

**Readopt with amendments and renumber Pari 1201, effective 9-10-15 (Document #10929), as Lot 7201, cited and to read as follows:**

CHAPTER Lot 7200 GAMES OF CHANCE

Statutory Authority: RSA 284:12, X; RSA 287-D:1-b

PART Lot 7201 PURPOSE AND SCOPE

Lot 7201.01 Purpose. The purpose of this chapter is to establish requirements for games of chance pursuant to RSA 287-D:1 through RSA 287-D:25.

Lot 7201.02 Scope. This chapter shall apply to:

- (a) Charitable organizations that hold or sponsor games of chance;
- (b) Any person acting as or otherwise performing the duties of a primary or secondary game operator;
- (c) Any person or entity acting as or otherwise performing the duties of a game operator employer; and
- (d) Any person or entity owning or leasing a facility at which games of chance are held.

**Adopt Lot 7201.01, cited and to read as follows:**

PART Lot 7202 DEFINITIONS

Lot 7202.01 “Buy-in” means the amount of money or chips that a player must purchase to become involved in a game or tournament.

**Readopt and renumber Pari 1201.01, effective 9-10-15 (Document #10929), as Lot 7201.02 to read as follows:**

Lot 7202.02 “Charitable organization” means “charitable organization” as defined by RSA 287-D:1, IV, namely “any bona fide religious, charitable, civic, veterans’, or fraternal or church organization, including police and firemen’s organizations which shall have been registered with the secretary of state for at least 2 years. A charitable organization shall not include auxiliary units, committees, or other entities organized under the auspices of a charitable organization eligible for licensure under this chapter, when such auxiliary unit, committee, or other entity is organized for the primary purpose of conducting games of chance.”

**Readopt and renumber Pari 1201.02, effective 9-10-15 (Document #10929), as Lot 7201.03 to read as follows:**

Lot 7202.03 "Commission" means the New Hampshire lottery commission established pursuant to RSA 284:21-a, or its designated staff having authority to perform administrative and clerical functions for the commission.

**Readopt with amendments and renumber Pari 1201.03, effective 9-10-15 (Document #10929), as Lot 7201.04 to read as follows:**

Lot 7202.04 “Games of chance” means “games of chance” as defined in RSA 287-D:1, III, namely “any game involving gambling as defined by RSA 647:2,II, or any lottery prohibited by RSA 647:1, but shall not include any game involving the use of a slot machine or any other device in the nature of a slot machine, 50/50 raffles as defined in RSA 287-A:1,III, or ice-out contests as defined in RSA 287-D:1, VI.” For the purposes of this chapter, this term refers only to games of chance that are offered at casinos, such as poker and its variations, roulette, blackjack, craps, money wheel, baccarat, chuck-a-luck, and sic bo, and other such games approved by the commission. This term does not include sports betting.

**Readopt and renumber Pari 1201.04 – Pari 1202.06, effective 9-10-15 (Document #10929), as Lot 7201.05 – Lot 1202.07 to read as follows:**

Lot 7202.05 “Game operator” means “game operator” as defined in RSA 287-D:1, VII, namely “a primary game operator or a secondary game operator.”

Lot 7202.06 “Game operator employer” means “game operator employer” as defined by RSA 287-D:1, VIII, namely “a primary game operator or a business entity who employs, supervises, and controls game operators and who is hired by a charitable organization to operate games of chance on its behalf. The owner of 10 percent or more of the entity, partner, managing member, or chief executive of a business entity who serves as a game operator employer must be licensed as a primary game operator.”

Lot 7202.07 “Game procedures” means rules and instructions governing the conduct of an authorized game of chance which includes a description of how the game is played, and won.

**Adopt Lot 7202.08 to read as follows:**

Lot 7202.08 "Hand" refers to one game in a series, one deal in a card game, or the cards held by a player.

**Readopt and renumber Pari 1202.07, effective 9-10-15 (Document #10929), as Lot 7202.09 to read as follows:**

Lot 7202.09 “House rules” means general instructions governing the conduct of the gaming operation.

**Readopt with amendments and renumber Pari 1202.08, effective 9-10-15 (Document #10929), as Lot 7202.10 to read as follows:**

Lot 7202.10 “Monetary transaction” means depositing, withdrawing, transferring, or exchanging funds or monetary instruments related to a charitable gaming event, or verifying such transactions.

**Readopt and renumber Pari 1202.09, effective 9-10-15 (Document #10929), as Lot 7202.09 to read as follows:**

Lot 7202.11 “Primary game operator” means “primary game operator” as defined in RSA 287-D:1, X, namely “any person other than a bona fide member of the charitable organization, involved in conducting, managing, supervising, directing, or running games of chance.”

**Adopt Lot 7202.12 and Lot 7202.13 to read as follows:**

Lot 7202.12 “Promotion” means a game, or similar event offered by a game room to attract players to their facility, and includes:

- (a) Player-funded promotions whereby funds are contributed by and for the benefit of players, and are distributed to players based on a predetermined event, such as achieving a rare hand; and
- (b) Operator-funded promotions whereby funds or merchandise are contributed by the game operator for distribution to patrons. Such promotions include, but are not limited to, contests and giveaways.

Lot 7202.13 “Rake” means a set percentage of each hand taken by the game operator as compensation, a proportion of which is shared with the licensed, hosting charitable organization.

**Readopt and renumber Pari 1202.10 and Pari 1202.11, effective 9-10-15 (Document #10929), as Lot 7202.14 and Lot 7202.15, to read as follows:**

Lot 7202.14 “Re-buy” means the fee paid by a player to purchase additional chips. This term includes “add-ons”.

Lot 7202.15 “Secondary game operator” means “secondary game operator” as defined in RSA 287-D:1, XI, namely “any person other than a bona fide member of the charitable organization, involved in dealing, running a roulette wheel, handling chips, or providing accounting services or security functions.”

**Readopt with amendments and renumber Pari 1203.01, effective 9-10-15 (Document #10929), as amended effective 10-27-16 (Document #12019), as Lot 7203.01, cite and to read as follows:**

#### PART Lot 7203 LICENSING REQUIREMENTS

Lot 7203.01 Applying for a Charitable Organization License.

(a) Pursuant to RSA 287-D:4, I, any charitable organization that conducts games of chance shall obtain a license to do so, regardless of whether the charity will be operating the games themselves or hiring a game operator employer to operate the games on their behalf.

(b) To be eligible for a license, the charitable organization shall:

- (1) Meet the definition of charitable organization as set forth in Lot 7202.02 above;
- (2) Be registered with the secretary of state as a domestic non-profit authorized to do business in New Hampshire for 2 or more years prior to the application; and
- (3) Be registered and in good standing with the director of charitable trusts, if required under RSA 7:19 through RSA 7:32.

(c) Except as allowed by RSA 287-E:6, II, the charitable organization applying for a games of chance license shall submit the following to the commission at least 60 days prior to, but no more than 180 days before the first proposed game date:

- (1) A completed “Games of Chance Application - Charitable Organization License” form (6/2019);
- (2) The supporting documentation specified in (d) or (e) below, as applicable;
- (3) Payment of the following fees, pursuant to RSA 287-D:13:

- a. A license fee of \$25 per game date, pursuant to RSA 287-D:13,I; and
- b. When applicable, a \$10 badge fee each bona fide member that will be participating in the operation of the event; and

(4) Documentation and payment for background and criminal record checks, as required by RSA 287-D:12, V, for all members of the organization who:

- a. Engage in monetary transactions or are otherwise responsible for overseeing the games of chance. The organization's chairperson and treasurer of the organization typically engage in monetary transactions; and
- b. Operate the games of chance, when the organization operates the games itself, in lieu of hiring a game operator employer.

(d) Except as allowed by (e) below, the supporting documentation required by (c)(2) above, shall include:

- (1) One of the following documents confirming the organization's tax exempt status:
  - a. An affirmation letter or letter of determination from the Internal Revenue Service (IRS) that indicates the organizations tax exempt status under 26 USC §501(c)(3), (4), (7), (8), (10), or (19); or
  - b. If the charitable organization is exempt by virtue of a group ruling:
    - 1. A copy of the group exemption letter issued to the central organization recognizing on a group basis the exemption under 26 USC §501(c)(3), (4), (7), (8), (10), or (19), of subordinate organizations on whose behalf the control organization has applied for recognition of exemption; and
    - 2. A letter from the central organization with which the charitable organization is affiliated confirming that the charitable organization is covered under the central organization's group tax exemption;
- (2) Documentation of registration with the director of charitable trusts, if required under RSA 7:19 through RSA 7:32, that includes the registration number, and an indication that the organization is currently in good standing;
- (3) Documentation of registration with the New Hampshire secretary of state, that includes the registration number, and indicates that the organization has been registered to do business in New Hampshire for at least 2 years;
- (4) A letter written on the charitable organizations letterhead and signed by an authorized officer of the organization, which describes the charitable purposes for which the organization is organized, and the extent these charitable purposes have been furthered by the organization within the community;
- (5) A current and complete list, as described in Lot 7206.01 below, of all officers within the organization and all bona fide members having involvement, to any degree, with the games of chance event;
- (6) A copy of the proposed game schedule, which complies with the criteria set forth in Lot 7206.02 below;

- (7) When applicable, copies of any facility rental or lease agreements that have not already been approved by the commission, which complies with the criteria set forth in Lot 7206.03 below;
  - (8) When applicable, copies of any agreements between licensees that have not already been approved by the commission, which complies with the criteria set forth in Lot 7206.04 below;
  - (9) When the charitable organization will be operating its own games of chance event:
    - a. A description of the gaming area, which complies with the criteria set forth in Lot 7206.05 below;
    - b. Copies of any house rules that have not already been approved by the commission, and which comply with the criteria set forth in Lot 7206.06 below;
    - c. Copies of the game procedures for any games that will be offered that have not already been approved by the commission, and which comply with the criteria set forth in Lot 7206.07 below; and
    - d. For each bona fide member that will be participating in the operation of the event, a photo that meets the criteria set forth in Lot 7206.09 below; and
  - (10) When a member(s) of the organization other than or in addition to the treasurer will be handling monetary transactions, a letter signed by the treasurer of the charitable organization granting authorization to the member(s).
- (e) When the charitable organization held a valid license the previous year, the charitable organization shall submit the following supporting documentation:
- (1) The games of chance financial reports, as required by Lot 7208 below, for any month which has not previously been submitted, and is due or overdue;
  - (2) Updated documentation when previously submitted information provided in accordance with (d) above has changed, is no longer accurate, is no longer effective, or has been found to be inaccurate; and
  - (3) Documentation and payment for background and criminal record checks, as required by Lot 7204.01 below, when such documentation has not been submitted to the commission within the past 6 months.

**Readopt and renumber Pari 1203.02, effective 9-10-15 (Document #10929), as Lot 7203.02, to read as follows:**

Lot 7203.02 Charitable Organizations Operating Their Own Games of Chance. When a charitable organization operates its own games in lieu of hiring a game operator employer, only the bona fide members of the organization that have been authorized by the commission may participate in the operation.

**Readopt with amendments and renumber Pari 1203.03 – Pari 1203.05, effective 9-10-15 (Document #10929), as amended effective 10-27-16 (Document #12019), as Lot 7203.03 – Lot 7203.05, to read as follows:**

Lot 7203.03 Applying for a Game Operator Employer License.

(a) Any individual or entity who supervises and controls game of chance operations on behalf of a charitable organization shall obtain a game operator employer license.

(b) To be eligible to act as the game operator employer on behalf of an entity, the individual shall:

- (1) Have a direct and active role in employing and supervising the game operators, and controlling the gaming operation; and
- (2) Own 10 percent or more of the business, or be a business partner, managing member or chief executive officer of the business entity.

(c) Each applicant for a game operator employer license shall submit the following to the commission at least 60 days prior to the expiration of the applicant's current license or commencement of the gaming operations, if not currently licensed:

- (1) A completed "Games of Chance Application - Game Operator Employer License" form (6/2019);
- (2) A copy of the written internal control policies and procedures required by Lot 7206.08, which describes in detail the administrative and accounting procedures of the operation;
- (3) A written statement signed by the licensee's chief financial officer, and the individual acting as the game operator employer, attesting that the internal controls submitted in accordance with (2) above satisfy the requirements of Lot 7206.08;
- (4) Copies of any house rules that have not already been approved by the commission, and which comply with the criteria set forth in Lot 7206.06 below;
- (5) Copies of any game procedures for any games that will be offered that have not already been approved by the commission, and which comply with the criteria set forth in Lot 7206.07 below;
- (6) A description of the licensed premise, if not previously submitted or if any changes have occurred since the description was last submitted;
- (7) A copy of the individual or entity's certificate of good standing from the New Hampshire department of revenue administration;
- (8) A copy of the bond, obtained in accordance with RSA 287-D:8, VII, for each location where the game operator employer will be conducting games of chance;
- (9) A photo of the individual who will be acting as the game operator employer that meets the criteria set forth in Lot 7206.09 below;
- (10) Payment of the following fees, pursuant to RSA 287-D:13:
  - a. A \$750 application fee; and
  - b. A \$10 badge fee; and
- (11) Documentation and payment for background and criminal record checks submitted in accordance with Lot 7204.01 below.

(d) In accordance with RSA 287-D:12, VI, a criminal record check shall be required of:

- (1) Each owner, partner or trustee holding 10 percent or more ownership interest in the underlying business;
- (2) In the case of a corporation, each officer, director or shareholder holding more than 10 percent of the stock; or
- (3) In the case of a limited liability company, each manager or member.

