. In each case, the bill states that if the cost of processing each application or conducting each investigation exceeds the amount of the fee, the applicant shall pay the difference. The fees are as follows:

- Application fees for a Category 1 or Category 2 license are \$400,000 to cover the Gaming Commission’s costs for processing and review.
- Applicants seeking an operator license will be required to pay an investigation fee of \$100,000 to be used by the Department of Justice to defray the cost of the applicant’s background investigation.
- Licensees shall remit \$600 per slot machine per year to the Commission to be deposited in the public health trust fund.

The Lottery Commission estimates the following activity related to application and license fees:

	FY 2018	FY 2019	FY 2020	FY 2021
Category 1 Applications (2 @ \$400,000) ¹	\$0	\$800,000	\$0	\$0
Category 2 Applications (2 @ \$400,000) ¹	\$0	\$800,000	\$0	\$0
Attorney General Background (4 @ \$100,000) ¹	\$0	\$400,000	\$0	\$0
Category 1 License Fee (1 @ \$80,000,000) ¹	\$0	\$0	\$80,000,000	\$0
Category 2 License Fee	<u>\$0</u>	<u>\$0</u>	<u>\$40,000,000</u>	<u>\$0</u>

(1@ \$40,000,000) ¹				
Total (Gaming Regulatory Fund)	\$0	\$2,000,000	\$120,000,000	\$0
Slot Machine Fee (5,000 @ \$600) ²	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,000,000</u>
Total (Public Health Trust Fund)	\$0	\$0	\$0	\$3,000,000

¹ Revenue deposited in the gaming regulatory fund.

² Revenue deposited public health trust fund administered by the Lottery Commission.

The Lottery Commission makes the following assumptions in estimating the potential gaming revenue impact of this bill:

- The two gaming locations will include a total of 5,000 slot machines & 240 table games (3,500/160 at Category 1 facility and 1,500/80 at Category 2 facility);
- Siting of the casino locations is done for optimal revenue impact;
- There will be neither temporary facilities nor phased approaches to construction;
- Each facility will have an approximate two year construction period; and
- Slot machines will average \$250 in gross machine income per day and \$2,200 in gross table game revenue per day, beginning July 1, 2020.

Based on the above assumptions, the Lottery Commission estimates a total of \$194,337,100 in tax revenue under this bill in FY 2021, the assumed first full year of operation for each location. The Commission assumes two casinos operating in the State will decrease traditional lottery net revenue by \$5,800,000 to \$7,200,000 per year. With respect to Lottery Commission expenditures, the Commission estimates they will incur between \$700,000 and \$1,000,000 in personnel and contractor expenditures per year leading up to the opening of a facility, and in the first full year of operation it estimates its personnel related expenses will total \$1,900,000 and an additional \$4,500,000 in costs relative to a central computer system to manage casino data.

Based on the Commission's revenue estimates, under this bill gross slot machine and table game revenue would be distributed as follows:

	FY 2021
<u>Gaming Revenue</u>	
# Slot Machines	5,000
Average Daily Gross Machine Revenue (Per Machine)	\$250
Average Daily Gross Machine Revenue (All Machines)	\$1,250,000
Estimated Annual Gross Machine Revenue (All Machines)	<u>\$456,250,000</u>
Gross Slot Machine Tax Revenue (35%)	\$159,687,500
# Table Games	240
Average Daily Gross Table Game Revenue (Per Table)	\$2,200

Average Daily Gross Table Game Revenue (All Tables)	\$528,000
Estimated Annual Gross Table Game Revenue (All Tables)	\$192,720,000
Gross Table Game Tax Revenue (18%)	\$34,689,600
Total Tax Revenue	\$194,377,100
<u>Distribution/Allocation of Revenue</u>	
Host Community (3% of Gross Slot Machine Revenue)	(\$4,790,625)
Abutting Communities (1% of Gross Slot Machine Revenue)	(\$1,596,875)
Host County (1% of Gross Slot Machine Revenue)	(\$1,596,875)
DHHS for Problem Gaming (1% of Gross Slot Machine Revenue)	(\$1,596,875)
"Revenue Sharing" Payments to Communities	(\$25,216,054)
<i>Subtotal</i>	(\$34,797,304)
Gaming Regulatory Fund (Net Revenue After Distributions)	\$159,579,796

Under this bill, reimbursements of certain expenditures shall be made from available funds in the Gaming Regulatory Fund to the Gaming Commission, Gaming Regulatory Oversight Authority, the Department of Justice (Attorney General), the Department of Safety, and local law enforcement agencies. The amounts and timing of such reimbursements is indeterminable.

