

Readopt with amendments Lot 7000, effective 6-27-20 (Document #13067), to read as follows:

CHAPTER Lot 7000 BINGO GAMES

Statutory Authority: RSA 287-E:3

PART Lot 7001 PURPOSE AND SCOPE

Lot 7001.01 Purpose. The purpose of this chapter is to establish requirements for the manufacture and distribution of bingo related supplies, and the operation of bingo games pursuant to RSA 287-E:1 through RSA 287-E:15, to ensure that games are fair, secure and auditable.

Lot 7001.02 Scope.

(a) The requirements of RSA 287-E and this chapter shall apply to any bingo game that involves gambling as defined by RSA 647:2, II(d).

~~(b)~~ Except as allowed in ~~(b)~~ below, this chapter shall apply to:

(1) Charitable organizations, individuals and entities operating a bingo event; ~~Bingo games held by:~~

~~a. Charitable organizations; and~~

~~b. Agricultural fairs.~~

(2) Distributors and manufacturers of bingo supplies and equipment;

(3) ~~Commercial halls~~ Facilities where bingo games are held; and

(4) Entities ~~or~~ and individuals providing gaming consultant services.

~~(b)~~ Bingo games offered by private campgrounds, hotels or senior citizen organizations shall not require licensure under this chapter when conducted in accordance with RSA 287-E:11-13.

PART Lot 7002 BINGO DEFINITIONS

Lot 7002.01 "Bingo" means "bingo" as defined in RSA 287-E:1, I, namely "any game, by whatever name called, in which a prize is offered to the person first covering squares in a predetermined design on a card marked into squares for that purpose. 'Bingo' shall not include any game involving a slot machine or any other device in the nature of a slot machine."

Lot 7002.02 "Bingo event" means a gathering at which a series of no fewer than 10 successive bingo games is held within a single day.

Lot 7002.03 "Bona fide member" means "bona fide member" as defined in RSA 287-E:1, III namely "a person who has held full and regular membership in the charitable organization for a period of not less than 60 days immediately prior to the bingo games in which such person intends to participate. To qualify as a "full and regular" member of a charitable organization, a person shall:

(a) Satisfy all criteria for membership in the charitable organization.

(b) Pay all lawful fees or dues required by the charitable organization.

(c) Not have become a member solely for the purpose of operating bingo games.”

Lot 7002.04 “Bonus” means “bonus” as defined by RSA 287-E:1, III-a, namely “a monetary prize provided by the charitable organization that is awarded in addition to prizes derived from moneys paid by players.”

Lot 7002.05 “Card” means a game piece designated to facilitate the game of bingo, consisting of a grid of 5 rows of 5 squares, each column of which is identified by a letter in the following order B-I-N-G-O, and each square randomly numbered between 1 and 75, with center square designated as a “free space”. A card includes a physical game piece as well as an electronic representation of a card as utilized by a card-minding device system.

Lot 7002.06 “Card-minding device system” means an electronic or computerized device and related hardware and software, used to automatically track announced bingo numbers, allowing the simultaneous play of a large number of bingo cards.

Lot 7002.07 “Carry-over coverall” means “carry-over coverall” as defined in RSA 287-E:1, IV-a, namely “a bingo game in which a prize is awarded to the player who achieves coverall within 50 or fewer balls. If no player achieves coverall, the prize accumulates and is rolled over to successive bingo dates.”

Lot 7002.08 “Charitable organization” means “charitable organization” as defined in RSA 287-E:1, V, ~~namely “any bona fide religious, charitable, civic, veterans or fraternal organization which shall have been registered with the secretary of state for at least 2 years and in existence and organized under the laws of this state for at least 2 years in a town or city in this state, and which possesses a tax exempt status under Internal Revenue Code 501(c)(3), 501(c)(4), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) or is covered under a group ruling issued by the Internal Revenue Service under authority of those section.”~~

Lot 7002.09 “Commercial hall” means “commercial hall” as defined by RSA 287-E: 1, V-a namely “any hall owned or leased by an individual, corporation, realty trust, partnership, association or any other person who rents or leases the hall to a charitable organization for the operation of bingo games, excluding halls owned by any charitable organization or governmental subdivision as specified in RSA 287-E:5, VI.”

Lot 7002.10 “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 acting on behalf of~~ the commission.

Lot 7002.11 “Consolation Prize” means a guaranteed monetary prize awarded to the first player to reach coverall when coverall is not reached within the specified number of calls required to award the jackpot. A consolation prize is awarded in lieu of not in addition to the awarding of a jackpot prize.

Lot 7002.12+ “Distributor” means any person who sells, leases, offers or otherwise provides, distributes, or services any bingo cards or associated equipment for use or play in this state. This term includes shared carryover coverall service providers.