Lot 7203.04 Applying for a Primary Game Operator License.

(a) Except as allowed by (b) below, any individual who is responsible for conducting, managing, supervising, directing or running the games of chance on behalf of a charitable organization shall obtain a primary game operator license.

(b) A licensed game operator employer may act as a primary game operator without obtaining a separate license to do so.

(c) Each individual applying for a primary game operator license shall submit the following to the commission at least 60 days prior to the expiration of the applicant's current license or participating in the operation of games of chance, if not currently licensed:

- (1) A completed "Game of Chance Application - Primary Game Operator License" form (6/2019);
- (2) A photo of the applicant that meets the criteria set forth in Lot 7206.09 below;
- (3) Payment of the following fees, pursuant to RSA 287-D:13:
  - a. A \$500 application fee; and
  - b. A \$10 badge fee, if applicable; and
- (4) Documentation and payment for background and criminal record checks submitted in accordance with Lot 7204.01 below.

Lot 7203.05 Applying for a Secondary Game Operator License.

(a) Except as allowed by (b) below, any individual who is responsible for dealing, running the roulette wheel, handling chips, or proving accounting services or security functions on behalf of a charitable organization shall obtain a secondary game operator license.

(b) Licensed game operator employers and licensed primary game operators may act as a secondary game operator without obtaining a separate license to do so.

(c) Each individual applying for a secondary game operator license shall submit the following to the commission at least 60 days prior to the expiration of the applicant's current license or participating in the operation of games of chance, if not currently licensed:

- (1) A completed "Game of Chance Application - Secondary Game Operator License" form (6/2019);
- (2) A photo of the applicant that meets the criteria set forth in Lot 7206.09 below;
- (3) Payment of the following fees, pursuant to RSA 287-D:13:
  - a. A \$30 application fee; and

b. A \$10 badge fee, if applicable; and

(4) Documentation and payment for background and criminal record checks submitted in accordance with Lot 7204.01 below.

(d) Pursuant to RSA 287-D:10, VI, the commission shall issue a provisional license upon the applicant's request when:

(1) The applicant has not been licensed before, or the applicant's previous license has been expired for at least 6 months;

(2) The commission has reviewed the application, and found it to be complete; and

(3) The applicant has paid an additional \$10 badge fee.

(e) A provisional license shall expire 60 days from the date of issue, or upon issuance or denial of the applicant's annual license, whichever occurs first.

**Readopt with amendments and renumber Pari 1203.06, effective 9-10-15 (Document #10929), as Lot 7203.06 to read as follows:**

Lot 7203.06 Requesting Additional or Replacement Game Operator Badges.

(a) In accordance with RSA 287-D:9, VI and RSA 287-D:10, V, when a game operator works for more than one game operator employer, the game operator shall obtain a separate identification badge for each employer by submitting a separate application and licensing fee as specified in Lot 7203.04(c) and Lot 7203.05(c) above, as applicable .

(b) To request the replacement of a lost or stolen badge, the game operator shall submit the following to the commission:

(1) A completed "Request for a Replacement Game Operator Badge" form (6/2019); and

(2) A separate badge fee of \$10.

(c) When a game operator is no longer working for the game operator employer, the game operator shall return his or her badge to the commission within 5 business days of leaving employment.

(d) If an individual fails to return a badge as required by (c) above, the individual shall be ineligible for licensure until such time as the badge is returned or the individual provides a sworn affidavit to the commission stating the disposition of the badge.

**Readopt with amendments and renumber Pari 1203.07, effective 9-10-15 (Document #10929), as amended effective 10-27-16 (Document #12019), as Lot 7203.07 to read as follows:**

Lot 7203.07 Applying for a Games of Chance Facility License.

(a) In accordance with RSA 287-D:7, I, any person or entity, other than a charitable organization or governmental subdivision, with control of a facility, including by a written lease, at which games of chance are held for 5 or more game dates per calendar year, shall be licensed.



(b) Each applicant for a games of chance facility license shall submit the following to the commission at least 120 days prior to the expiration of the facility's current license or games of chance being held at the facility, if not currently licensed:

- (1) A completed "Games of Chance Application - Facility License" form (6/2019);
- (2) A description of the gaming area, in accordance with Lot 7206.05;
- (3) If the applicant is the lessor of the property, as allowed by (a) above, a copy of the lease, an addendum to the current lease, or a certified letter signed by the property owner which includes specific language granting the lessor authority and responsibility to oversee the facility for the purposes of operating a games of chance facility; and
- (4) Payment of the license fee of \$250, pursuant to RSA 287-D:13, II.

(c) In addition to the requirements of (b) above, documentation and payment for a background and criminal record check, as set forth in Lot 7204.01 below, shall be submitted with the application for the following individuals:

- (1) When the application is being submitted by either the property manager or the primary owner of the property, a background and criminal record check shall be required for:
  - a. Each owner, partner or trustee holding 10 percent or more ownership interest in the underlying business;
  - b. In the case of a corporation, each officer, director, or shareholder holding more than 10 percent of the stock; or
  - c. In the case of a limited liability company, each manager or member; or
- (2) When the application is being submitted by the lessor of the property with authority and oversight responsibilities of the facility, a background and criminal record check shall be required for those individuals specified in Lot 7203.03(c)(11) above.

(d) For the purpose of this section, the applicant shall be the primary owner of the property, or the property manager or lessor of the property with the authority and oversight responsibilities of the facility.

(e) The applicant shall ensure that the facility complies with all applicable laws and building codes, including compliance with the Americans with Disabilities Act of 1990 (ADA).

**Readopt with amendments and renumber Pari 1203.08, effective 9-10-15 (Document #10929), as Lot 7203.08 to read as follows:**

Lot 7203.08 Facility License Exemption. Pursuant to RSA 287-D:7, I, a facility shall be exempted from the requirements in Lot 7203.07 above when:

- (a) No more than 4 game dates are held at the facility per calendar year; or
- (b) The facility is owned by a charitable organization or government subdivision, and provided free of charge.

**Readopt with amendments and renumber Pari 1204.01, effective 9-10-15 (Document #10929), as amended effective 10-27-16 (Document #12019), as Lot 7204.01 cited and to read as follows:**

PART Lot 7204 FITNESS TO BE ASSOCIATED WITH CHARITABLE GAMING IN NEW HAMPSHIRE

Lot 7204.01 Background and Criminal Records Checks.

(a) In accordance with RSA 287-D:12, all applicants for a license pursuant to this chapter shall submit to the commission:

- (1) A completed and notarized NH State Police Criminal Records Release Authorization Form (DSSP392 rev. 5/2017) obtained from the commission authorizing the release of the applicant's criminal history record;
- (2) A complete set of fingerprints taken by a qualified law enforcement agency, as follows:
  - a. If fingerprints are captured via ink impressions, the FBI FD-258 fingerprint card issued by the NH state police; or
  - b. If fingerprints are digital captured via a Livescan device, the original Livescan Site Form; and
- (3) Payment of the criminal history record, payable to the "State of NH – Criminal Records" and in the amount established by the NH state police.

(b) The requirements of (a) above shall apply to the following individuals:

- (1) All individuals listed in Lot 7203.01(c)(4) when seeking a charitable organization license;
- (2) All individuals listed in Lot 7203.03(d) when seeking a game operator employer license;
- (3) The applicant when seeking a primary or secondary game operator license; and
- (4) All individuals listed in Lot 7203.07(c) when seeking a facility license.

(c) Pursuant to 28 CFR 16.34, if, after reviewing the FBI Identification Record, often referred to as a "rap sheet", the applicant believes that it is incorrect or incomplete in any respect and wishes changes, corrections, or updating of the alleged deficiency, the applicant may:

- (1) Make application directly to the agency which contributed the questioned information; or
- (2) Direct his/her challenge as to the accuracy or completeness of any entry to the FBI, Criminal Justice Information Services (CJIS) Division, ATTN: SCU, Mod. D-2, 1000 Custer Hollow Road, Clarksburg, WV 26306.

(d) For the purposes of this section, a conviction from a jurisdiction outside of New Hampshire shall be classified as a felony or misdemeanor based on the classification of the equivalent offense in the state of New Hampshire at the time of that conviction.

**Readopt with amendments and renumber Pari 1204.02, effective 9-10-15 (Document #10929), as Lot 7204.02 to read as follows:**

Lot 7204.02 Background Investigations of Facility and Game Operator Employer Applicants.

(a) In accordance with RSA 287-D:11, any person, associate, corporation, or other type of entity applying for or holding a facilities or game operator employer license shall file a complete and detailed written statement with the attorney general that contains the following information:

- (1) The name, residence address, and nature of the ownership interest including, where applicable, the number of shares of stock held and if known, how obtained, of every person who possesses an ownership interest in such entity;
- (2) The name, address, present principal occupation or employment, and name and principal business of any corporation or other organization in which such employment is carried on of every director, officer, and holder of 10 percent or more ownership interest in such entity;
- (3) Such other information as the attorney general shall deem relevant to its consideration of the application, including documentation and information that predates the 10-year period immediately prior to the date of filing of the application, including, but not limited to:
  1. 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;
  2. Information and documentation demonstrating by clear and convincing evidence the applicant's financial stability; and
  3. Any other information the which the attorney general, in the attorney generals' sole discretion, may find to bear on the subjects fitness to be associated with charitable gaming in New Hampshire, including, but not limited to, the subjects character, personal associations, and the extent to which the subject is properly doing business in the manner in which it purports to operate; and
- (4) The signature of the applicant or holder of such license if an individual, or by the officer of the entity attesting to the accuracy of the information being provided.

(b) Each applicant or licensee shall file the information required in (a) above with the initial application, and every 5 years thereafter.

(c) As required by RSA 287-D:11, II(d), if at any time the applicant or licensee discovers that information provided in accordance with (a) above has changed, or is otherwise found to be inaccurate, the applicant or licensee shall submit updated or corrected information to the attorney general and the commission within 10 days of the event that resulted in the change, or discovery of the inaccuracy.

(d) In accordance with RSA 287-D:11, III(a), no person shall be issued or hold a license if in the opinion of the attorney general such person is not fit to be associated with charitable gaming in this state.

**Adopt Lot 7204.03 to read as follows:**

Lot 7204.03 Fitness to be Associated with Charitable Gaming.

(a) The commission shall deem an applicant fit to be associated with charitable gaming in New Hampshire when:

- (1) The applicant's background and criminal records check, conducted pursuant to Lot 7204.01 above demonstrates that the applicant is not prohibited from participating in the operation of a games of chance event per RSA 287-D:14, IX; and

(2) If the applicant is seeking a game operator employer or facility license, the attorney general has not determined the applicant to be unfit to be associated with charitable gaming in this state, pursuant to Lot 7204.02 above.

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(b) All of the documents submitted by an applicant for the purposes of determining fitness under this section shall be considered confidential.

**Readopt with amendments and renumber Pari 1205, effective 9-10-15 (Document #10929), as Lot 7205 to read as follows:**

PART Lot 7205 APPROVAL OF AN APPLICATION FOR LICENSURE

Lot 7205.01 Application Approval and Denial Criteria.

(a) In accordance with RSA 541-A:29, I and II, the commission shall:

(1) Within 30 days of receipt, examine the application, notify the applicant of any apparent errors or omissions, and request any additional information needed to complete the application process; and

(2) Within 60 days after receipt of the application, or response to a request for additional information pursuant to (1) above, approve or deny the application.

(b) The commission shall approve an application and issue a license when:

(1) The application complies with the applicable requirements set forth in Lot 7203 above;

(2) The applicant otherwise meets the qualifications for licensure specified in RSA 287-D, and this chapter;

(3) The commission determines that the applicant is fit to be associated with charitable gaming in New Hampshire, pursuant to Lot 7204.03 above;

(4) The applicant's license has not been revoked within the past 12 months, as prohibited by RSA 287-D:23, III, and the applicant has not been found to have violated the statutes or rules governing charitable gaming as prohibited by RSA 287-D:14, IX;

(5) The applicant is seeking a game operator employer license or a facility license, and the attorney general's office has determined that the applicant is fit to be associated with charitable gaming in New Hampshire, pursuant to RSA 287-D:11; and

(6) The applicant is seeking a game operator employer license, and the commission finds that all internal controls and surveillance equipment are operational, and otherwise comply with the requirements of this chapter.

(b) The commission shall deny the application and not issue a license when:

(1) The application does not comply with the applicable requirements set forth in Lot 7203 above;

- (2) The applicant does not otherwise meet the qualifications for licensure specified in RSA 287-D, or this chapter;
- (3) The commission determines that the applicant is not fit to be associated with charitable gaming in New Hampshire, pursuant to Lot 7204.03 above;
- (4) The applicant's license has been revoked within the past 12 months, as prohibited by RSA 287-D:23, III, or the applicant has been found to have violated the statutes or rules governing charitable gaming as prohibited by RSA 287-D:14, IX;
- (5) The applicant is seeking a game operator employer or facility license, and the attorney general's office has determined that the applicant is not fit to be associated with charitable gaming in New Hampshire, per RSA 287-D:11; or
- (6) The applicant is seeking a game operator employer license, and the commission finds that all internal controls and surveillance equipment are not operational, or are otherwise not in compliance with the requirement of this chapter.

Lot 7205.02 License Limitations and Expirations.

