

Quarterly Monitor

OFFICIAL NEWSLETTER OF
NH LOTTERY COMMISSION'S
INVESTIGATION AND COMPLIANCE DIVISION



Legislative Changes

HB533 - INVESTIGATION AND COMPLIANCE DIVISION

HB533 was signed into law and went into effect on January 1, 2022. Some of the items included in HB533 are:

I. There shall be contained within the Lottery Commission an Investigation and Compliance Division (formerly "Racing & Charitable Gaming Division"). The division shall perform such functions as the Lottery Commission may determine is necessary in relation to enforcement, including the investigation of all licensees, and proposed licensees, under this chapter and RSA 287.

II. The Attorney General shall have the authority to conduct an investigation on the Attorney General's motion into the background of the license applicant or holder, of any person included in paragraph I or of any person or entity upon whom the license applicant or holder relies for financial support. The Attorney General and the Lottery Commission shall confer and determine, if in their opinion, such person is suitable to be associated with racing in NH and upon a determination that the person is not suitable, the person shall not be issued or continue to hold a license.



Double Diamond Spectacular 2nd Chance Drawing Winner

Beatrice Paisley won the \$1,000,000.00 prize in the \$20 Double Diamond Spectacular Drawing on Thursday, December 2, 2021 at Filotimo Restaurant & Casino in Manchester.

NH Lottery Scheduled Closings

Friday, December 31, 2021 - New Year's Day (observed)

Monday, January 17, 2022 - Civil Rights Day

Monday, February 21, 2022 - President's Day

In This Issue

CLOSINGS & LEGISLATIVE CHANGES

PAGE 1

NH SECRETARY OF STATE (NH SOS) FAQ'S (LICENSING)

PAGE 2

TOURNAMENTS (ENFORCEMENT)

PAGE 3

BUSINESS' CONTROL ENVIRONMENT (AUDITING)

PAGE 3

BINGO SUPPORTING DOCUMENTATION (LICENSING)

PAGE 4

STATE POLICE PORTAL (LICENSING)

PAGE 5

2022 GOE LICENSE NUMBERS (LICENSING)

PAGE 5



New Hampshire Secretary of State (NH SOS) FAQ'S

(Licensing)

NH SOS REQUIREMENTS FOR LICENSURE

Charitable organizations must be registered as a "Domestic Nonprofit Corporation" and in good standing with the NH SOS office for at least 1 year prior to the submission of their charitable gaming application.

Q - My charity is registered as a "Foreign Nonprofit" with the NH SOS, am I eligible to be licensed for charitable gaming?

A - No, charities must be registered as a "Domestic Nonprofit Corporation" with the NH SOS. Foreign nonprofits are ineligible for charitable gaming.

Q - According to the NH SOS, my charity is exempt from having to register with their office. Am I still eligible to be licensed for charitable gaming?

A - No, the NH SOS has different regulations and licensing requirements than the NH Lottery Commission. Although a charity may be exempt from registration with the NH SOS office, they still need to comply with the regulations and requirements set forth by the NH Lottery Commission.

Q - My charity has been registered as a domestic nonprofit corporation and in good standing with the NH SOS for over 10 years. What proof do I need to submit to the NH Lottery Commission in order to be eligible for charitable gaming?

A - You will need to provide proof of your registration with the NH SOS office. This can be any one of the following:

- 1. Registration number that can be provided on the application; or
- 2. A copy of the charity's registered certificate from the NH SOS; or
- 3. A printout from the NH SOS website that shows your registered information.

Q - My charity has been registered as a domestic nonprofit corporation with the NH SOS for 3 months, am I eligible to be licensed for charitable gaming?

A - No, charities must be registered and in good standing with the NH SOS for at least 1 year prior to the submission of their charitable gaming application.

Q - My charity is registered as a "Trade Name" with the NH SOS, am I eligible to be licensed for charitable gaming?

A - Maybe, the Division must look into additional factors to make this determination. Some additional factors include:

- 1. If a charity's trade name is owned by a domestic nonprofit corporation who is also registered for at least 1 year and in good standing with the NH SOS - Yes.
- 2. If a charity's trade name is owned by any business type other than a domestic nonprofit corporation (ie: Foreign Nonprofit, Domestic Profit, etc.) - No.
- 3. If a charity's trade name is registered with the NH SOS, but the trade name's owner is not - No.
- 4. If a charity's trade name is owned by a domestic nonprofit corporation that is currently licensed with us for charitable gaming - No. (The trade name is an extension of the domestic nonprofit corporation - both cannot be licensed as this would essentially be doubling the proceeds for the same non-profit.)





Tournaments (Enforcement)

Dear Gaming Locations,

For those of you who conduct tournaments, we are working on putting together some guidance and on our interpretation of several points relating to tournaments to make sure that they are being conducted in accordance with the rules and regulations. That will be forthcoming soon. In the meantime, here are some rules and regulations to make sure you are adhering to for your tournaments.

- Lot 7207.04(e)(6) - Prizes shall not be awarded to more than 50% of the players that have registered and bought into the game or tournament;
- Lot 7207.04(e)(7) - The total amount awarded in prizes shall not exceed 80% of the total amount collected from players;
- Lot 7207.04(i)(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
- Lot 7207.04(i)(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.

Thanks for your attention. Please let me know if you have any questions or comments.

*-Joshua Santos
Administrator of Gaming Operations*

The Importance of a Business' Control Environment (Auditing)

A business' control environment is reflected in the culture, values, and expectations prevalent in an organization. Often referred to as the "tone at the top", a strong control environment goes a long way in strengthening the business and mitigating risk by implementing and promoting ethical standards, integrity, and policies that hold individuals accountable for their actions.