Lot 7002.13 “Door prize” means a prize awarded to a person based solely upon the person’s paid attendance at a bingo event or the purchase of a ticket to attend a bingo event.

Lot 7002.142 “Free play” means any bingo card, or sheet for a bingo game, other than a winner-take-all or carryover coverall, offered by coupon ~~or any other means~~ during a licensed bingo event which only certain persons are awarded for no cost or for a cost less than that listed on the game program if that person meets the criteria specified in the organization’s house rules.

Lot 7002.15 “Game date” means the specific date on which a bingo event is held.

Lot 7002.163 “Game program” means a written document available to all players prior to the start of any bingo event that describes the name(s), type(s) and order of the game(s) to be played, all prizes to be offered and such other information as specified in Lot 7005.07.

Lot 7002.174 “Gaming consultant” means “gaming consultant” as defined in RSA 287-E1, VI-b, namely “any individual or business entity who is hired by or otherwise receives compensation from a charitable organization to provide gaming related services including consultation, management, assistance with the operation of the bingo game or the sale of lucky 7 tickets, record keeping, filing forms with the commission, advertising, or security and who handles, manages, oversees, or disburses any of the funds derived from the operation of the charitable games”.

Lot 7002.185 “Hotel” means “hotel” as defined in RSA 78-A:3, III, namely “an establishment which holds itself out to the public by offering sleeping accommodations for rent, whether or not the major portion of its operating receipts is derived from sleeping accommodations. The term includes, but is not limited to, inns, motels, tourist homes and cabins, ski dormitories, ski lodges, lodging homes, rooming houses, furnished room houses, boarding houses, private clubs, hostels, cottages, camps, chalets, barracks, dormitories, and apartments. The term does not include the following:

- (a) A hospital licensed under RSA 151, or a sanitarium, convalescent home, nursing home, or home for the aged;
- (b) Any establishment operated by any state or United States agency or institution, except the New Hampshire department of resources and economic development; or
- (c) An establishment owned by a nonprofit corporation or association operated exclusively for religious or charitable purposes, and which does not offer sleeping accommodations to the general public.”

Lot 7002.196 “Host hall” means “host hall” as defined by RSA 287-E:1, X, namely, “a commercial hall or charitable organization approved by the commission where a shared carry-over coverall game originates.”

Lot 7002.2047 “House rules” means instructions adopted by the charitable organization that inform the players of the rules governing the game and how situations not addressed by law or rules will be handled, describes how bingo games are played and won as specified in Lot 7005.06 below.

Lot 7002.218 “Lighted game board” means a large lighted board displaying the numbers 1 through 75 which light up as the numbered balls are announced and placed in a rack.

Lot 7002.2249 “Manufacturer” means any person who manufactures, builds, rebuilds, fabricates, assembles, produces, programs, designs, or otherwise makes modifications to any bingo cards, card-minding system, sheets or associated equipment for use or play in ~~this state~~ the state of New Hampshire whether directly or pursuant to a contract or agreement with another individual or entity. This term includes manufacturers of shared carry-over coverall equipment.

Lot 7002.239 “Mixing machine” means a machine containing 75 numbered balls and a blower attachment blowing air on the balls to mix them up and randomly force one ball at a time up a chute to be drawn.

Lot 7002.244 “Packet” means a group of bingo paper sheets that are manufactured, collated, and sold by the manufacturer as a unit.

Lot 7002.252 “Package” means any combination of separately invoiced bingo paper sheets or packets that are sold as a single unit to players.

Lot 7002.263 “Participating hall” means “participating hall” as defined by RSA 287-E:1, X, namely, “a commercial hall or charitable organization approved by the commission that receives a simulcast of the shared carry-over coverall played at the host hall.”

Lot 7002.274 “Private campground” means “private campground” as defined in RSA 287-E:1, VIII, namely “privately owned property, open to the public upon payment of a fee, which has been divided into 10 or more defined spaces upon which tents may be erected or recreational vehicles may be parked for the purposes of recreational camping. “Private campground” shall not include manufactured housing parks as defined in RSA 205-A:1 or recreational camps as defined in RSA 149:20.”

Lot 7002.285 “Progressive” means “progressive” as defined in RSA 287-E:1, IX namely “a variation to any bingo game wherein a player receives a prize for achieving coverall in 50 or fewer balls drawn and if no player achieves coverall within 50 or fewer balls drawn, the number of balls drawn shall be increased one ball per bingo event, until it reaches the maximum of 60 balls, where it shall remain until the prize is awarded.” The term includes “progressive coverall game”.

Lot 7002.296 “Senior citizens organization” means a nonprofit association or club whose members are 55 years of age or older, and which exists for the mutual support and benefit of New Hampshire’s senior citizens.