- (a) In accordance with RSA 287-D:6, IV, a charitable organization shall not operate more than 10 game dates per any 12 month period.
- (b) All licenses issued under this part shall be non-transferable.
- (c) In addition to (b) above, a facility license shall be non-assignable.
- (d) Games of chance licenses issued in accordance with this part shall expire as follows:
  - (1) Charitable organization licenses shall expire 12 months from the date of issue or after the completion of the tenth game date, whichever comes first, as specified in RSA 287-D:6, V;
  - (2) Game operator employer licenses shall expire on December 31 of the licensed year;
  - (3) Primary game operator licenses shall expire on the last day of the month of the licensee's birthday, as specified in RSA 287-D:9, VII;
  - (4) Secondary game operator licenses shall expire on the last day of the month of the licensee's birthday, as specified in RSA 287-D:10, III;
  - (5) Facility licenses shall expire on December 31 of the licensed year, as specified in RSA 287-D:7, IV;
  - (6) Upon revocation by the commission in accordance with RSA 287-D:23, III; or
  - (7) Upon voluntary surrender by the licensee.

Lot 7205.03 Submitting Additional or Corrected Information. Except as otherwise specified, if at any time the information provided to the commission in accordance with this chapter changes, or is otherwise found to be inaccurate, the applicant or licensee shall submit updated or corrected information to the commission within 15 days of the event that resulted in the change, or discovery of the inaccuracy.

**Readopt with amendments and renumber Pari 1206.01, effective 10-27-16 (Document #12019), as Lot 7206.01, cited and to read as follows:**

## PART Lot 7206 REQUIRED DOCUMENTATION

Lot 7206.01 List of All Officer and Participating Bona Fide Members.

(a) The licensed charitable organization shall maintain a current and complete list of all officers within the organization and all bona fide members involved, to any degree, with the games of chance event, and submit any updates to the commission within 15 day of any changes to the list, in accordance with Lot 7205.03 above.

(b) The list required by (a) above shall include the following information:

- (1) The members' full name, and contact information, including legal address;
- (2) The member's title or position within the organization, with officers being listed first and alphabetically thereafter;
- (3) If a game operator will be operating the games on behalf of the organization, an indication as to which members are authorized to:
  - a. Sign the "Games of Chance - Charitable Organization Member's Affidavit" form (6/2019); and
  - b. Engage in monetary transactions; and
- (4) If the organization will be operating the games itself, a description of the duties the member will be responsible for relative to the games of chance event;

(c) To participate in the operation of games of chance as a member of a charitable organization, the individual shall:

- (1) Meet the definition of a bona fide members in accordance with RSA 287-D, II;
- (2) Submit to a background and criminal records check completed, as required by Lot 7204.01 above; and
- (3) Be found fit by the commission to be associated with charitable gaming in this state, pursuant to Lot 7204.03 above.

(d) In accordance with RSA 287-D:14, XIX, the charitable organization may amend or supplement the list of persons who will participate in any games of chances at least 10 business days prior to the effected game date.

**Readopt with amendments and renumber Pari 1206.02 – Pari 1206.08, effective 9-10-15 (Document #10929), as Lot 7206.02 – Lot 7206.08 to read as follows:**

Lot 7206.02 Game Schedule.

(a) Pursuant to RSA 287-D:14, XVIII, a games of chance licensee shall only conduct games of chance that have been identified on a game schedule, and approved by the commission.

(b) Except as allowed by (f) below, the charitable organization shall submit a game schedule as part of the application, as required by Lot 7203.01(d)(6) above.

(c) A game schedule shall contain the following information:

- (1) The name of the licensed charitable organization that will be sponsoring the games of chance event(s);
- (2) The date(s) and time(s) of the proposed games of chance event(s);
- (3) The location where the proposed games of chance event(s) will be held;
- (4) The name and game procedure approval number issued by the commission for each of the games, including promotions, being offered at each of the specified event(s); and
- (5) The buy-in and re-buy amounts for each game of chance where the chips have no monetary value.

(d) The game operator, or when applicable, the charitable organization shall correct and resubmit a game schedule when the commission determines that:

- (1) All of the information required by (c) above is not provided;
- (2) The games procedures for each of the games being offered have not been approved by the commission, pursuant to Lot 7206.07 below;
- (3) The total number of game dates hosted by the charitable organization exceeds 10 days in any 12-month period, in violation of RSA 287-D:6, IV; or
- (4) The request does not otherwise comply with RSA 287-D and this chapter.

(e) Any additional game dates approved as part of an amended game schedule shall be subject to a license fee of \$25 per game date, pursuant to RSA 287-D:13,I.

(f) The charitable organization, or the game operator employer hired to act on the organization's behalf, shall submit any amendments to its game dates at least 3 days prior to the first amended game date.

(g) If a game date is cancelled due to an unforeseen occurrence or extreme weather condition, the charitable organization, or the game operator employer hired to act on the organization's behalf, shall notify the commission of the cancelation by the next business day. .

#### Lot 7206.03 Rental and Lease Agreements.

(a) Pursuant to RSA 287-D:19 and Lot 7203.01(c)(7)-(8) above, the charitable organization shall submit all service or rental agreements to the commission with its license application.

(b) The charitable organization, or the game operator employer hired to act on the organization's behalf, shall submit any amendments to its lease agreements at least 15 days prior to the effective date of the agreement.

(c) Rental and lease agreements shall include the following items and services:

- (1) Gaming space;
- (2) Heat, lights and restroom facilities sufficient for the seating capacity of the facility;
- (3) Security of the facility and parking area;

- (4) Snow removal; and
  - (5) Trash removal and overall janitorial services sufficient to maintain the facility in a clean and proper condition for conducting business.
- (d) The amount of rent, goods, and services charged shall:
- (1) Be no more than the amounts charged to others for the same or similar rentals, goods or services;
  - (2) Not be based in whole or in part on a percentage of gross receipts or net proceeds derived from the conduct of charitable gaming or by reference to the number of people in attendance; and
  - (3) Not be greater than the charitable organization's share of the gross proceeds for the license period.
- (e) A licensed charitable organization may elect to provide for itself any of the goods and services that a facility owner is required to provide under this section, provided these arrangements are clearly noted in the lease agreement, and the total compensation to be paid the facility is reduced commensurate with the cost of the goods and services as itemized in the lease.
- (f) Participation in and charges for activities such as advertising, free offer of coffee and donuts to customers, security protection for the charitable organization itself, consulting or management services, shall be at the discretion of the charitable organization.
- (g) Failure to participate in these activities described in (f) above shall not constitute grounds for expulsion from the facility.
- (h) No games of chance shall be held in any facility that has not been approved by the municipal governing body for public assembly, or as otherwise required by law.
- (i) The commission shall approve a rental or lease agreement when the lease meets the requirements set forth in this section, and does not otherwise violate RSA 287-D or this chapter.

Lot 7206.04 Agreements Between Licensees.

- (a) Pursuant to RSA 287-D:14, II, when an agreement is made between a charitable organization and another licensee relative to games of chance:
- (1) All agreements between a charitable organization and a game operator employer shall be enacted using the "Standard Form of Agreement for Games of Chance" form (6/2019);
  - (2) Except as allowed by (3) below, the charitable organization shall submit the agreement(s) as part of the application for licensure, as required by Lot 7203.01(c)(7) above; and
  - (3) The charitable organization shall submit any amendments to the agreement(s) at least 15 days prior to the effective date of the agreement.
- (b) An agreement shall be deemed approved unless and until such time as the commission finds that the agreement does not include all of the information contained in the "Standard Agreement", or violates RSA 297-D or this chapter.



(c) When the commission determines that an agreement does not meet the requirements of (b) above, the licensee shall submit a revised agreement that meets the requirements of (b) above within 15 days of the commission's notification.

Lot 7206.05 A Description of the Gaming Area.

(a) No game of chance shall be conducted unless it has been approved by the commission.

(b) The following information shall be submitted to the commission when requesting approval of a gaming area:

- (1) The address of the facility; and
- (2) A description of the facility that includes:
  - a. A detailed diagram of the gaming area that:
    1. Includes a legend;
    2. Is drawn to scale, or includes accurate measurements; and
    3. Is of sufficient detail and clarity to physically identify the gaming area within the facility;
  - b. The square footage of the gaming area;
  - c. The capacity levels, as deemed acceptable by local building and fire code;
  - d. If applicable, available parking; and
  - e. If applicable, the location and method of physical separation between the games of chance area and other licensed activities within the same premises, to ensure a clear separation of these areas.

(c) The information required by (b) above shall be submitted by:

- (1) The facility as part of a license application, as required by Lot 7203.06 above;
- (2) The charitable organization as part of a license application when operating its own games of chance event, as required by Lot 7203.01(c)(9) above; or
- (3) The licensed facility or licensed charitable organization, as applicable, at least 15 days prior to any changes to a previously approved gaming area taking effect.

(d) Within 15 days of receiving the information required in (c) above, the commission shall determine if the request meets the following criteria for approval:

- (1) The applicant has provided sufficient detail and clarity to physically identify the gaming area within the facility;
- (2) The capacity levels meet local building and fire code standards;
- (3) If applicable, there is a clear separation between the games of chance area and other licensed activities within the same premises; and
- (4) The gaming area does not otherwise violate RSA 287-D, or this chapter.

(e) In accordance with RSA 287-D:14,I, no more than 2 licensed charitable organizations shall conduct games of change at any one location on any date.

Lot 7206.06 House Rules.

(a) Pursuant to RSA 287-D:14, XXI, the charitable organization or, where applicable, the operator employer hired to act on behalf of the organization, shall adopt and adhere to house rules that include a minimum of the following:

- (1) The general rules of play;
- (2) The amount of the entry fee, if any;
- (3) Methods of making wagers, including:
  - a. Whether or not buy-in and re-buys will be permitted, and if permitted, under what circumstances, conditions, and amounts; and
  - b. The initial amount of all antes and blind bets and a description of the manner in which the amount of antes and blinds will increase during the progress of game;
- (4) Procedures for misdeals, betting irregularities and splitting pots;
- (5) Any time limits pertaining to the play of the game;
- (6) Any rules that may restrict a player's right to win a hand, pot, or jackpot prize;
- (7) Prize pay outs and any prize-related restrictions;
- (8) The refund policy;
- (9) Standards and policies and procedures for addressing and resolving player disputes;
- (10) How a player can contact the commission with comments, concerns or questions; and
- (11) The effective date of the house rules.

(b) Except as allowed by (c) below, the charitable organization shall submit the house rules as part of the application, in accordance with Lot 7203.01(d)(9)b above.

(c) The charitable organization, or the game operator employer hired to act on the organization's behalf, shall submit any amendments to its house rules at least 15 days prior to the first amended game date.

(d) The charitable organization, or where applicable, the game operator, shall be required to correct and resubmit its house rules when the commission determines that:

- (1) The house rules do not include the details required by (a) above;
- (2) The house rules conflict with or are otherwise prohibited by law, this chapter or any ruling issued by the commission; or
- (3) The licensee has not adhered to the house rules as submitted.

(e) Prior to the start of each event, the charitable organization, or the game operator employer hired to act on the charity's behalf, shall ensure that a public announcement is made letting players know where copies of the house rules are located and how to obtain copies.

Lot 7206.07 Game Procedures.

(a) Charitable organizations and game operator employer shall only offer games of chance for which the game procedures have been approved by the commission.

(b) To obtain approval of a game procedure that has not previously been approved by the commission, the charitable organization, or game operator employer hired to act on the organization's behalf, shall submit a written request and the game procedure to the commission at least 45 days prior to the proposed implementation date.

(c) The game procedures shall include a minimum of the following information:

(1) For card games:

- a. The name of the card game;
- b. The object of the card game;
- c. The rules of the card game;
- d. The equipment used for the card game;
- e. The method of play for the card game;
- f. The types of wager or wagers for the card game, including buy-ins and re-buys;
- g. The wager amounts for the card game;
- h. The payouts and payout odds for each wager in the card game; and
- i. The rules governing any card game point system established by the licensee;

(2) For games which are not a card games:

- a. The name of the game;
- b. The object of the game;
- c. The rules of the game;
- d. The equipment used for the game;
- e. The method of play for the game;
- f. The types of wager or wagers for the game;
- g. The wager amounts for the game;
- h. The payouts and payout odds for each wager in the game; and
- i. The rules governing any game point system established by the licensee; and

(3) For promotions:

- a. The name of the promotion;
- b. A description of the promotion and the style of play;
- c. The conditions for participating in the promotion;
- d. The type of hand or triggering events that cause a player to win;
- e. A schedule of what each winning hand or triggering event wins;
- f. How the win will be recorded, and winning player will be paid out;
- g. How the game advances the purposes of RSA 287-D; and
- h. When the promotion is player-funded:
  1. The amount, percentage, or the formula used to determine the amount of funds to be contributed from each pot;
  2. The account where the funds will be deposited and withdrawn from during the time held by the game operator employer;
  3. How and when the contributed funds are added to the pool(s); and
  4. How the promotional funds will be dispersed in the event the game is closed out or otherwise terminated.

(d) The licensee shall obtain commission approval whenever a modification is made to an approved game procedure, including any changes made to the odds.

(e) The licensee shall clearly describe the changes being proposed when submitting a written request for approval of a modified game procedure.

(f) Upon request, the charitable organization, or game operator employer hired to act on the organization's behalf, shall also demonstrate the proposed game to the commission.