The Department of Safety states this bill establishes a Gaming Enforcement Unit within the Division of State Police. The Unit will be charged with investigating violations of the bill's provisions, initiating proceedings before the Lottery Commission for such violations, participating in hearings conducted by the Commission, and reporting the results of investigations to the Commission. In addition, the Unit will investigate any crimes that occur at a gaming facility, and present its findings to the appropriate prosecuting authority for potential prosecution in a criminal court. Based on the assumption once this legislation passes casinos could be operational in FY 2021, the Department assumes that prior to the actual opening of a casino significant efforts would be required to establish the gaming enforcement unit within the Division of State Police, including hiring and training of required personnel. This effort would require coordination with other State agencies and cannot be estimated at this time. While the Department it is unable to estimate if it may incur any FY 2018 and FY 2019 costs, it has provided the following costs assuming casinos open in FY 2021 (six month ramp-up to casinos opening):

	FY 2020	FY 2021
<u>Salary and Benefits for 32 Employees</u>		
(2) State Police Lieutenant	\$1,834,043	\$3,697,150
(2) State Police Sergeant		
(26) State Police Detective		

(2) Administrative Secretary		
Overtime, Part-Time Employee Costs, Equipment, Training, and Operating Expenses	\$1,896,118	\$381,425
Total Costs	\$3,730,161	\$4,078,575

Under this bill, the Department of Safety may receive a distribution of gaming revenue for costs not covered by any other designated source of funding. Additionally, this bill allows the Governor and Executive Council, upon request from the Commissioner of the Department to authorize a transfer of general funds as necessary for the Department to implement and enforce RSA 21-P:7-d and RSA 284-B, as established under this bill.

The Department of Health and Human Services states that based on current staffing levels for prevention and treatment service programs, it would need to establish new full-time positions to support expansion into gambling prevention, treatment, and recovery. The Department states additional funds will be used for media advertising and outreach, information development and dissemination, data collection and research to determine the scope of problem gambling and effectiveness of interventions and contracts for outpatient gambling addiction. This bill allocates one percent of gross slot machine income to the Department to support programs established under RSA 172 to treat problem gaming.

The New Hampshire Liquor Commission states this bill may result in an increase in overall licensing, which may increase revenue. While it does not expect there to be any additional enforcement responsibilities, it is unable to estimate its expenditures as it is unknown the level of new licensing that may occur.

This bill contains penalties that may have an impact on the New Hampshire judicial and correctional systems. There is no method to determine how many charges would be brought as a result of the changes contained in this bill to determine the fiscal impact on expenditures. However, the entities impacted have provided the potential costs associated with these penalties below.

Judicial Branch	FY 2018	FY 2019
Violation Level Offense	\$48	\$48
Class B Misdemeanor	\$49	\$50
Class A Misdemeanor	\$71	\$72
Average Civil Action	\$117	\$119
Routine Civil Case	\$470	\$477
Simple Criminal Case	\$274	\$279
Routine Criminal Felony Case	\$451	\$456

Routine Equity Case	\$246	\$250
Complex Equity Case	\$734	\$740
Complex Criminal Felony Case	\$882	\$888
Complex Civil Case	\$727	\$735
Complex Probate Case	\$944	\$954
Appeals	Varies	Varies
It should be noted average case cost estimates for FY 2018 and FY 2019 are based on data that is more than ten years old and does not reflect changes to the courts over that same period of time or the impact these changes may have on processing the various case types. An unspecified misdemeanor can be either class A or class B, with the presumption being a class B misdemeanor.		
Judicial Council		
Public Defender Program	Has contract with State to provide services.	Has contract with State to provide services.
Contract Attorney – Felony	\$756/Case	\$756/Case
Contract Attorney – Misdemeanor	\$275/Case	\$275/Case*
Assigned Counsel – Felony. Homicide (Including capital cases)	\$100/Hour up to \$20,000	\$100/Hour up to \$20,000
Assigned Counsel – Major Crimes (aggravated felonious sexual assault, felonious sexual assault and first degree assault)	\$100/Hour up to \$8,000	\$100/Hour up to \$8,000
Assigned Counsel – Felony	\$60/Hour up to \$4,100	\$60/Hour up to \$4,100
Assigned Counsel – Misdemeanor	\$60/Hour up to \$1,400	\$60/Hour up to \$1,400
<p>It should be noted that a person needs to be found indigent and have the potential of being incarcerated to be eligible for indigent defense services. The majority of indigent cases (approximately 85%) are handled by the public defender program, with the remaining cases going to contract attorneys (14%) or assigned counsel (1%).</p> <p><i>* The Council's budget request for the FY 2018-19 biennium includes an increase to \$300 per case for contract attorney misdemeanor cases.</i></p>		
Department of Corrections		
FY 2016 Average Cost of Incarcerating an Individual	\$35,832	\$35,832
FY 2016 Average Cost of Supervising an Individual on Parole/Probation	\$573	\$573
NH Association of Counties		
County Prosecution Costs	Indeterminable	Indeterminable
Estimated Average Daily Cost of Incarcerating an Individual	\$85 to \$110	\$85 to \$110

Many offenses are prosecuted by local and county prosecutors. When the Department of Justice has prosecutorial responsibility or is involved in an appeal, the Department would

likely absorb the cost within its existing budget. If the Department needs to prosecute significantly more cases or handle more appeals, then costs may increase by an indeterminable amount.

AGENCIES CONTACTED:

Lottery Commission, Department of Safety, Department of Justice, Department of Health and Human Services, Liquor Commission, Department of Corrections, Judicial Council, Judicial Branch, New Hampshire Association of Counties, and New Hampshire Municipal Association