Lot 7002.3027 “Shared carry-over-coverall” means “shared carry-over coverall” as defined in RSA 287-E:1, X, namely, “a carry-over cover all bingo game conducted at a host hall and exhibited simultaneously to at least one participating hall by means of an electronic simulcast feed for the purpose of playing for a common jackpot with the conduct of the game at the hall under rules adopted by the commission under RSA 541-A.”

Lot 7002.3128 “Shared carry-over coverall service provider” means a licensed distributor that provides bingo paper, bingo game system equipment, or services for the operation of a shared carry-over coverall game.

Lot 7002.3229 “Sheet” means a single piece of paper on which 3 or more bingo cards are printed and of a predetermined color used to distinguish it for use with a specific bingo game.

Lot 7002.339 “Winner-take-all game” means a game, pursuant to RSA 287-E:7, XIII, in which all money received for the game is awarded, less the 7 percent (%) tax and 7% game reimbursement fee specified in RSA 287-E:7, XIII, to the winner of the game.

PART Lot 7003 LICENSE REQUIREMENTS

Lot 7003.01 Licensing Requirements of Manufacturers ~~or~~ and Distributor.

(a) In accordance with RSA 8-a, no individual or entity ~~Manufacturers and distributors~~ shall ~~not~~ supply or sell bingo paper supplies, electronic bingo player systems, ~~or~~ shared carry-over coverall supplies or

networking systems in New Hampshire without possessing a current and valid license issued by the commission in accordance with this chapter.

(b) To qualify for licensure, ~~an~~the applicant ~~as well as~~and all partners, officers, or directors of the applying entity shall:

(1) Not participate in the operation of charitable gaming as a paid employee, bona fide member or licensed gaming consultant of a licensed charitable organization;

(2) Not be involved in or influence the purchase of gambling equipment for a licensed charitable organization;

(3) Not lease premises to a licensed charitable organization for the conduct of lawful gambling;

(4) Not have ever been connected with or engaged in an illegal business;

(5) Not owe \$500 or more in delinquent taxes;

(6) Not, based on past activities or criminal record, pose a threat to the public interest or to the effective regulation and control of gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling;

(7) Not been permanently or temporarily enjoined by any gaming regulatory agency from engaging in or continuing any conduct or practice involving any aspect of gambling;

~~(8)~~ Not have been convicted of a felony, which has not been annulled by any court, within 10 years from the date of application, or violated any of the statutes or rules governing charitable gaming in the past in this or any other state, as prohibited by RSA 287-E:7, VI and RSA 287-E:8-a, II; and

~~(9)~~ When applying as a distributor, have a principal place of business located within New Hampshire, as required by RSA 287-E:8-a, IV.

(c) Delinquent taxes shall not include a tax liability if:

(1) An administrative or court action which contests the amount or validity of the liability has been filed or served;

(2) The appeal period to contest the tax liability has not expired; or

(3) The applicant has entered into a payment agreement and is current with the payments;

~~(ed)~~ To obtain a license to manufacture bingo paper supplies, electronic bingo player systems, or shared carry-over coverall supplies or networking systems, the applicant shall submit the following to the commission:

(1) A completed and accurate "~~Bingo and/or Lucky 7 Manufacturer Application for Manufacturer License~~" form ~~(1/2020/2024)~~, which shall include the certification ~~required by RSA 287-E:8-a, II~~ affirming that:

a. The individual signing the application is authorized to do so on behalf of the entity;

b. Neither the applicant nor any partner, officer, or director has been convicted of a felony, which has not been annulled by any court, within 10 years from the date of the application; and

c. Under penalty of unsworn falsification pursuant to RSA 641:3, the information provided on the application and on any of the supporting documentation is true, accurate and complete and that there are no willful misrepresentations in or falsifications of the information provided, and an acknowledgement that giving false information is grounds for denial, suspension, or revocation of a gaming license;

(2) Payment for the licensing fee of \$5,000, as established by RSA 287-E:8-a, V(b); and

(3) A copy of a bond posted in the amount of \$50,000, payable to the commission and conditioned upon the licensee's compliance with the rules and laws of the commission, as established by RSA 287-E:8-a, III. The bond may be issued using the "Bingo/Lucky 7 Manufacturer Bond" form (2/2024).