(g) The commission shall approve a game procedure, or a modification to a previously approved game, if it concludes that:

- (1) The game procedure is for a game of chance as defined by Lot 7202.04 above;
- (2) The game procedures include the details required by (c) above;
- (3) Approval of the game of chance would likely advance the purposes of RSA 287-D, including servicing as a source of revenue for the charitable organization and the state of New Hampshire;
- (4) Approval of the game of chance would not be otherwise prohibited by law, this chapter or any rulings of the commission; and
- (5) The game procedures comply with standard rules of the game, such as those found in *The New Complete Hoyle: The Authoritative Guide to the Official Rules of All Popular Games of Skill and Chance, Revised Edition (1991)*, *Poker Tournament Directors Association's*

Recommended Procedures and Illustration Addendum (version 3.0, October 24, 2017), available as noted in Appendix B, or a similar authoritative guide on games of chance.

(h) The commission shall deny or revoke its approval of any game of chance when it concludes that:

- (1) The game procedure does not meet the requirements of (g) above;
- (2) The approval previously granted to the licensee was erroneously issued; or
- (3) The licensee operates the game of chance in a manner that is not consistent with the procedures as approved.

(i) Game procedures that have been approved by the commission may be utilized by other charitable organization or game operator employers without additional commission approval, when included on the game schedule submitted in accordance with Lot 7206.02 above.

(j) Commission approval of a game procedure shall not represent, warrant or otherwise assert that the game does not violate any intellectual property right, including, but not limited to, any agreement, license, copyright, trademark or patent right. It shall be the licensee's responsible to meet all proprietary requirements.

(k) Prior to the start of each game, the charitable organization or the game operator employer hired to act on the organization's behalf shall ensure that a public announcement is made informing players as to where copies of the game procedures are located and how copies can be obtained.

Lot 7206.08 Internal Control Procedures.

(a) The charitable organization, or the operator employer hired to act on behalf of the organization, shall develop, implement, and adhere to written internal control policies and procedures designed to ensure effective control over the gaming operation by discouraging and protecting against illicit behavior and safeguarding the integrity of the games.

(b) The controls required by (a) above shall ensure that:

- (1) Assets are safeguarded;
- (2) Financial records are complete, accurate, and reliable;
- (3) Transactions are performed only in accordance with the general or specific authorization this chapter;
- (4) Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability for assets;
- (5) Accountability for assets is maintained in accordance with generally accepted accounting principles;
- (6) Access to assets is permitted only to authorized personnel;
- (7) Recorded accountability for assets is compared with actual assets at least once a day;
- (8) When a variance is discovered, the shortage or overage is recorded, accounted for and paid for, and all variances \$1,000 or more, in whole or in aggregate, are reported to the commission within 30 days;

(9) Appropriate action is taken with respect to any discrepancies, variances, or errors to ensure the state and the charitable organization are not negatively impacted;

(10) Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by authorized personnel, and no individual is in a position to perpetuate fraud or conceal errors or irregularities in the normal course of duties; and

(11) Gaming is conducted in accordance with RSA 287-D and this chapter.

(c) The internal control policies and procedures required in (a) above shall address a minimum of the following areas:

(1) The implementation of an organizational structure designed to segregate functions, duties, and responsibilities in accordance with sound business practices to prohibit individuals from being in a position that allows them to both commit and conceal an error or to perpetrate a fraud in their normal course of duties;

(2) Control of games of chance equipment inventory to prevent unauthorized access, misappropriation, forgery, theft, or fraud, including systems and safeguards with regard to the receipt, storage, inventory and disbursal of chips, cards, dice, and other sensitive equipment utilized in games of chance;

(3) A system for the collection and security of moneys at the table games, the transfer and recordation of chips between the table games and the cashiers' cage, the transfer of money from the table games to the counting process, and the process and equipment to assure security for the counting and recordation of revenue;

(4) Safeguards of assets within the cashiers' cage for:

a. The receipt, storage, inventory and disbursal of chips, cash, counter checks and other cash equivalents used in gaming;

b. The cashing of checks;

c. The redemption of chips and other cash equivalents used in gaming; and

d. The recording of transactions pertaining to gaming;

(5) An accounting system of controls established in accordance with (d)-(e) below to safeguard assets and ensure that:

a. Financial records are prepared and maintained completely, accurately and reliably;

b. Revenue and fees are properly reported and paid;

c. Accountability of assets is maintained; and

d. The charitable organization and the game operator employer review records and reports periodically, and, when applicable, appropriate action is taken with respect to any discrepancies;

(6) When tournaments are offered, a system for tracking the amount that that a player has spent for buy-ins and re-buys to ensure players do not exceed the limits set by RSA 287-D:14, XV and XVI;

(7) Standards governing the utilization of the surveillance and security designed to prevent unauthorized access, activities, misappropriation, forgery, theft, or fraud;

(8) When applicable, physical and systems controls for information technology, including data back-up, and maintenance of systems; and

(9) Procedures and controls for ensuring that the gaming area is secure during normal operations, as well as contingency plans to address unforeseen incidences such as power outages, or episodes of equipment failure.

(d) The charitable organization, or the operator employer hired to act on behalf of the organization, shall establish and maintain an accounting system for all activities conducted in conjunction with games of chance that includes a minimum of the following:

(1) Internal controls to secure and count all cash received in connection with a game of chance event, including the requirements that no fewer than 2 individuals be responsible for counting the receipts;

(2) Methods of accounting for chip sale and reimbursement;

(3) Verification of all transfers of cash and chips between game table(s) and the central counting area;

(4) Procedures to ensure that contributions made to a player-funded promotion are kept separate, and at no time co-mingled with other gaming revenue; and

(5) Procedures to ensure that, for all cash poker games, the amount collected for the rake per hand are at least one dollar more than the amount contributed per hand toward a player-funded promotion.

(e) General accounting records shall consist of controls established to safeguard assets and ensure accurate and complete records of all transactions pertaining to gaming revenue and activities of operational accountability that:

(1) Record gaming activity transactions in an accounting system to identify and track all revenues, expenses, assets, and liabilities;

(2) Produce financial statements to include, at a minimum, an income statement and a balance sheet;

(3) Produce appropriate subsidiary ledgers to support the balance sheet;

(4) Inventory and safeguard assets;

(5) Prepare, review, and maintain accurate financial statements;

(6) Prepare minimum bankroll calculations in accordance with Lot 7207.04(o) below; and

(7) Maintain and preserve all financial books, records, and relevant supporting documentation.

(f) When the commission determines that the policies and procedures do not meet the requirements of (c)-(e) above, the licensee shall submit and implement revised procedures that do meet the requirements within 15 days of the commission's notification.

(g) When the licensee updates or otherwise amends any portion of the internal control procedures, the licensee shall submit the amendments to the commission at least 15 days before the amendment is implemented.

(h) All revisions or amendments made as described in (f) and (g) above shall be submitted to the commission:

- (1) Using revision marks so the changes made to the document are clear;
- (2) With a cover sheet that documents the reason why the amendment is being submitted; and
- (3) With the version number clearly marked on every page along with the effective date.

(i) The charitable organization, or the operator employer hired to act on behalf of the organization, shall maintain a copy of the current controls and procedures in the gaming area, or otherwise make them available for inspection upon request.

(j) The licensee shall maintain a copy of any superseded changes to its internal controls for a minimum of 2 years.

**Adopt Lot 7206.09 to read as follows:**

Lot 7206.09 Criteria for Photos Used to Create Badges. Photos submitted in accordance with Lot 7203.01(d)(9)d., Lot 7203.03(c)(9), Lot 7203.04(c)(2), and Lot 7203.05(c)(2) shall be:

- (a) Taken within the last 6 months to reflect the applicant's current appearance;
- (b) Taken in front of a plain white or off-white background;
- (c) In color;
- (d) Taken in full-face view directly facing the camera;
- (e) Taken with a neutral facial expression or a natural smile and with both eyes open;
- (f) Composed so that:
  - (1). The overall photo size is 2 inches square;
  - (2) The head is between 1 inch and 1 3/8 inches from the bottom of the chin to the top of the head; and
  - (3) The eye height is between 1 1/8 and 1 3/8 inches from the bottom of the photo; and
- (g) Printed on matte or glossy photo quality paper;

**Readopt with amendments and renumber Pari 1207.01, effective 9-10-15 (Document #10929), as Lot 7207.01 and Lot 7207.02 cited, and to read as follows:**

PART Lot 7207 OPERATION OF GAMES OF CHANCE

Lot 7207.01 Participants in the Operation of Games of Chance.

(a) A license issued in accordance with RSA 287-D and this chapter shall be required for any individual who:



- (1) Is party to, engages in, or supervises others in the operation of games of chance in any capacity;
  - (2) Has access to sensitive areas within the gaming facility, including areas where money, chips or surveillance systems are housed; or
  - (3) Has authority to sign checks or withdraw funds from the gaming accounts.
- (b) In accordance with RSA 287-D:14, VIII, the following individuals shall be prohibited from participating in or otherwise playing the games being offered at a games of chance event:
- (1) Individuals who are participating in the operation of the event, except as allowed by (d) below or when acting as a proposition player in accordance with (f)-(g) below;
  - (2) Individuals who holds the lease to the facility where the event is being held; and
  - (3) Individuals who have sold or leased game of chance paraphernalia or related equipment to the charitable organization for use at the event.
- (c) An individual who is actively participating in the operation of an event may play games with rake being offered at the event only when the individual:
- (1) Has completed his or her shift; and
  - (2) Is not wearing a uniform or badge of the games of chance employer.
- (d) Employees or agents of the game operator employer shall be prohibited from playing pit games or table games that do not include a rake unless at least one player at the table is not an employee or agent.
- (e) Except as allowed by (f) below, players financed in whole or in part by the game operator employer, the charitable organization or agent thereof shall not be permitted to play any games.
- (f) Players excluded by (e) above shall include, but not be limited to:
- (1) Shill players, which refers to individuals employed and financed by the game operator employer as a player for the purpose of starting and/or maintaining a sufficient number of players in a card game; and
  - (2) Stake players, which refers to individuals financed by the game operator employer to participated in a game under an agreement or understanding where by such persons are entitled to retain all or any portion of his or her winnings.
- (g) Proposition players may be utilized for the purposes of starting and/or maintaining a sufficient number of players in a card game. Proposition players are individuals paid a fixed sum by the game operator employer for the specific purpose of playing in a card game who uses his or her own funds and who retains his or her winnings and absorbs his or her losses.
- (h) The following shall apply to the use of proposition players:
- (1) No more than 3 proposition player may play in a card game;
  - (2) An establishment employing proposition players shall identify such players upon request and display a clear and legible sign in a conspicuous and conveniently accessible location that is visible from the area where card games are played that states: "New Hampshire gaming

regulations (Lot 7200) allow the use of proposition players. Proposition players shall be identified by management upon request.”;

(3) A list of all proposition players shall be maintained at the game room’s cage and readily available for inspection upon request;

(4) Persons who participate in the management or supervision of games subject to this regulation shall be permitted to act as a proposition player in the establishment where employed if supervision is otherwise provided;

(5) The game operator employer shall maintain, in a manner as in the case of all other employees, employment records on each individual engaged as a proposition player;

(6) Paycheck advances shall not be permitted to allow a proposition player to enter a game; and

(7) Policies regarding the use of proposition players shall be noted in the game room’s house rules.

Lot 7207.02 Operation of a Game of Chance Event.

(a) When a charitable organization chooses not to operate the games of chance directly, the organization shall hire a licensed game operator employer to operate the games on their behalf.

(b) When a charitable organization chooses to operate the games of chance directly, all duties and responsibilities of the game operators and game operator employer fall to the charitable organization.

(c) All persons participating in the operation of games of chance shall wear an identification badge issued by the commission in such a manner that is readily visible for inspection by the public.

(d) All licensees shall take necessary steps to prevent cheating and ensure that the games of chance are played fairly.

(e) In accordance with RSA 287-D:14, XI, a member of the sponsoring charitable organization shall:

(1) Be present and on site at least once per day during the operation of any game of chance; and

(2) Complete a “Charitable Organization Member’s Affidavit” form (6/2019) that attests to their presence at the site during the operation of a game of chance event.

(f) In accordance with RSA 287-D:9, III, concurrent with the charitable organization, game operator employers who operate games of chance on behalf of a charitable organization shall be responsible for all requirements for which the charitable organization is responsible when a charitable organization operates games of chance itself.

(g) Where game operators are utilized to operate games of chance, at least one licensed primary game operator shall supervise and manage all game operations for the entire time the games are being held.

(h) When an employee is newly hired or is no longer employed by the game operator employer, the game operator employer shall notify the commission of such within 5 business days.

(i) Except as provided in (j) below, all monies from games of chance shall be deposited to and withdrawn from a single account with a financial institution with at least one branch in New Hampshire, in accordance with RSA 287:6, I(c) and RSA 287:9, I(e)-II;

(j) The prize portion of each player-funded promotion shall be deposited in its own, separate account in accordance with Lot 7207.04(j)(6) below.

**Readopt with amendments and renumber Pari 1207.02, effective 9-10-15 (Document #10929), as Lot Lot 7207.03 cited, and to read as follows:**

Lot 7207.03 Documentation to be Displayed in the Gaming Area.

