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Nearly \$2 Billion and Counting for our Schools

GOVERNOR Christopher T. Sununu
CHAIRMAN Debra M. Douglas
COMMISSIONER Paul J. Holloway
COMMISSIONER J. Christopher Williams
EXECUTIVE DIRECTOR Charles R. McIntyre

July 24, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire Lottery Commission to open the following bank account with the listed New Hampshire bank and account name for the corresponding valid business purposes, effective upon Governor and Council approval.

EXPLANATION

In compliance with RSA 284:21-jj, the New Hampshire Lottery Commission (Lottery) currently maintains a business checking account to administer prize funds for general disbursement to lottery winners. Per HB 517 and RSA 242:21-h, II(e), Lottery will begin offering the sale of draw-based lottery tickets and electronic instant games over the internet and mobile devices ("iLottery"). The creation of a separate revolving prize fund (I Prize) to support the payment of high-tier prizes to customers on this platform will prevent the duplication of accounts with traditional lottery customers.

Respectfully submitted,

Charles R. McIntyre
Executive Director

New Hampshire Lottery Commission:

<u>Bank</u>	<u>Account Name</u>
TD Bank	State of NH Lottery Commission I Prize Account

Valid Business Purpose

Revolving prize account for iLottery for the purpose of paying high tier prizes to claimants.

CRM:cn
Attachments



Live Free or Die

New Hampshire Lottery Commission 14 Integra Drive Concord, New Hampshire 03301
TEL 603.271.3391 FAX 603.271.1160 TDD 1.800.735.2964 www.nhlottery.com

TITLE XXIV GAMES, AMUSEMENTS, AND ATHLETIC EXHIBITIONS

CHAPTER 284 HORSE AND DOG RACING

Lottery

Section 284:21-jj

284:21-jj Lottery Commission Funds. –

I. Notwithstanding any provision of law to the contrary, in order to allow the lottery commission to efficiently handle its funds, the commission is authorized to have service fees paid to banks and sales outlets deducted from lottery receipts and, with the approval of governor and council, to have prizes paid by sales outlets from lottery receipts so long as full accountability is assured. The commission is authorized to enter into agreements with banks as to the charges for services rendered. Lottery funds shall be deposited in commercial banks throughout the state. These funds shall be transferred on a weekly basis to the state treasurer.

II. Notwithstanding any provision of law to the contrary, in order to allow the lottery commission to efficiently distribute instant tickets, the commission may have instant ticket delivery fees deducted from lottery receipts. The commission is authorized to enter into agreements or contracts with third parties for instant ticket delivery service. Such agreements or contracts shall have the prior approval of governor and council.

Source. 1977, 129:1. 2004, 97:8. 2005, 177:59, eff. July 1, 2005.

TITLE XXIV GAMES, AMUSEMENTS, AND ATHLETIC EXHIBITIONS

CHAPTER 284 HORSE AND DOG RACING

Lottery

Section 284:21-h

284:21-h Authorization; Sale of Tickets; Advertising. –

I. The lottery commission is hereby authorized:

(a) To conduct public drawings at such intervals and in such places within the state as the commission may determine.

(b) [Repealed.]

(c) To conduct pure lotteries if the commission determines that such program will best accomplish the purposes of this subdivision.

(d) To participate in any international, national, or multistate pure lotteries.

II. Tickets for such pure lotteries:

(a) Shall be sold by the lottery commission (1) in state liquor stores and the state liquor commission is hereby directed to cooperate with the lottery commission in the sale of such tickets, and (2) within the enclosure of any track where a race or race meet is conducted by license issued under this chapter and the lottery commission is authorized to request and accept cooperation of the licensee in the sale of such tickets therein.

(b) May be sold by the lottery commission in the following locations: Branch offices of the commission, to be established at the information area adjacent to the Hampton toll station and the Hooksett toll station, and commission's office in Concord. Each branch office at the Hooksett and Hampton toll stations will be in a new building to be constructed by the department of transportation in accordance with their design and specifications. The lottery commission is hereby authorized to contract with the department of transportation for the construction of these buildings, the cost of which will be a charge against lottery revenue. Tickets sold at any of the locations provided for by this subparagraph shall be sold only by lottery commission employees or through automatic ticket dispensing machines.

(c) May be sold by the lottery commission in the following locations:

(1) At, within, or upon the following premises owned or controlled by the state: Franconia State Park, Hampton Beach State Park, Mount Sunapee State Park, and Crawford Notch State Park. The state agency responsible for the operation of these locations shall have regulatory powers over the sales and advertising of lottery tickets at the above locations.