(de) As allowed by RSA 287-E:8-a, V, a manufacturer with a current New Hampshire license to manufacture lucky 7 tickets shall be authorized to manufacture paper bingo supplies, electronic bingo player systems, or shared carry-over coverall supplies or network systems, ~~and not be required to pay without posting an additional bond, filing for a separate license, or paying an additional licensing fee under this chapter.~~

(ef) To obtain a license to distribute bingo paper supplies, electronic bingo player systems or shared carry-over coverall supplies or networking systems, a distributor shall submit the following to the commission:

(1) A complete and accurate "Bingo and/or Lucky 7 Distributor Application for Distributor License" form (1/2020/2024), which shall include the certification ~~required by RSA 287-E:8-a, II~~ affirming that:

a. The individual signing the application is authorized to do so on behalf of the entity;

b. Neither the applicant nor any partner, officer, or director has been convicted of a felony, which has not been annulled by any court, within 10 years from the date of the application; and

c. Under penalty of unsworn falsification pursuant to RSA 641:3, the information provided on the application and on any of the supporting documentation is true, accurate and complete and that there are no willful misrepresentations in or falsifications of the information provided, and an acknowledgement that giving false information is grounds for denial, suspension, or revocation of a gaming license;

(2) Payment for the licensing fee of \$10,000, pursuant to RSA 287-E:8-a, I; and

(3) A copy of a bond posted in the amount of \$50,000, payable to the commission and conditioned upon the licensee's compliance with the rules and laws of the commission, pursuant to RSA 287-E:8-a, III. The bond may be issued using the "Bingo/Lucky 7 Distributor Bond" form (2/2024).

(fg) As allowed by RSA 287-E:8-a, I and III, a distributor with a current New Hampshire license for distribution of lucky 7 tickets may distribute bingo paper supplies, electronic bingo player systems, and shared

carry over coverall supplies and networking systems, ~~and shall not be required to post an additional bond or file for a separate licensing under this chapter without submitting posting an additional bond, filing for a separate license or paying an additional licensing fee.~~

(~~eh~~) If at any time, the information provided in accordance with (c) and (e) above changes, or is otherwise found to be inaccurate, the applicant shall submit updated or corrected information to the commission within ~~45~~10 days of the event that resulted in the change, or discovery of the inaccuracy.

Lot 7003.02 Eligibility Determination and Licensing Requirements of Charitable Organizations.

(a) ~~In accordance with RSA 287-E:7. I, bingo events shall only be offered by C~~charitable organization ~~shall not hold games of bingo without~~ possessing a current and valid license issued by the commission in accordance with RSA 287-E and this chapter.

(b) In accordance with RSA 287-E:1, V(b), 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 bingo games or Lucky 7.

(~~bc~~) To be eligible for licensure, ~~an~~the charitable organization shall:

~~(1) Be a bona fide religious, charitable, civic, veterans or fraternal organization in existence and organized under the laws of this state for at least 2 years in a town or city in this state;~~

~~(2) Be able to establish that the purposes for which it was organized have been furthered through its activities;~~

~~(23) Possess a tax exempt status under Internal Revenue Code 501(c)(3), 501(c)(4), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) or be covered under a group ruling issued by the Internal Revenue Service under authority of those sections. A charitable organization whose tax-exempt status has been revoked by the Internal Revenue Service shall not be considered eligible for licensure until their tax-exempt status has been reinstated;~~

~~(34) Be a bona fide religious, charitable, civic, veterans or fraternal organization in good standing, and registered with the secretary of state for 21 or more years prior to the application as a domestic non-profit authorized to do business in New Hampshire; and~~

~~(45) Be in good standing and registered with the director of charitable trusts, if required under RSA 7:19 through RSA 7:32.~~

(d) To obtain a determination of eligibility to participate in charitable gaming, the charitable organization shall submit a completed "Charitable Organization Eligibility Determination Application" form (2/2024) which shall include a certification affirming that:

(1) The individual signing the application is authorized to do so on behalf of the organization; and

(2) Under penalty of unsworn falsification pursuant to RSA 641:3, the information provided on the application and any supporting documentation submitted with the application is true, accurate, and complete, and that there are no willful misrepresentations in, or falsifications of the

information provided therein, and an acknowledgement that giving false information is grounds for denial, suspension, or revocation of a gaming license;

(e) The charitable organization shall submit the completed “Charitable Organization Eligibility Determination Application” form (2/2024) to the commission at least 30 days prior to the first proposed game date.

(f) The commission shall deem a charitable organization eligible to participate in charitable gaming when, based on the documentation provided in accordance with (c) above, it finds that the charitable organization meets the eligibility requirements as set forth in (b) above.

(g) A determination of eligibility shall remain in effect through December 31st of the calendar year in which the determination was made, unless a change occurs that disqualifies the charitable organization’s eligibility such as the loss of its tax-exempt status or the revocation of its license in accordance with Lot 7008.04 below.