(a) The charitable organization, or the operator employer hired to act on behalf of the organization, shall prominently and conspicuously display at least one copy of the following documents in the immediate area where games of chance are conducted:

- (1) The organization's current games of chance license;
- (2) The organization's approved game schedule;
- (3) House rules approved by the commission;
- (4) When the games are held at a licensed facility, a copy of the facility license;
- (5) When the charitable organization operates its own games of chance, a list of all bonafide members who are authorized to act as game operators;
- (6) The games of chance statute, RSA 287-D;
- (7) This chapter, Lot 7200; and
- (8) A binder containing the approved game procedures for each of the games being offered at the event.

(b) The charitable organization, or the operator employer hired to act on behalf of the organization, shall publicly and prominently display the following information:

- (1) The name of the licensed charitable organization sponsoring the event; and
- (2) At each game table as to be conspicuous to those persons participation in said game:
  - a. The name of the game of chance; and
  - b. The minimum and maximum wagers.

**Readopt with amendments and renumber Pari 1207.03, effective 10-27-16 (Document #12019), as Lot 7207.04 to read as follows:**

Lot 7207.04 Conduct of Games of Chance.

(a) Pursuant to RSA 287-D:14, XVIII, no games of chance shall be played unless all of the games of chance being offered have been approved by the commission in accordance with Lot 7206.07 above, and identified on the game schedule, as required by Lot 7206.02.

(b) In accordance with RSA 287-D:14, VI, no one under the age of 18 years shall be admitted to the area where the games of chance are being conducted, except when the games are being conducted at a carnival.

(c) Card games shall be conducted in accordance with the following, in order of priority:

(1) The game procedures approved by the commission;

(2) The house rules approved by the commission; and

(3) Rules explained in *The New Complete Hoyle: The Authoritative Guide to the Official Rules of All Popular Games of Skill and Chance, Revised Edition (1991)*, *Poker Tournament Directors Association's Recommended Procedures and Illustration Addendum (version 3.0, October 24, 2017)*, available as noted in Appendix B, or a similar authoritative guide on games of chance.

(d) For games with rake, the rake shall be no less than one dollar and at least one dollar more than the amount contributed per hand toward a player-funded promotion.

(e) For games or tournaments where chips have no monetary face value:

(1) The licensee shall post the location of the game or tournament in the public place prior to commencing the game or tournament;

(2) The licensee shall not charge any amounts, by whatever name, other than buy-ins and re-buys;

(3) Except as allowed by (4) below, the charitable organization may offer any number of games per licensed event provided each player is limited to spending up to \$150 per game, including add-ons, buy-ins, and re-buys;

(4) The charitable organization may offer one game per authorized event where each player may spend up to \$250 for the game, including buy-ins and re-buys;

(5) The prize shall either be a set prize amount or a percentage of the prize pool;

(6) Prizes shall not be awarded to more than 50 percent of the players that have registered and bought into the game or tournament;

(7) The total amount awarded in prizes shall not exceed 80 percent of the total amount collected from players; and

(8) At the end of a game or tournament, any chips held by a player not receiving a prize shall:

a. Have no value for any purpose;

b. Not be traded, bartered, used or exchanged for any purpose whatsoever; and

c. Not be used for play in any other game or tournament.

(f) Except as allowed by (g) below, no single wager by a player, on any game of chance, shall exceed the amount of \$10.

(g) In poker where chips have monetary value, play may be conducted under table stakes rules, as follows:

- (1) The amount of blinds, antes, and any other type of forced bet shall not exceed \$10 per player, but the amount wagered by a player during the play of a hand shall not be limited except by the amount of chips the player has in his or her possession at the table;
- (2) Players entering a new game shall not be allowed to possess more than \$1,000 in chips;
- (3) A player may purchase up to \$1,000 in chips at a time from the cashier area, also known as the cage;
- (4) A player may purchase up to \$150 in chips per hand from the dealer at the table where he or she is playing provided that the amount of chips being purchased will not raise the total value of chips in the player's possession above \$1,000, or less as otherwise specified in the house rules;
- (5) When management moves a player to a new table of the same game and stakes, the player may bring all of the chips in his or her possession to the new table, unless otherwise prohibited by house rules;
- (6) When a player is moved to a new table of a different game or stake, the player shall not be allowed to bring more than \$1,000 in chips to the new game.
- (7) Once chips are on the table, the player shall not be permitted to remove chips from his or her stack, unless the player is concluding play and leaving the table; and
- (8) A game operator shall not require a player to maintain the minimum amount of chips to continue to play.

(h) For the purposes of paragraph (g) above, a hand begins when the dealer makes the first shuffle or presses the activation button on the shuffle machine, and is complete once all wagers have been concluded on the cards in play, the pot has been awarded, and all cards have been collected and shuffled.

(i) In accordance with RSA 287-D:14,XV-XVII, all tournaments shall comply with the following:

- (1) A tournament shall be a single event in which all players begin with the same number of chips and play until the posted prizes are paid out;
- (2) A tournament may be held over multiple days to accommodate the number of players as long as the event is operated as a single licensed event, hosted by the same charitable organization;
- (3) When a player has lost all of his or her chips and is eliminated from the tournament, the player may buy in again to continue playing until such time as the player reaches the spending limits set by RSA 287-D:14, XV and XVI;
- (4) Prize payouts shall not exceed 80% of the total amount collected from players, and as such, a portion of the money collected from players cannot be carried over to be awarded in a separate event or tournament; and
- (5) Funds shall not be added to the prize pool to enhance the payout if doing so would exceed the 80% restriction noted in (4) above, and as such, a game operator cannot subsidize the pot in order to reach a guaranteed prize amount that cannot otherwise be met using player money.

- (j) All player-funded promotions shall comply with the following:
- (1) All funds contributed by players into the pool shall be returned when won in accordance with posted rules. No commission, or administrative fee shall be taken from the pool;
  - (2) All payouts shall be in cash, not cash equivalent;
  - (3) For games with rake, the amount contributed per hand toward a player-funded promotion shall be at least one dollar less than the rake;
  - (4) Information about the promotion shall be prominently displayed in the game room, or made available in writing for patron review, and include:
    - a. The conditions for participating in the promotion;
    - b. The written game procedures, as set forth in Lot 7206.07(c)(3); and
    - c. The current amount of the pool(s), which shall be updated at least once a day;
  - (5) All contributions and payouts for each pool being offered shall be documented to include the following information:
    - a. The name of the promotion;
    - b. The date corresponding to each contribution or payout;
    - c. Total contributions on each given day;
    - d. The name of each patron that won the pool, the date won, the dollar amount of the payout, and, when an individual payout is \$600 or more, the signature of the agent completing the transaction attesting to the disbursement of the payout; and
    - e. Last running balance, if applicable;
  - (6) Promotional pool contributions shall not be placed in or near the rake circle, in the drop box, or commingle with other gaming revenue;
  - (7) A separate bank account shall be established for each promotional account, and at no time shall bank fees be deducted from the balance;
  - (8) All money collected from players shall be awarded in accordance with approved procedures prior to the termination of any promotion; and
  - (9) The game operator employer shall be liable for the promotional pool. Should the monies be lost or stolen, the game operator employer shall be responsible for replacing it.
- (k) . Promotions of any kind shall not be financed by non-member players, or result in a reduction in the payments otherwise due to the charitable organization or the commission in accordance with RSA 287-D:19, II(a) and RSA 287-D:20, II.
- (l) Wagers shall only be placed in the form of chips, or the like, or, when electronic gaming tables are used, in the form of representations of credit.
- (m) No licensed charitable organization or game operator employer shall extend credit to any patron at any time.

(n) The game operator shall collect and store his or her tips in a tip box or in a clearly designated area of the gaming table.

(o) Except as allowed by (j) above, no licensee shall permit side bets between players or other such activities that involve a participant wagering money or other items of value against another, when the activity does not provide for some portion of the proceeds to go to the licensed charitable organization and the state.

(p) The game operator shall establish and comply with a minimum bankroll to ensure the gaming operation maintains cash or cash equivalent in an amount sufficient to satisfy obligations to their patrons, the hosting charitable organizations, and the commission as follows:

- (1) The licensee shall determine the minimum bankroll required by completing the “Minimum Bankroll Analysis” form (6/2019);
- (2) The licensee shall conduct a minimum bankroll analysis prior to the initial opening of the game room and every month thereafter to determine whether a cash deficiency exists;
- (3) The licensee shall submit the results of a minimum bankroll analysis to the commission:
  - a. Prior to opening, each month for the first 3 months subsequent to opening and, if released from the monthly requirement by the commission, quarterly thereafter until the first anniversary of the opening;
  - b. Upon request by the commission;
  - c. Upon changes to the games being offered which materially affect the licensee’s cash requirements;
  - d. When the licensee’s cash position materially changes; and
  - e. Any time available cash or cash equivalent are less than the amount required by the minimum bankroll analysis;
- (4) At any time cash or cash equivalents are less than the required amount, the licensee shall take immediate steps to cure any deficiencies;
- (5) The licensee shall maintain evidence of the monthly computation and supporting documentation, and make such documentation available for inspection by the commission for 2 years following the applicable bankroll computation date; and
- (6) Any licensee who makes payments of a gaming award to a patron by check shall report to the commission any payment returned for non-sufficient funds within 24 hours of receiving actual notice that the check has not been honored.

(q) The game operator shall immediately notify the commission in writing of any incidents that take place during a game event that involve theft, cheating, or similar acts of deception by a player or staff member, and cooperate with any subsequent investigations conducted by the commission or local law enforcement.

**Readopt with amendments and renumber Pari 1207.04 and Pari 1207.05, effective 9-10-15 (Document #10929), as Lot 7207.05 and Lot 7207.06 to read as follows:**

Lot 7207.05 Equipment Utilized for Games of Chance.

(a) In accordance with RSA 287-D:18, I, when a licensed charitable organization operates games of chance itself, such games shall be conducted with equipment that is:

- (1) Owned absolutely;
- (2) Used without payment or any compensation therefor by the organization; or
- (3) Leased or rented at a fixed fee only from a dealer of such equipment who has his or her principal place of business in this state.

(b) In accordance with RSA 287-D: 18, II, any contract of the rental for equipment shall:

- (1) Be independent of any contract for the rental of a facility; and
- (2) Not be contingent upon the organization's agreement that it will contract with a particular business for a particular facility or equipment.

(c) No licensed charitable organization shall agree to or be required to purchase supplies in consideration of receiving the use of any equipment, goods or supplies without charge.

(d) All equipment used in the conduct of a game of chance shall:

- (1) Be maintained in good repair, and in sound working condition;
- (2) Be used, played and operated so that each player is given an equal opportunity to win;
- (3) Be assistive in nature;
- (4) Not allow the player to play against a machine;
- (5) Not be in the nature of a slot machine, as prohibited by RSA 287-D:1, III;
- (6) Not be used to regulate odds, or are progressive in nature, as prohibited by RSA 287-D:17, II;
- (7) Not compromise the fairness or integrity of the game; and
- (8) Not otherwise be prohibited by the laws of New Hampshire.

(e) In addition to the requirements of (d) above, all electronic gaming devices, software, and associated equipment used in the conduct of a game of chance shall be tested by an independent gaming laboratory recognized by the commission, and found to be in compliance with the following Gaming Laboratories International (GLI) technical specifications, available as noted in Appendix B, as applicable:

- (1) GLI -11 version 3.0, titled "Gaming Devices in Casino";
- (2) GLI-12 version 2.1, titled "Progressive Devices in Casino";



- (3) GLI-13 version 2.1, titled "On-Line Monitoring and Control Systems and Validation Systems in Casinos";
- (4) GLI-15 version 1.3, titled "Electronic Bingo and Keno Systems";
- (5) GLI-16 version 2.1, titled "Cashless Systems in Casinos";
- (6) GLI-17 version 1.3, titled "Bonus Systems in Casinos";
- (7) GLI-18 version 2.1, titled "Promotional Systems in Casinos";
- (8) GLI-20 version 1.5 "Kiosks";
- (9) GLI-21 version 2.2, titled "Client-Server Systems";
- (10) GLI-24 version 1.3, titled "Electronic Table Game Systems";
- (11) GLI-25 version 1.2, titled "Dealer Controlled Electronic Table Games";
- (12) GLI-26 version 2.0, titled "Wireless Gaming Systems Standards"; and
- (13) GLI-28 version 1.0, titled "Player User Interface Systems".

(f) A game operator shall not permit the installation or use of an electronic gaming device, software, or associated equipment unless it has been authorized for use by the commission pursuant to (g)-(h) below, and is installed in accordance with the terms of that approval.

(g) A game operator seeking authorization for the use of an electronic gaming device, software, or associated equipment, shall:

- (1) Submit the following the documents to the commission:
  - a. A written request for authorization summarizing the gaming features of the device, and demonstrates the device's compliance with RSA 287-D and this chapter; and
  - b. Results of tests by an independent gaming laboratory recognized in accordance with (j) below that confirm that the device complies with the requirements of (e) above; and
- (2) Demonstrate the device to the commission upon request.

(h) The commission shall allow the use of an electronic gaming device, software, or associated equipment when the device has been shown to comply with RSA 287-D and this chapter.

(i) Only the specific gaming device, software, or associated equipment as submitted, reviewed and found to be in compliance per this section shall be authorized for use. Any modification to a device, software or associated equipment shall require a separate request and review.

(j) The commission shall recognize the following independent gaming laboratories:

- (1) Gaming Laboratories International (GLI);
- (2) Eclipse Compliance Testing;
- (3) BMM Testlabs; and

(4) Any independent gaming laboratory that is able to demonstrate competency and qualifications to conduct scientific test and evaluations of gaming systems in accordance with (k) below.