(2) At, within, or upon the following premises owned or controlled by a political subdivision of the state: Weirs Beach, provided, however, that the voters of the city of Laconia have signified their approval of the sale of lottery tickets in said city pursuant to the provisions of RSA 284:21-k at the biennial election of November, 1966 and so signify biennially thereafter. The lottery commission shall obtain prior permission from the administrative authorities for this location before selling tickets at, within, or upon these premises.

(d) May be sold by or for the lottery commission at designated locations, other than grounds and campuses of public and private schools, colleges, and universities, by persons, whether natural, associate, or corporate, authorized to sell such tickets on a 5 percent commission basis for services rendered. The commission shall pay a 10 percent commission on those sales made during a fiscal year which exceed the sales made during the previous fiscal year. The lottery commission shall report quarterly to the fiscal committee of the general court on commissions paid under

this subparagraph. All sales shall be subject to the rules and regulations of the commission provided:

(1) [Repealed.]

(2) That voters of the towns and cities in which sales outlets are located, have signified approval of lottery ticket sales pursuant to RSA 284:21-k.

(e) May be sold by or for the lottery commission through the use of mobile applications by mobile devices or over the Internet. With respect to such sales, the lottery commission shall provide:

(1) Age verification measures to be undertaken to block access to and prevent sales of lottery tickets to people under the age of 18 years. Such measures shall include requiring players to register for an account at a lottery retailer licensed pursuant to this chapter.

(2) That lottery purchases shall be limited to transactions initiated and completed within the geographic borders of the state of New Hampshire.

(3) Wager limits for daily, weekly, and monthly amounts for each player and account consistent with the best practices in addressing problem gambling.

(4) A voluntary self-exclusion program for players to self-exclude themselves from wagering for set periods of time. II-a. Owners of retail establishments who have been convicted of a felony within the previous 10 years which has not been annulled by a court, or a misdemeanor involving falsehood or dishonesty within the previous 5 years which has not been annulled by a court, shall not be allowed to sell lottery tickets in their retail establishment.

III. No tickets shall be sold at any locations to minors.

III-a. (a) Any owner of a retail establishment or sale outlet who sells or distributes any substance containing a synthetic drug as defined in RSA 359-O:2 shall be guilty of a violation.

(b) The lottery commission shall deny an application for issuance or renewal of a license, or suspend or revoke a license, when the commission finds that the applicant or owner of a retail establishment or sale outlet is guilty of selling or distributing any substance containing a synthetic drug. In case of an appeal, the license of an owner of a retail establishment or sale outlet may be suspended at the discretion of the commission during the pendency of such appeal.

IV. The lottery commission is authorized to advertise the sale of tickets at each sales location and through other advertising media as the commission deems necessary to increase lottery sales.

V. [Repealed.]

VI. The commission shall not authorize the use of any electronic gaming device in any game, lottery, or other offering which was not in use by the commission on or before January 1, 2011, unless specific authorization for such electronic gaming device is enacted by the general court. Electronic gaming devices shall mean and include all electro-mechanical instruments and device used for the purpose of gaming and shall include video slot machines and other gambling devices which function or are designed to emulate a video slot machine or other gambling machine, historic racing machine, and computer technology to reveal instant ticket winners. This section shall not be interpreted to prohibit the commission from replacing offerings, games, or equipment which were in service prior to January 1, 2011 with new offerings, games, or equipment which are the functional equivalent of those offerings, games, or equipment which are being replaced.

VII. The lottery commission may develop and implement an employee recognition program for monetary incentives to promote increased sales and compensate lottery sales representatives based upon performance and funded from an existing lottery budget line item. The incentive program shall be implemented through rules adopted by the lottery commission in accordance with RSA 541-A. The lottery commission shall report quarterly to the fiscal committee of the general court on the status of the incentive program.

Source. 1963, 52:1; 200:3. 1965, 200:1. 1967, 42:1; 304:1. 1971, 287:2; 536:1, 2; 573:1. 1973, 484:1. 1975, 361:1. 1977, 462:1, 2. 1995, 308:95. 2002, 108:1. 2004, 97:4, 8; 257:34. 2005, 277:1. 2006, 233:1-3, 7, I. 2007, 112:4-9; 311:1, 2. 2011, 224:90; 259:26. 2015, 204:4, eff. July 6, 2015; 276:17, eff. July 1, 2015. 2017, 156:242, 243, eff. July 1, 2017.