(h) [To obtain a license to operate a bingo event, an eligible charitable organization shall submit the following to the commission at least 15 but no more than 45 days prior to the first proposed game date of the month for which the license has been requested:

(1) A “Monthly Bingo and/or Lucky 7 Game Date Request Form” (5/2024), which shall include a certification affirming that:

a. The individual signing the application is authorized to do so as the leader or treasurer of the organization;

b. The organization has implemented and will adhere to written house rules and internal control procedures that meet the requirements of Lot 7005.06 and Lot 7006.01 respectively; and

c. Only bona fide members of the charitable organization will operate the games except as otherwise allowed in accordance with RSA 287-E:7;

d. Only individuals who have not been convicted of a felony or class A misdemeanor within the previous 10 years, or a class B misdemeanor within the past 5 years, which have not been annulled by a court, nor have they violated any of the statutes or rules governing charitable gambling in the past in this or any other state will participate in the operation of charitable gaming;

e. Under penalty of unsworn falsification pursuant to RSA 641:3, the information provided on the application and any supporting documentation submitted with the application is true, accurate, and complete, and that there are no willful misrepresentations in or falsifications of the information provided and an acknowledgement that giving false information is grounds for denial, suspension, or revocation of a gaming license;

(2) Payment of the licensing fee of \$25 per bingo event, as established by RSA 287-E:4, I.

(i) Upon request of the commission, the individual signing the application shall show proof that he or she is either the leader or treasurer of the charitable organization authorized to sign the application on behalf of the organization, such as providing copies of the meeting minutes at which the governing body authorized such authority.

Commented [KV1]: TO DO: Should we add a place for “members list” on the Game Date Request form for charity to list names of members/consultants that will be working the game? Or is it enough for them to submit who is paid on the MFR and maintain the work schedules for 2 years and provide to the Commission upon request?

~~(j) In accordance with RSA 287-E:6, no more than one license shall be issued to a charitable organization per calendar month, and the license shall permit no more than 16 dates of bingo in one month.~~

~~(k) If at any time the charitable organization discovers that information provided in accordance with (c)-(f) above has changed, or is otherwise found to be inaccurate, the charitable organization shall submit updated or corrected information to the commission within 10 days of the event that resulted in the change, or discovery of the inaccuracy.~~

~~(c) To obtain a bingo license, a charitable organization shall submit the following to the commission:~~

~~(1) A complete and accurate "Charitable Organization Bingo Application" form (1/2020), which shall include a certification affirming that:~~

~~a. The individual signing the application is an official of the charitable organization authorized to sign the application on the organization's behalf;~~

~~b. Except as otherwise allowed, only bona fide members of the charitable organization will be permitted to operate the bingo event, and that such members are aware of all statutes and rules applicable to the operation of such an event;~~

~~e. The charitable organization has taken action to ensure compliance with RSA 287 E:7, VI relative to individuals with a criminal history participating in the operation of a bingo event;~~

~~d. The charitable organization has established and will adhere to internal control policies and procedures in accordance with the requirement of Lot 7000;~~

~~e. The information provided on the application and any supporting documentation submitted with the application is true, accurate, and complete, and that there are no willful misrepresentations in or falsifications of the information provided; and~~

~~f. Any amendments or corrections to the provided documents will be submitted to the commission within 15 days of any event that resulted in a change, or the discovery of the inaccuracy;~~

~~(2) Supporting documentation, as required by (d) below; and~~

~~(3) Payment of the licensing fee of \$25 per bingo event, as established by RSA 287 E:4, I.~~

~~(d) 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(e)(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 section 26 USC §501(e)(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 from the New Hampshire secretary of state, which includes the organization's name and ID number, confirming that the organization has been registered as a domestic non-profit for at least 2 years prior to the application, and is currently in good standing;~~

~~(3) One of the following from the director of charitable trust:~~

~~a. Documentation, which includes the organization's name and ID number, confirming that the organization is registered and in good standing; or~~

~~b. If registration is not required under RSA 7:19-32 a, written documentation confirming that the organization is exempt from this requirement;~~

~~(4) A letter written on the charitable organizations letterhead and signed by an authorized officer of the organization, which describes:~~

~~a. The charitable purposes of the organization for which it is organized; and~~

~~b. The extent to which these charitable purposes have been furthered by the organization's activities in the 2 years prior to the date of the application;~~

~~(5) A completed "Gaming Operations Participant List" form (1/2020), that has been signed, dated, and certified as accurate by an officer of the organization;~~

~~(6) A copy of the charitable organization's bingo house rules, which meets the requirements set forth in Lot 7005.06 below;~~

~~(7) A copy of a game program, which meets the requirements set forth in Lot 7005.07 below; and~~

~~(8) Copies of all written agreements or contracts relative to:~~

~~a. Gaming consultant services provided in accordance with RSA 287-E:7, II(b);~~

~~b. Shared bingo, including agreements between the host and participating halls and the shared carryover coverall service provider; and~~