By establishing structure and organizational responsibilities and hiring competent and trustworthy staff members, you ensure the business will operate at a more effective and efficient level. Management should emphasize that compliance with laws and regulations is the expectation for the organization and they should hold people accountable for their responsibilities.

Happy New Year from the Auditing Group!

We want to take this opportunity to thank the Game Operator Employers for their patience and incredible cooperation provided throughout the internal control document revision process. Your responsiveness was phenomenal and your feedback was thoughtful and much appreciated.

2022 Bingo & Lucky 7 Renewals

IN REGARDS TO NEW SUPPORTING
DOCUMENTATION BEFORE LICENSURE

Dear Licensees,

Thank you so much for all of your hard work in getting your supporting documentation submitted for the new year! As you know, this information needs to be received before you can be licensed and we appreciate all the efforts that were taken to make sure your documents were correct/submitted on time. If you have not yet submitted your supporting documentation for the new year, please give me a call at your earliest convenience so we can make sure you have everything you need to be licensed for 2022. (603) 271-7613

-Katelyn Laskey
Bingo & Lucky 7 Licensing Specialist



Games of Chance Licenses Beginning January 1, 2022 (Licensing)

NORMAL LICENSING PROCESS

The Investigation & Compliance Division will be transitioning back to its normal licensing process beginning January 1, 2022. This would mean that all games of chance applications must include criminal background documents (*using 1 of the 2 options below*). In addition, all applications will remain in a "pending" status until we have received the applicant's criminal background results from State Police. We also will be accepting the extra \$10.00 fee for a "Temporary Badge" but please remember temporary badges are only for **NEW** secondary game operators. Any secondary game operators that are renewing their license **do not** qualify to receive a temporary badge. We appreciate your patience while we work through this transition.

Fingerprinting options that are accepted:

OPTION 1 - STATE POLICE PORTAL (*scheduled an appointment online*)

- Copy of email confirmation (*not the payment receipt*) that is sent to your email after you have made your appointment. Email confirmation must include your name, date of birth, confirmation #, and appointment details.

OPTION 2 - FINGERPRINTING LOCATION (*did not schedule an appointment online*)

- Completed "Criminal Records Release Authorization" form (05/2017);
 - Complete set of fingerprints captured by a qualified law enforcement agency;
 - If fingerprints are digitally captured, submit a copy of the "Applicant Livescan Site Form".
 - If fingerprints are captured via ink impressions, submit the FBI FD-258 fingerprint card issued by the NH State Police.
 - Payment in the form of a check or money order made payable to "State of NH-Criminal Records".
- For current charges, contact the NH State Police Criminal Records Unit at (603) 223-3867 or criminalrecordunit@dos.nh.gov



State Police Portal

(Licensing)

AGENCY DROPDOWNS WHEN SCHEDULING A FINGERPRINTING APPOINTMENT

If an applicant uses the State Police portal to schedule a fingerprinting appointment, please make sure the correct "Type of Agency" and "Agency" dropdown is selected. If the wrong dropdowns are selected, the NH Lottery Commission will not receive those results which could result in the applicant having to get re-fingerprinted/pay additional fees.

The following dropdowns **MUST** be selected when using the State Police portal:

- 1. Type of Agency - should be "LICENSING OF GAME OPERATORS"; and
- 2. Agency - should be "DEPT OF GAMING" **or** "NH LOTTERY" (they can select either one, NH Lottery sees results for both).

As many applicants know beginning January 1, 2022, licenses will not be issued until we have received the individuals criminal background results from State Police. Because we are going back to this process, it is imperative that applicants use the portal correctly. If the wrong dropdown is selected, this **WILL** hold up the applicant on being licensed on time.

Any questions in regards to the State Police portal. You can contact the State Police Criminal Records Unit by phone (603) 223-3867 or by email criminalrecordunit@dos.nh.gov (*preferred method*).

2022 Game Operator Employer License #'s

(Licensing)

LICENSE NUMBERS FOR FINANCIAL REPORTING IN 2022

Each year all Game Operator Employer's (GOE) are issued a new license number. These license numbers are used on financial reporting documents that are then imported into our system. Below are the GOE license numbers for the new year.

CASABLANCA CASINO, LLC	GOE-00064
CONCORD BINGO TOO, LLC	GOE-00066
DOVER GAMING, LLC	GOE-00063
EESKAY NH, LLC	GOE-00054
EMERALD GAMING, LLC	GOE-00058
GRANITE STATE POKER ALLIANCE, LLC	GOE-00061
HBC GAMING, LLC	TBD
KYMALIMI, LLC	GOE-00055
LEBANON POKER ROOM & CASINO, LLC	GOE-00062
NHCG, LLC - THE LUCKY MOOSE	GOE-00057
NHCG, LLC - THE RIVER CASINO	GOE-00059
NORTHWOODS CASINO, LLC	GOE-00056
OCEANFRONT GAMING, INC.	GOE-00053
RMH NH, LLC	GOE-00065
WIN WIN WIN, LLC	GOE-00067



References

PHOTO - POKER CHIPS (Page 1)

Wallpapers Vista (No Year)

Poker wallpapers, Game, HQ Poker pictures | 4K Wallpapers 2019 (vistapointe.net)

PHOTO - BINGO BALL CAGE (Page 4)

TurboSquid (2021)

lottery cage 3ds (turbosquid.com)

PHOTO - NH STATE POLICE LOGO (Page 5)

My Record Journal (2021)

IoSouthington native, New Hampshire police academy recruit charged with threatening to 'shoot up academy's graduation' (myrecordjournal.com)

PHOTO - DEALER SHUFFLING CARDS (Page 3)

iStock (2021)

Casino Dealer Making Shuffling Tricks With Cards Gambling Lucky Poker Game Stock Photo - Download Image Now - iStock (istockphoto.com)