(k) An independent gaming laboratory seeking recognition shall providing the following to the commission:

- (1) A sample of approval/certification documentation using software verification or hardware verifications;
- (2) Proof of having tested other electronic gambling equipment; and
- (3) Proof of possessing electronic verification equipment or software.

Lot 7207.06 Surveillance Requirements.

(a) In accordance with RSA 287-D:15, I, surveillance of the gaming area shall comply with the following:

- (1) A game operator employer conducting games of chance at a facility that is required to be licensed pursuant to RSA 287-D:7 shall conduct and record at the expense of the game operator employer;
- (2) Surveillance shall:
  - a. Include the customer, the employee, the game floor, and the surrounding area; and
  - b. Monitor and record with sufficient clarity to identify employees and customers in all areas where currency is counted, verified, sorted, stacked, or stored, including monitoring and recording all table game drop boxes, safes, and counting surfaces, and all cashier personnel;
- (3) Video surveillance shall:
  - a. Allow for the clear, unobstructed views of cashier transactions, table games where cash wagers are accepted, and the counting of money from storage boxes removed from a gaming table;
  - b. Be of sufficient clarity to identify:
    1. Employees and customers;
    2. Table numbers;
    3. Cash denominations;
    4. Card values, including pips, face cards, and suits;
    5. Chip values, and where applicable, the number of chips in a rack; and
    6. Game outcomes; and
  - c. Be recorded in color;

- (4) The counting surface area shall be continuously monitored and recorded by a dedicated camera during the count;
  - (5) Access to the surveillance equipment shall be limited to management personnel, designated employees, state regulators, and other persons authorized in accordance with the surveillance policy;
  - (6) The game operator employer shall ensure at least one person at the facility while games of chance are being conducted is trained in the use of the equipment, knowledge of the games, and all applicable regulations;
  - (7) Each camera required by these rules shall be installed in a manner that will prevent it from being readily obstructed, tampered with, or disabled by customers or employees;
  - (8) Each malfunction of surveillance system equipment required by the standards in this section shall be repaired within 72 hours after the malfunction is discovered, if practicable, provided any such malfunction is reported to the commission immediately; and
  - (9) In the event of a dedicated camera malfunction, the game operator employer or the surveillance person shall immediately provide alternative camera coverage or other security measures.
- (b) In accordance with RSA 287-D:15, II, the surveillance system, at a minimum, shall:
- (1) Have an auxiliary or backup power source available and capable of providing immediate restoration of power to all elements of the surveillance system;
  - (2) Include date and time generators that possess the capability to display the date and time of recorded events on all digital recordings. The displayed date and time shall not significantly obstruct the recorded view;
  - (3) Utilize cameras that possess the capability of having a picture displayed on a monitor and recorded;
  - (4) Include sufficient numbers of monitors and recorders to simultaneously display and record multiple table games and count room activities, and record the views of all dedicated cameras and motion-activated cameras; and
  - (5) Record at 30 frames per second or its equivalent.
- (c) As required by RSA 287-D:15, III:
- (1) All digital records of coverage provided by cameras required by this section shall be retained for a minimum of 45 days except as otherwise provided in this paragraph;
  - (2) Recordings involving suspected or confirmed gaming crimes, unlawful activity, or actions of investigations by management personnel shall be retained indefinitely until released by the commission, and a copy of any report and video shall be forwarded to the commission;
  - (3) Duly authenticated copies of digital records shall be provided to the commission upon request;
  - (4) Multiple recordings shall be made to avoid any loss of images in the event of a hardware failure;

(5) A recording library log shall be maintained to demonstrate compliance with the storage, identification, and retention standards required in this section; and

(6) Except when provided a written notice by the commission requesting the records to be retained as part of an ongoing investigation, all recordings may be destroyed after a period of 45 days.

(d) Pursuant to RSA 287-D:15, III(g), any local or state agency seeking to impose additional security requirements on a licensed game operator or facility shall submit a written description what additional security is being sought, and the reason additional security is warranted.

(e) The commission shall approve any requests submitted in accordance with (d) above that demonstrate that the absence of such additional security will negatively affect public safety.

**Readopt with amendments and renumber Pari 1208.01, effective 9-10-15 (Document #10929), as Lot 7208.01, cited and to read as follows:**

PART Lot 7208 FINANCIAL RECORDKEEPING, REPORTING AND PAYMENTS

Lot 7208.01 Recordkeeping Requirements.

(a) In accordance with RSA 287-D:22, VI, a charitable organization, or the game operator employer hired to act on behalf of the organization, shall maintain complete and accurate documentation of all revenues and expenses contained in the financial reports for at least 2 years from the date the financial report is filed.

(b) The records required by (a) above shall include, at a minimum, the following information:

(1) Policy and procedure manuals governing gaming activities, procedures related to the operation of a game, including play, surveillance, security, revenue collection, and accounting for, reporting, and auditing the results produced;

(2) Documentation of information technology procedures and controls, including monitoring systems for security incidents, data back-up, and maintenance of systems to ensure integrity of games, including copies of written manuals for surveillance systems, gaming computer programs, and accounting programs;

(3) Copies of all financial records including:

a. A formal bookkeeping system that records all receipts and expenditures in connection with the conduct of games of chance and the disbursement of net proceeds derived therefrom;

b. All supporting documentation related to the bookkeeping record required in a. above for all games of chance, including:

1. All bank statements, check registers, and reconciliations for games of chance bank accounts;

2. Bank deposit slips and canceled checks or copies of checks for games of chance bank accounts;

3. All invoices and receipts for all games of chance related purchases; and

4. Canceled checks, or other backup documentation, such as confirmation of an electronic transfer, for the payment of expenses and prizes; and
    - c. Financial reports submitted to the commission;
  - (4) A detailed list of manufacturers and distributors and the type of gaming equipment purchased from each, as required by RSA 287-E:14, XXII;
  - (5) A record of work schedules and table assignments for all persons that participated in the operation of a game of chance, including:
    - a. The individuals' names, addresses, and phone numbers;
    - b. The date, time and location of each game that the individual participated in, including sign-in sheets and time cards, if applicable; and
    - c. The type of participation the individual had in the game on each game date;
  - (6) Copies of documentation related to the operation of games of chance, including:
    - a. Pre-numbered 3-part, table credit and fill slips;
    - b. Pit game table reconciliation sheets;
    - c. Cash poker table reconciliation sheets;
    - d. Cage accountability form summarizing daily cage activities;
    - e. Cage inventory count sheets supported by employee signatures;
    - f. Inventory transfer to and from cage documentation sheets;
    - g. Chip inventory documentation forms, including purchase, receipt, balances on hand, storage, and destruction;
    - h. Tournament sign-in or registration sheets, buy-in, re-buy, and add-on documentation slips;
    - i. Tournament reconciliation sheets; and
    - j. Documentation for all prize and promotional payouts;
  - (7) Documentation of the calculation of charity allocation and state tax;
  - (8) All written contracts, agreements, leases, rental agreements, or any other statement of understanding regarding the operation of games of chance; and
  - (9) An organization chart listing titles, roles, and responsibilities.
- (c) In accordance with RSA 287-E:22, V, all records pertaining to the games of chance shall be maintained by:
- (1) The treasurer of the charitable organization or other duly authorized director, officer, or official of the charitable organization; and .
  - (2) When applicable, the game operator employer hired to act on behalf of the organization.

(d) The licensee shall make all records required by (a)-(b) above available upon request to the commission, the attorney general, or the chief of police where games of chance are held.

(e) All licensees shall create, prepare and maintain accurate and reliable business and accounting records that are secured from theft, loss, or destruction.

**Readopt with amendment and renumber Pari 1208.02, effective 10-27-16 (Document #12019), as Lot 7208.02 to read as follows:**

Lot 7208.02 Financial Reporting Requirements.

(a) Pursuant to RSA 287-D:22, I(a), the charitable organization, or the game operator employer hired to conduct the games of chance on its behalf, shall submit a "Games of Chance Monthly Financial Report" form (6/2019) and all applicable "Games of Chance - Charitable Organization Member's Affidavit" forms (6/2019) to the commission within 15 days of the end of each month during which a game of chance was held.

(b) Pursuant to RSA 287-D:22, I, the report required in (a) above shall be completed and submitted by either:

- (1) The treasurer of the charitable organization or a duly authorized officer, director, or official who certifies such accounting under oath; or
- (2) The licensed primary game operator under contract to conduct games of chance on behalf of the charitable organization.

(c) Except as required by (d) below, when a charitable organization hires a game operator employer to conduct the games of chance on its behalf, the game operator employer shall provide the charitable organization with the following within 15 days of the end of the month during which the games of chance were held:

- (1) A copy of the financial report submitted to the commission on the organization's behalf; and
- (2) The charitable organization's portion of the revenue earned for the month being reported.

(d) When a charitable organization hires a game operator employer to conduct the games of chance on its behalf, but the organization chooses to complete and submit its own financial reports, the game operator employer shall provide the charitable organization with the following within 5 business days of the last game date played in the given month:

- (1) A copy of the financial records necessary to complete the financial report; and
- (2) The charitable organization's portion of the revenue earned for month being reported.

(e) If the charitable organization does not receive the financial information within 5 business days of each game date, as required by (d) above, the charitable organization shall immediately notify the commission in writing.

(f) In accordance with RSA 287-D:19, II(a), no charitable organization shall receive less than 35 percent of the gross revenues from any games of chance minus any prizes paid and rental charges.

(g) Per RSA 287-D:19, II(d), under no circumstances shall a charitable organization sustain any loss from games of chance, such that its share of gross revenues after prizes and rent are paid is less than zero

dollars during a license period with a single game operator. In other words, if 35% of the net revenue is less than the rental fee, the game operator employer shall not charge more in rent than what the charity earned in net revenue.

(h) Pursuant to RSA 287-D:22, II(c), when the charitable organization conducts its own games of chance, the organization shall include, with its monthly financial report, the names and address of the members who participated in the operation of the games of chance event.

(i) For each player-funded promotion offered during the reported month, the following documentation shall be submitted with the monthly financial report:

- (1) A copy of the bank statements for each pool; and
- (2) A copy of the documentation required by Lot 7207.04(j)(4) for each pool.

(j) The functions of bookkeeper and duly authorized signer of checks shall not be performed by the same person.

(k) The treasurer of the charitable organization or a bona fide member of the charitable organization designated by the treasurer shall be in full charge of, and primarily responsible for, the proper utilization of all monies derived from the conduct of games of chance.

**Readopt with amendment and renumber Pari 1209.01, effective 9-10-15 (Document #10929), as Lot 7208.03 to read as follows:**

Lot 7208.03 State Revenue Payments to the State Treasurer.

(a) Pursuant to RSA 287-D:20, charitable organization, or the game operator employer hired to act on the organization's behalf, shall submit state revenue payments to the commission as follows:

- (1) In games where chips have no monetary value, a payment equal to 3 percent of all funds collected from players, including but not limited to buy-ins and re-buys, per game date; and
- (2) In games where chips have monetary value, a payment equal to 10 percent of the rake or house winnings and other moneys collected, including but not limited to buy-ins and re-buys, that are not paid out as prizes to players.

(b) Payments required by (a) above shall be:

- (1) Made once per month, no later than the 15th day of the month for the funds collected in the previous month, and submitted with the "Games of Chance Monthly Financial Report" form (6/2019) completed for the same time period;
- (2) In an amount of no less than zero; and
- (3) Paid by check.

**Readopt with amendments and renumber Pari 1210, effective 1-27-17 (Document #12096), as Lot 7209 to read as follows:**

PART Lot 7209 PENALTIES

Lot 7209.01 Penalties.

(a) Pursuant to RSA 287-D:23, III, VIII, and IX, disciplinary measures available to sanction misconduct shall include:

- (1) Imposition of an administrative order or fine;
- (2) Suspension of a license for a period of up to one year; and
- (3) Revocation of a license.

(b) Other than the immediate suspension of a license, the commission shall impose disciplinary sanctions only:

- (1) After prior notice to the licensee and the opportunity for him or her to be heard per the requirements of RSA 541-A:31, II; or
- (2) By agreement in a settlement between the commission and the licensee made pursuant to Lot 200.

(c) The commission shall provide all notices and conduct all hearings in accordance with the requirements set forth in RSA 541-A, Lot 200, and this part, as applicable.

(d) Prior to taking adjudicative action, the commission shall send to the applicant, licensee, or person practicing without a license a written notice, which states:

- (1) The intended action;
- (2) The reason(s) for the intended action;
- (3) The right to request an administrative appeal; and
- (4) In the case of a notice of suspension, notification that if the deficiencies are not corrected within the specified time, the license shall be deemed revoked.

(e) The commission shall apply the following factors to determine which sanction or combination of sanctions to impose:

- (1) The seriousness of the offense;
- (2) Prior disciplinary record(s);
- (3) Previous and subsequent patterns of conduct;
- (4) Acknowledgment of his or her wrongdoing;
- (5) Willingness to cooperate with the commission;
- (6) Action taken to correct the problem;
- (7) The purpose of the rule or statute that was violated;
- (8) The potential harm to public health, safety and welfare; and
- (9) The nature and extent of the enforcement activities required of the commission as a result of the offense.