~~c. Rental or lease agreement for the facility where the games will be played.~~

~~(e) Upon request of the commission, the individual signing the application shall show proof that he or she is an official of the charitable organization authorized to sign the application on behalf of the organization, such as providing copies of the meeting minutes at which the governing body authorized such authority.~~

~~(f) The charitable organization shall submit a license application and related documentation to the commission at least 15 days, but no more than 45 days prior to the first bingo event of the month or year for which the license has been requested.~~

~~(g) If at any time, the information provided in accordance with (c) and (d) above changes, or is otherwise found to be inaccurate, the applicant 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.~~

~~(h) An organization shall immediately notify the commission in the event that it no longer meets the qualifications for licensure, including the loss of its tax exempt status, or failure to maintain its registration with the secretary of state or director of charitable trust, as required by RSA 287-E:1, V.~~

Lot 7003.03 Licensing Requirements of Gaming Consultants.

(a) In accordance with RSA 287-E:7, II(b), no person or entity shall receive compensation for providing gaming related services, as described in (b) below, unless licensed by the commission as a gaming consultant, ~~and~~ the services to be provided are agreed to in writing, in advance of said services being provided and a copy of a written agreement is submitted to the commission.

(b) An individual or entity shall be deemed as providing gaming related services when ~~he or she~~they participate in the management or operation of the charitable gaming event, or handles, manages, oversees, or disburses any of the funds derived from the operation of the charitable gaming event.

(c) Gaming related services shall include the following:

- (1) Providing consultation services relative to the management or conduct of bingo events to ensure compliance with gaming regulations;
- (2) Managing the operation of a bingo event, including:
 - a. Providing direct on-site supervision of the bingo event; or
 - b. Coordinating staffing of the event(s)~~volunteers;~~
- (3) Participating in the operation of the bingo event, including:
 - a. Selling bingo papers and supplies or otherwise participating in monetary transactions;
 - b. Acting as, or providing assistance to, the ball caller; or
 - c. Determining winners or distributing prizes;
- (4) Providing record keeping services relative to the bingo event;
- (5) Preparing reports and other forms;
- (6) Developing or arranging advertising; or
- (7) Providing security or advertising services for the bingo event.

(d) A gaming consultant shall not ~~be~~;

- (1) Be a licensed distributor or manufacturer;

~~(2) Be~~ employed by a distributor or manufacturer, or

~~(3) Have~~ any direct or indirect financial relationship with a licensed distributor or manufacturer.

(e) When a gaming consultant is also an owner, an employee or an individual with a direct or indirect financial relationship with a licensed commercial hall, the gaming consultant shall:

(1) Take demonstrable measures to mitigate all possible conflicts of interest between the commercial hall and the charitable organization; and

(2) Not use gaming consultant service agreements to circumvent the rental restrictions set forth in Lot 7000, and

(3) Maintain a detailed log of consulting services provided on behalf of a licensed charitable organization holding its events at the commercial hall including dates, time and services performed to demonstrate compliance with (2) above.

~~(ef) Employees of a licensed gaming consultant who provide or assist in the provision of gaming related services on behalf of licensed gaming consultant shall also be licensed as a gaming consultant. All individuals providing services on behalf of a licensed entity shall also be licensed as a gaming consultant prior to offering such services.~~

~~(fg) To obtain a gaming consultant license, the applicant shall submit the following to the commission at least 45 days prior to the services being provided:~~

~~(1) A completed and accurate "Bingo and/or Lucky 7 Gaming Consultant Application" form (4/2020/2024), which shall include a certification affirming that:~~

~~a. The applicant qualifies for a gaming consultant license; The applicant is 18 years of age or older, and does not have a criminal record as prohibited by RSA 287 E: 7, VI;~~

~~b. Neither the applicant nor any member of the charitable organization who will sell lucky 7 tickets has been convicted of a felony within the previous 10 years, or a misdemeanor involving falsehood or dishonesty within the previous 5 years, which have not been annulled by a court, or has violated the statutes or rules governing charitable gaming; The applicant will abide by RSA 287 E, Lot 7000 and Lot 7100, as applicable, in the performance of his or her duties as a licensed gaming consultant;~~

~~c. Under penalty of unsworn falsification pursuant to RSA 641:3, The information provided on the application and on any of the supporting documentation submitted with the application is true, accurate and complete and that there are no willful misrepresentations in, or falsifications of the information provided, and an acknowledgement that giving false information is grounds for denial, suspension, or revocation of a gaming license; and~~

~~d. Any amendments or corrections to the provided documents will be submit to the commission within 15 days of any event that resulted in a change, or the discovery of the inaccuracy;~~

~~(2) Copies of all agreements with charitable organizations relative to gaming consultant services, enacted in accordance with (i) below; and~~

(32) Payment of the licensing fee of \$100, as established by RSA287-E:4, II-b.