(f) The commission shall select appropriate sanction(s) by choosing the sanction(s) most likely to:



- (1) Protect public health, safety or welfare;
- (2) Prevent future misconduct;
- (3) Correct the attitudinal, educational, or other deficiencies which led to the misconduct;
- (4) Encourage the responsible practices of operating a charitable gaming event; and
- (5) Ensure the integrity of charitable gaming in New Hampshire.

Lot 7209.02 Administrative Fines.

(a) Pursuant to RSA 287-D:23, IX, when the commission imposes an administrative fine upon a person or entity for a violation of RSA 287-D or this chapter, the order shall be scaled to reflect the scope of the violation for each offense.

(b) In accordance with RSA 287-D:23, IX, any administrative fine imposed under this section shall not preclude the imposition of further penalties or administrative actions under RSA 287-D, or this chapter.

(c) For the purposes of this section, a “minor violation” means conduct, action, or failure to act by any person, entity, applicant, or licensee individual, or entity that was not:

- (1) Of a nature, quality, or extent to affect or potentially affect the integrity of the charitable game(s) being conducted;
- (2) Of a nature, quality, or extent to cause or potentially cause harm to the interest of the state or the charitable organization;
- (3) A knowing, willful, or intentional violation;
- (4) A violation that is chronic or part of a continuing pattern or practice of the licensee;
- (5) An indication of a recalcitrant violator or one that has engaged in a pattern of neglect or disregard with respect to applicable regulatory requirements;
- (6) An act that enabled the violator to benefit economically from the noncompliance; or
- (7) Intended to hinder the ability of the commission to determine compliance with any other applicable local, state or federal regulation, information request, order or other requirement.

(d) Minor violations shall include, but not be limited to:

- (1) Failing to wear a properly issued identification badge, as required by Lot 7207.02(c);
- (2) Failing to prominently display documents, as required by Lot 7207.03(a);
- (3) Failing to post a diagram at each table where the games of chance are going played indicating the type of game being played, the bet amount, the buy-in amount, and the re-buy amounts, as applicable; or
- (4) Failing to publicly display the name of the licensed charitable organization sponsoring the event.

(e) The commission shall impose a fine of no less than \$25, and no more than \$500, per minor violation committed by any person, entity, applicant, or licensee.

(f) For the purposes of this section, a “moderate violation” means conduct, action, or failure to act by any person, entity, applicant, or licensee that exceeds the strict definition of a minor violation, as defined in (e) above, but do not meet the level of severity of a major violation, as defined in (i) below.

(g) Moderate violations shall include, but not be limited to:

- (1) Failing to submit any reports by the due date. Each different type of report or record requested but not provided shall constitute a separate violation subject to a separate fine;
- (2) Operating a game not specifically listed on the game schedule, or on a different date than indicated on the license without approval of the commission;
- (3) Operating games in a manner that differs from the house rules approved by the commission;
- (4) A charitable organization member’s failure to be present and on site at least once per day during the operation of the games of chance, as required by RSA 287-D:14, XI; or
- (5) Committing 3 or more minor violations within 2 years.

(h) The commission shall impose a fine of no less than \$250, and no more than \$1,500, per moderate violation committed by any person, entity, applicant or licensee.

(i) A “major violation” means conduct, action or failure to act by any person, entity, applicant, or licensee that is:

- (1) Of a nature, quality, or extent to effect or potentially affect the integrity of the charitable game(s) being conducted;
- (2) Of a nature, quality or extent to cause or potentially cause harm to the interest of the state or the charitable organization;
- (3) A knowing, willful, or intentional violation;
- (4) A violation that is chronic or part of a continuing pattern or practice of the licensee;
- (5) An indication of a recalcitrant violator or one that has engaged in a pattern of neglect or disregard with respect to applicable regulatory requirements;
- (6) An act that enabled the violator to benefit economically from the noncompliance; or
- (7) Intended to hinder the ability of the commission to determine compliance with any other applicable local, state or federal regulation, information request, order or other requirement.

(j) Major violations shall include, but not be limited to:

- (1) Establishing, maintaining, operating, or otherwise offering games of chance without a license, or with a suspended license;
- (2) Sponsoring a game of chance with a game operator who is not licensed;
- (3) Falsifying a games of chance license;
- (4) Knowingly operating a game of chance without a representative for the charitable organization present as required by RSA 287-D:14, XI;

- (5) Operating a game in a manner that tends to deceive the public or affect the chances of winning or losing, including the use of equipment that has been altered or tampered with;
  - (6) Failing to develop, implement, or adhere to written internal control policies and procedures as required by Lot 7206.08;
  - (7) Failing to make available any records required by the commission for investigation, monitoring or licensing purposes, as required by Lot 7208.01(d);
  - (8) Furnishing or making false or misleading statements or reports to the commission, or directing, requiring, or knowingly allowing another member or personnel of the organization or entity to furnish or make false or misleading statements or report to the commission;
  - (9) Failing to cooperate during any visit authorized under RSA 287-E or this chapter; or
  - (10) Committing 5 or more minor violations or 3 or more moderate violations within 2 years.
- (k) The commission shall impose a fine of no less than \$1,000, and no more than \$5,000 per violation of each major violation committed by any person, entity, applicant or licensee.
- (l) In determining the actual amount of a fine, the commission shall consider:
- (1) The following factors:
    - a. The degree of non-compliance;
    - b. Prior history of violations of the same or similar nature;
    - c. The consequences of the violation, including the economic impact to the state and other affected parties;
    - d. The nature and persistence of the violation;
    - e. The extent of any remedial or corrective action taken;
    - f. The good or bad faith exhibited by the cited individual(s);
    - g. Evidence that the violation was willful;
    - h. The extent to which the individual cooperated with the board's investigation;
    - i. The cost of any investigation or hearing conducted by the commission;
    - j. The licensee's ability to pay a fine assessed by the commission; and
    - k. Any other mitigating or aggravating factors; and
  - (2) The likelihood that the amount of the fine will result in:
    - a. Protecting public health, safety or welfare;
    - b. Preventing of future misconduct;
    - c. Correcting the attitudinal, educational, or other deficiencies which led to the misconduct;
    - d. Encouraging responsible practices of operating a charitable gaming event; and

e. Ensuring the integrity of charitable gaming in New Hampshire.

(m) Except as otherwise noted, the penalties prescribed in (c)-(l) above shall be imposed for each day that the person, entity, applicant, or licensee is not in compliance, beginning with the date that the notification under Lot 7209.01(d) above is issued and continuing for each day of non-compliance, or until the date of compliance.

(n) Payment of any imposed administrative fine to the commission shall meet the following requirements:

(1) If the recipient of a notice described in Lot 7209.01(d) above waives or is deemed to have waived his or her right to an adjudicative hearing, the respondent shall pay the fine by the date specified in the notice, which shall not be less than 25 days from the date of the notice of the proposed fine;

(2) If an adjudicative hearing is conducted and the commission's decision to assess a fine is upheld, the fine shall be due and payable within 10 calendar days of the date of the decision, or such longer time period as is specified in the decision;

(3) Payment shall be made in the form of personal check or money order which is made payable to "Treasurer, State of New Hampshire," or cash in the exact amount due;

(4) Any payment submitted to the treasury department in the form of a check or money order and returned to the state for any reason shall be processed in accordance with RSA 6:11-a; and

(5) Cash, money order, or certified check shall be required when any past payment to the commission by personal check has been returned for insufficient funds.

(o) Nonpayment of a fine by a licensee or respondent in contravention of an order, agreement, or promise to pay, shall be a separate ground for discipline by the commission, a basis for denying a subsequent license, and a basis for judicial action seeking to collect the fine.

(p) If a licensee or respondent fails to pay a fine in accordance with (n) above, the fine shall be \$100, plus an additional fine of \$50.00 per day for each day for which the commission does not receive payment in full.

(q) If a licensee corrects and then subsequently repeats a violation for which a fine was previously issued in accordance with (c)-(p) above, the fine shall be increased by the amount of the original fine such that, for example, an original fine of \$100 shall become \$200 for the first time the offense is repeated, \$300 for the second time the offense is repeated, \$400 for the third time the offense is repeated, and so on.

Lot 7209.04 Suspensions, Revocations, and Refusals to Renew a License.

(a) Except as provided in (f) below, the following violations shall be considered grounds for revocation of a license:

(1) Failure to comply with the conditions of the license or this chapter, such as a charitable organization's failure to maintain federal tax exempt status;

(2) Failure to take corrective action following the suspension of a license;

(3) An inability or unwillingness to comply with RSA 287-D or this chapter, as demonstrated by a pattern of violations;

- (4) Failure to comply with the requirements set for in this chapter or any commission order to submit records, bank statements, or any other paraphernalia associated with the operation of games of chance;
  - (5) Providing false information to the commission, including willfully and knowingly making false statements or making false entries in any books or records with respect to any transaction connected with the holding, operating, and conducting of any games of chance event;
  - (6) Failure to remit any license fees or other amounts due to the state;
  - (7) Hindering or obstructing an authorized representative of the commission in the performance of official duties, such as refusing to access to the premises, or failing to produce any books, records or documents for review;
  - (8) Failure to comply with the terms and conditions of an administrative order issued by the commission in accordance with RSA 287-D:23, VIII;
  - (9) Failing to pay any administrative, civil, or criminal penalties owed to the commission;
  - (10) Any conduct by the licensee that undermines the public confidence in charitable gaming or serves the interest of organized gambling or crime and criminals in any manner;
  - (11) Manipulating the outcome of any game or otherwise compromising the integrity of the game;
  - (12) Participating in illegal activities including possessing illegal gambling equipment, or permitting illegal gambling in the premises;
  - (13) Willfully and knowingly conducting business with unauthorized entities;
  - (14) Any material violation of RSA 287-D, as it applies to games of chance, or this chapter;  
or
  - (15) Operating without a valid gaming license in any state or commonwealth in the United States.
- (b) Upon the effective date of the revocation, the licensee shall immediately cease holding itself out to the public as a licensee of the commission, and cease engaging in any act for which licensing is required.
- (c) Failure to comply with (b) above shall constitute separate grounds for further disciplinary action.
- (d) Pursuant to RSA 287-D:23, III, any licensee whose license is revoked shall be ineligible for licensure for a period of one year from the date of revocation.
- (e) If a license has been revoked, the commission shall not issue a subsequent license until:
- (1) The passage of the amount of time specified in the revocation order;
  - (2) The licensee submits an application in accordance with this chapter;
  - (3) The licensee demonstrates that the cause for revocation no longer exists; and
  - (4) The licensee demonstrates that any corrective actions that were ordered by the commission have been fully implemented.

(f) Grounds for a suspension shall exist when, one or more violations are grounds for license revocation, as set forth in (a) above, but the licensee did not act with the intent to deceive, and the deficiencies can be corrected to conform to applicable requirements.

(g) Upon the effective date of the suspension, the licensee shall immediately cease engaging in any act for which a license is required until the commission grants reinstatement pursuant to (j) below.

(h) Failure to comply with (g) above, shall constitute separate grounds for further disciplinary action.

(i) The minimum period for suspension shall be that amount of time necessary for the licensee to take corrective action ordered by the commission and return to compliance.

(j) The commission shall reinstate a suspended license when:

(1) The licensee submits to the commission a written request for the license to be reinstated with documentation demonstrating that all of the corrective actions ordered by the commission have been taken; and

(2) The commission determines that all corrective actions have, in fact, been taken and the licensee has returned to compliance.

(k) If the commission does not grant the request for reinstatement it shall so notify the petitioner and provide the opportunity for a hearing.

(l) A suspension shall have no effect upon the expiration of a license.

(m) If, after receiving a request for a license, the commission has information that indicates that a reason, as set forth in (a) above, exists to refuse the request, the commission shall inform the licensee of the information and offer an opportunity for the licensee to respond to the information prior to a decision being made on the application.

(n) The commission shall not issue a license until such time as the reason(s) for the refusal have been corrected.

#### Lot 7209.05 Immediate License Suspension.

(a) When the commission receives information indicating that a licensee has engaged in supplying false or inaccurate information or has engaged in misconduct that poses an immediate danger to the public's welfare, the commission shall issue an order pursuant to RSA 541-A:30, III, that sets forth the alleged misconduct and immediately suspends the license for up to 10 working days pending commencement of an adjudicatory proceeding. If commenced within 10 working days, the suspension shall continue until there is a decision in the proceeding.

(b) Suspension orders under this section shall include the notice of hearing pursuant to Lot 200.

(c) No hearing date established in a proceeding conducted under this section shall be postponed at the request of the licensee unless the licensee also agrees to continue the suspension period pending issuance of the commission's final decision.

#### Lot 7209.06 Appealing a Decision.

(a) Any person aggrieved by the commission's decision to take punitive action as described in this part may appeal the decision by submitting a request for an administrative hearing in accordance with (b) below.

(b) Within 15 days of the date on the notice issued pursuant to (a) above, the recipient of the notice shall submit a written response to the commission that indicates that the recipient either:

- (1) Waives their right to an adjudicative hearing; or
- (2) Requests an adjudicative hearing.

(c) If the commission receives a written request for an adjudicative hearing in accordance with (b) above, the commission shall proceed in accordance with the provisions of RSA 541-A, and Sw 200 as they apply to adjudicative proceedings.

(d) If a recipient of a notice fails to submit a response in accordance with (b) above, the recipient will be deemed to have waived the right to an adjudicative hearing, and the penalty will be affirmed.

(e) If a recipient of a notice requests a hearing in writing no action shall be imposed on the individual pending the completion of an adjudicative process conducted in accordance with RSA 541-A:31 through 36, and Lot 200.

(f) If any participant who receives notice of an adjudicative hearing fails to appear at the hearing, the hearing officer shall hear the evidence and testimony of the participant(s) attending the hearing and render an opinion based thereon.

Lot 7209.07 Rehearings.

(a) Except as provided in (b) below, within 30 days after any order or decision has been made by the commission, any party to the action or proceeding before the commission, or any person directly affected thereby, may apply for a rehearing in respect to any matter determined in the action or proceeding, or covered or included in the order.

(b) Pursuant to RSA 287-D:24, any person aggrieved by a decision of the commission may appeal the decision by requesting a rehearing within 15 business days from the date of the decision. Rehearings and appeals shall be governed by RSA 541.

(c) In accordance with RSA 541:4, such motion shall set forth fully every ground upon which it is claimed that the decision or order complained of is unlawful or unreasonable.

(d) In accordance with RSA 541:5, upon the filing of such motion for rehearing, the commission shall within 10 days either grant or deny the same, or suspend the order or decision complained of pending further consideration, and any order of suspension shall be upon such terms and conditions as the commission shall prescribe.

(e) Pursuant to RSA 541:3 and RSA 541:4, the commission shall grant a rehearing when the party states good reason for such relief and demonstrates that a decision is unlawful or unreasonable. Good reason may be shown by identifying specific matters that were overlooked or mistakenly conceived by the deciding tribunal, or by identifying new evidence that could not have been presented in the underlying proceeding. A motion for rehearing that does not meet these standards shall be denied.

(f) In accordance with RSA 541:6, within 30 days after the motion for a rehearing is denied, or, if the motion is granted, then within 30 days after the decision of such hearing, the moving party may appeal by petition to the supreme court.

Lot 7209.08 Subpoenas.

(a) In accordance with RSA 287-D:25, the commission shall, pursuant to (b) below, issue subpoenas for witnesses and for documents relative to investigations or adjudicatory hearings held by the commission.

(b) The commission shall issue a subpoena for the attendance of witnesses or the production of evidence upon a showing that:

- (1) The testimony or evidence is necessary, relevant and non-repetitive; and
- (2) The witness or evidence cannot be voluntarily obtained.

Lot 7209.09 Criminal Penalties. In addition to the penalties described in this chapter, licensees shall also be subject to the criminal penalties set forth in RSA 287-D:23, a copy of which is included in Appendix C.

**Readopt with amendments and renumber Pari 1211, effective 9-10-15 (Document #10929), as Lot 7210 to read as follows:**

PART Lot 7210 WAIVER OF RULES

Lot 7210.01 Requesting a Waiver of Rules.

(a) A person may request the commission to grant a waiver from the application of a rule provided the requirements of this section are met.

(b) A request for a waiver shall:

- (1) Be in writing;
- (2) Include the specific reference to the rule(s) by number for which a waiver is being sought;
- (3) Explain the fact which the person relies upon to support the request for a waiver including:
  - a. Why a waiver is necessary;
  - b. The alternatives proposed by the requestor; and
  - c. Why the requestor believes that the waiver being requested meets the criteria in (c) below; and
- (4) Specify the period of time for which the waiver is sought.

(c) The commission shall grant the waiver if:

- (1) The purpose of the rule would be satisfied by the alternative method proposed;
- (2) The waiver does not result in any material prejudices; and
- (3) Granting the waiver does not conflict with any applicable statute.

(d) The commission shall render a decision to grant or deny the request for a waiver within 45 days of the filing of the request.

(e) The commission shall notify the person in writing within 10 days of the decision to grant or deny the request in writing.



(f) The applicant or licensee's subsequent compliance with the alternatives approved in the waiver shall be considered equivalent to complying with the rule from which waiver was sought.

(g) Waivers shall not be transferable.

(h) When a licensee wishes to renew the waiver, the licensee shall apply for a new waiver by submitting the information required by (a) above.

(i) The request to renew a waiver shall be subject to (b) through (e) above.

**APPENDIX A**

| <b>RULE</b> | <b>SPECIFIC STATE STATUTE THE RULE MPLEMENTS*</b>                                      |
|-------------|--|
| Lot 7201    | RSA 287-D:3, XVII  |
| Lot 7202    | RSA 287-D:1, V; RSA 287-D:3, XVII; and Chapter 276:121 of the Laws of 2015             |
| Lot 7203    | RSA 287-D:3, I-IV, X, XIII, and XIV; RSA 287-D:5-10; RSA 287-D:13                      |
| Lot 7204    | RSA 287-D:3, X; RSA 287-D:11-12 and 28 CFR 16.34                                       |
| Lot 7205    | RSA 287-D:3, I-IV, X, XIII, and XIV; RSA 287-D:5-10                                    |
| Lot 7206    | RSA 287-D: 3, VI and VIII; RSA 287-D:6, IV; RSA 287-D:14; RSA 287-D:19                 |
| Lot 7207    | RSA 287-D: 3, VI and VIII; RSA 287-D:6, IV; RSA 287-D:9; RSA 287-D:14-16; RSA 287-D:18 |
| Lot 7208    | RSA 287-D:3, VIII; RSA 287-D:20; RSA 287-D:22  |
| Lot 7209    | RSA 287-D:3, V, VI, VIII, IX, XI, XII, & XVII; and RSA 287-D:23-25                     |
| Lot 7210    | RSA 287-D:3, XVII  |

**APPENDIX B**

| <b>Rule</b>                            | <b>Title</b>  | <b>Publisher; How to Obtain; and Cost</b>  |
|--|---|--|
| Lot 7206.07(g)(5)<br>Lot 7207.03(c)(3) | The New Complete Hoyle: The Authoritative Guide to the Official Rules of All Popular Games of Skill and Chance Revised Edition (1991) | Published by Doubleday, February 1991.<br>ISBN: 0385249624, 9780385249621<br><br>This book is available through booksellers, including Amazon. Used copies are available from Amazon for less than \$2.00. |
| Lot 7206.07(g)(5)<br>Lot 7207.03(c)(3) | Poker Tournament Directors Association's Recommended Procedures and Illustration Addendum (version 3.0, October 24, 2017)             | Rules can be downloaded from the Poker Tournament Directors Association website at:<br><br><a href="http://www.pokertda.com/poker-tda-rules/">http://www.pokertda.com/poker-tda-rules/</a>                 |
| Lot 7207.04(e)(1)                      | GLI -11 version 3.0, titled "Gaming Devices in Casino"  | Technical specifications can be downloaded from Gaming Laboratories International (GLI) website at:<br><br><a href="https://gaminglabs.com/gli-standards/">https://gaminglabs.com/gli-standards/</a>       |
| Lot 7207.04(e)(2)                      | GLI-12 version 2.1, titled "Progressive Devices in Casino"  | See above  |
| Lot 7207.04(e)(3)                      | GLI-13 version 2.1, titled "On-Line Monitoring and Control Systems and Validation Systems in Casinos"                                 | See above  |

| <b>Rule</b>        | <b>Title</b>  | <b>Publisher; How to Obtain; and Cost</b> |
|--------------------|---|---|
| Lot 7207.04(e)(4)  | GLI-15 version 1.3, titled "Electronic Bingo and Keno Systems"        | See above                                 |
| See above          | See above   | See above                                 |
| Lot 7207.04(e)(6)  | GLI-17 version 1.3, titled "Bonus Systems in Casinos"                 | See above                                 |
| Lot 7207.04(e)(7)  | GLI-18 version 2.1, titled "Promotional Systems in Casinos"           | See above                                 |
| Lot 7207.04(e)(8)  | GLI-20 version 1.5 "Kiosks"   | See above                                 |
| Lot 7207.04(e)(9)  | GLI-21 version 2.2, titled "Client-Server Systems"                    | See above                                 |
| Lot 7207.04(e)(10) | GLI-24 version 1.3, titled "Electronic Table Game Systems"            | See above                                 |
| Lot 7207.04(e)(11) | GLI-25 version 1.2, titled "Dealer Controlled Electronic Table Games" | See above                                 |
| Lot 7207.04(e)(12) | GLI-26 version 2.0, titled "Wireless Gaming Systems Standards"        | See above                                 |
| Lot 7207.04(e)(13) | GLI-28 version 1.0, titled "Player User Interface Systems"            | See above                                 |

**APPENDIX C****Section 287-D:23****287-D:23 Penalties. –**

- I. In addition to any other penalties provided by law, any person who violates RSA 287-D shall be guilty of a misdemeanor if a natural person, or guilty of a felony if any other person.
- II. Each day on which a game of chance is played in violation of RSA 287-D shall constitute a separate offense.
- III. The lottery commission may suspend or revoke the license of any licensee who violates any provision of this chapter or for just cause shown. Any licensee whose license is revoked shall not be eligible for licensure for a period of up to one year from the date of revocation.
- IV. (a) Any person who purposely or knowingly makes a false entry in any report required under this chapter which results in a reduction of revenues due to a charitable organization shall be guilty of a class A felony.  
(b) Any person who recklessly or negligently makes a false entry on any report required under this chapter which results in a reduction of revenues due to a charitable organization shall be guilty of a class A misdemeanor.  
(c) Any game operator employer or game operator who fails to remit to a charitable organization all revenues due under this chapter shall be guilty of a class A felony.
- V. Any game operator employer or game operator who fails to pay the charitable organization all moneys required by this chapter shall be guilty of a class B felony for any amount less than \$500, and a class A felony for any amount equal to or greater than \$500.
- VI. Any person who violates any provision of RSA 637 in a manner that deprives the charitable organization of any moneys required by this chapter, notwithstanding the penalties set forth in RSA 637:11, shall be guilty of a class B felony for any amount less than \$500, and a class A felony for any amount equal to or greater than \$500.
- VII. In addition to any other penalty imposed under this chapter, a charitable organization that suffers a loss caused by the violation of any provision of this chapter may bring a civil action for actual damages suffered. If the court finds that the violation was committed purposefully or knowingly, it shall award enhanced compensatory damages of not less than 2 times the amount of actual damages suffered, and may award up to 3 times the amount of actual damages suffered. In any civil action, the prevailing party shall be awarded court costs and reasonable attorney's fees. No waiver of the provisions of this paragraph shall be enforceable.
- VIII. The lottery commission may issue an order requiring any person or organization to comply with this chapter or any rule adopted pursuant to this chapter, and may require such remedial measures as may be necessary.
- IX. The lottery commission may impose an administrative fine scaled to reflect a violator's prior history of noncompliance with laws pertaining to games of chance and the scope and severity of the violation, after notice and hearing, pursuant to rules adopted under RSA 541-A, for any violation of this chapter, any rule adopted under this chapter, any license issued pursuant to this chapter, or any order issued pursuant to this chapter, or upon any person who makes or certifies to a material false statement relative to any application or report required by this chapter. In determining the amount of a fine, the lottery commission may take into consideration all relevant circumstances, including: the degree of noncompliance, the extent of harm caused by the

violation, the nature and persistence of the violation, the time and cost associated with the investigation by the state, and the economic impact of the violation on the state or the charitable organization conducting or sponsoring the game. No administrative fine imposed under this paragraph shall preclude the imposition of other penalties as provided by law. Rehearings and appeals from a decision of the lottery commission under this paragraph shall comply with RSA 541. Fines imposed by the lottery commission shall be as follows:

(a) The fine for a minor violation shall be not less than \$25 and not more than \$500 per violation. A minor violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is minor and may include, but is not limited to, the failure of a game operator, a game operator employer, charitable organization, or charitable organization member to:

- (1) Wear a properly issued badge;
- (2) Post 2 copies of the laws and rules;
- (3) Have a diagram available for each table where games of chance are being played indicating the type of game being played, the bet amount, the buy-in amount, and the re-buy amounts as applicable; or
- (4) Publicly display the name of the charitable organization.

(b) The fine for a moderate violation shall be not less than \$250 and not more than \$1,500 per violation. A moderate violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is moderate and may include, but is not limited to, a game operator, game operator employer, charitable organization, or charitable organization member:

- (1) Filing a late financial report;
- (2) Operating a game not specifically listed on the game schedule;
- (3) Operating a game on a different date than licensed without approval of the lottery commission;
- (4) Committing 3 or more minor violations within 2 years; or
- (5) Knowingly operating a game of chance without a representative of the charitable organization present as specified in RSA 287-D:14, XI.

(c) The fine for a major violation shall be not less than \$1,000 and not more than \$5,000 per violation. A major violation shall be one where the lottery commission determines that the potential for harm to the interests of the state and the charitable organization, as well as the integrity of charitable gaming is major and shall include, but is not limited to, a game operator, game operator employer, charitable organization, or charitable organization member:

- (1) Operating a game of chance without a license;
- (2) Operating a game of chance without having the personnel or officials required;
- (3) Purposely operating a game of chance without a representative of the charitable organization present as specified in RSA 287-D:14, XI;
- (4) Operating a game of chance with game operators who are not licensed;
- (5) Failing to establish or maintain a New Hampshire bank account; or
- (6) Committing 5 or more minor violations or 3 or more moderate violations within 2 years.

(d) The lottery commission may suspend any part of a fine for just cause.

X. All fines imposed by the lottery commission shall be deposited in the special fund established pursuant to RSA 284:21-j.

**Source.** 2014, 329:1. 2015, 276:127, eff. July 1, 2015