~~(g) Applicants for a gaming consultant license shall submit the application and all related documentation to the commission at least 45 days prior to the services being provided.~~

(h) If at any time, the information provided in accordance with (f) above changes, or is otherwise found to be inaccurate, the gaming consultant shall submit updated or corrected information to the commission within ~~15~~ 10 days of the event that resulted in the change, or discovery of the inaccuracy.

~~(i) All agreements between the gaming consultant and a charitable organization shall be enacted using the "Standard Form of Agreement for Gaming Consultants" form (1/2020);~~

~~(j) The gaming consultant shall submit all amended agreements to the commission prior to the agreement going into effect, and attest in writing that the agreement complies with the requirements set forth in this part.~~

(ki) In accordance with RSA 287-E:7, no individual who has been convicted of a felony or class A misdemeanor within the previous 10 years, or a class B misdemeanor within the past 5 years and neither of which has been annulled, or who has violated any of the statutes or rules governing charitable gaming in the past in this or any other state shall be eligible for licensure as a gaming consultant ~~operate a bingo event or participate in the sale of lucky 7 tickets licensed under this chapter.~~

Lot 7003.04 Licensing Requirements of Commercial Halls.

(a) No individual or entity, other than a charitable organization or governmental subdivision, shall lease or rent premises for the conduct of bingo without a commercial hall license issued by the commission.

(b) To obtain a commercial hall license, the individual or entity shall submit the following to the commission at least 45 days prior to any bingo games being conducted in the hall:

(1) A completed and accurate "Commercial Bingo-Hall Application" form (~~1/2020~~ 5/2024), which shall include a certification affirming that:

a. The owner(s) of the property has not been convicted of a felony or class A misdemeanor within the previous 10 years, or a class B misdemeanor within the past 5 years, which have not been annulled by a court, nor have they violated any of the statutes or rules governing charitable gambling in the past in this or any other state;

b. All leases and rental agreements relative to the use of this facility as a commercial bingo hall comply with the requirements of Lot 7000, and that all items and services required by Lot 7004.05 shall be provided; and

c. Under penalty of unsworn falsification pursuant to RSA 641:3, the information provided on the application form and on any of the supporting documentation submitted with the application is true, accurate and complete and that there are no willful misrepresentations in, or falsifications of the information provided, and an acknowledgement that giving false information is grounds for denial, suspension, or revocation of a gaming license;

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(2) Copies of all ~~written agreements and contracts relative to~~ rental or lease agreements in effect related to the use of the premises for the conduct of bingo games; and

(3) Payment of the licensing fee of \$250, as established by RSA 287-E:4, II-a.

~~(e) Applicants for a commercial hall license shall submit the application to the commission at least 45 days prior to any bingo games being conducted in the hall.~~

~~(d)~~ If at any time, the information provided in accordance with (b) above changes, or is otherwise found to be inaccurate, the applicant shall submit updated or corrected information to the commission within ~~15~~10 days of the event that resulted in the change, or discovery of the inaccuracy.

~~(e)~~ The commercial hall shall submit all amended lease or rental agreements to the commission prior to the agreement going into effect, and attest in writing that the agreement complies with the requirements set forth in this part.

~~(f)~~ A government subdivision, or a charitable organization may lease, rent, or otherwise allow a charitable organization to conduct bingo at a facility it owns without obtaining a commercial hall license when ~~it the entity~~:

~~(1) Can demonstrate proof of property ownership, and its qualification as a government subdivision or charitable organization as defined in Lot 7002.08; and-~~

~~(2) Complies with the requirements of Lot 7004.05;~~

Lot 7003.05 Licensing Requirements of Host Halls.

(a) Pursuant to RSA 287-E:13-a, to be eligible to act as a host hall for shared bingo games, the applicant must hold a valid bingo license under RSA 287-E:6.

(b) Any commercial hall or charitable organization wishing to act as a host hall shall submit the following documentation to the commission at least 30-days prior to the first proposed game date:

(1) A completed and accurate "Shared Carry-over Coverall Bingo Host Hall Application" form (1/2020), which shall include a certification asserting that the information provided on the form and on any of the supporting documentation is true, accurate and complete and that there are no willful misrepresentations in or falsifications of the information provided;

(2) A network management plan for conducting the shared bingo game that:

- a. Ensures proper control and accountability;
- b. Preserves the integrity of the game;
- c. Is fair and does not systematically disadvantage customers; and
- d. Includes details descriptions of the following:

1. The technology being used to simulcast the game;

2. The card origination, inventory control and distribution systems, which shall include minimum controls to track and monitor the distribution of the papers;
3. The method of calling number at the host hall, and transmitting them to each participating hall;
4. The house rules;
5. The card sales and reporting system;
6. Jobs of personnel involved in the conduct and administration of the game;
7. The procedure to verify winning cards;
8. The financial and inventory control forms that will be used;
9. The process for transferring funds between halls;
10. The procedure that will be in place for paying the winner(s);
11. The security features in place; and
12. The plan for the continuation of a game in the event of a communication system failure;

(3) A copy of all written agreements between the host hall and each participating hall, which complies with the requirements of Lot 7006.05(a) below; and

(4) A copy of bond posted in the amount of no less than \$50,000 and no more than the highest jackpot prize offered within the previous 24 months payable to the commission and conditioned upon the licensee's compliance with the rules and laws of the commission, as established by RSA 287-E.

Lot 7003.06 Licensing Exemptions for Private Campground, Hotels and Senior Citizen Organizations.

(a) In accordance with RSA 287-E:12, a private campground or hotel may conduct bingo games without a license when the private campground or hotel:

- (1) Has been in existence for at least 2 years in the city or town where the games are to be held;
- (2) Was not established solely for the purpose of operating bingo games; and
- (3) Conducts bingo activities in accordance with the conditions set forth in RSA 287-E:12, as follows:
 - a. No more than 2 bingo events shall be held in any one calendar week;
 - b. Only individuals on staff at the campground or hotel shall operate the games;
 - c. Compensation to staff for operating such games shall not come from bingo revenues;

d. Only individuals 18 years of age or older who are bona fide guests at the campground or hotel shall be allowed to play bingo;

e. The price to be paid for a single card or play shall be \$0.50;

f. All revenues received from the sale of bingo cards in any game or series of games in any one calendar day shall be paid out to the players, with the total value of all prizes, tokens or awards used, given, offered, or awarded in connection with any one game on any calendar day shall not exceed a payout value of \$500, or series of games on the same day shall not exceed a payout value of \$2,000; and

g. A list of bona fide guests, and the dates of their stay, is maintained by the private campground or hotel for a minimum of 2 years.

(b) In accordance with RSA 287-E:13, a private campground or hotel may conduct special bingo games for children under the conditions specified in (a) above with the following exceptions:

(1) No games shall be conducted prior to 11:00 a.m. on a weekday, or prior to noon on a Sunday, and all games shall be finished by 8:30p.m. on any day;

(2) There shall be no charge for play;

(3) Games shall only be open to individuals under the age of 18, except that individuals over the age of 18 may play the game for the purpose of supervising a child or children. Such individuals shall not be eligible to win a prize, and any cards the adult is playing shall be marked in such a way that the bingo attendant is able to identify it as not eligible to win under this paragraph;

(4) Nonmonetary prizes may be awarded, but the value of any prize shall not exceed \$2; and

(5) Prizes shall not be exchanged for money.

(c) In accordance with RSA 287-E:11, any senior citizens' organization may conduct bingo games without a license when:

(1) The city or town where the games will be held has adopted RSA 287-E; and

(2) The organization conducts bingo activities in accordance with the conditions set forth in RSA 287-E:11, as follows:

a. Games shall be open only to persons 55 years of age or older, unless the rules for senior activities on the premises require a higher minimum age for admission;

b. Person under 55 years of age who are assisting persons 55 years or older may be allowed on the premises;

c. The price for a single card or play shall not exceed \$0.75; and

d. All prizes, tokens, or awards used, given, offered, or awarded during or in connection with this section, in any one game on any one calendar day shall not exceeding \$500; and

(3) The organization utilizes any revenue remaining after the awarding of prizes, tokens and awards in accordance with (c)(2)d. for the purposes for which it was organized.

Lot 7003.07 Criteria for the Approval or Denial of an Application for Licensure.

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

(1) The applicant has been found to meet the requirements for licensure as set forth under RSA 287-E and this chapter.

(2) The application has been found to be complete and accurate;

(3) The applicable licensing fee has been paid, in accordance with Lot 7003.01-.06 above;

(4) If required, a bond has been posted, and a copy of the bond certificate has been submitted to the commission with the application;

(5) All documents required by Lot 7003.01-.06 above, ~~including written agreements between licensees,~~ have been submitted; and found to be complete, accurate, and in compliance with the requirements set forth in this chapter;

(6) In the case of a distributor application, the applicant's principal place of business is located within New Hampshire, as required by RSA 287-E:8-a, IV;

(7) ~~In the case of a charitable organization application, there are no outstanding monthly financial reports due to the commission per Lot 7107.03(f) below.:~~

~~a. If the organization was previously licensed, there are no outstanding "Bingo Monthly Financial Reports" (1/2020) due to the Commission per Pari 7007.03 below~~

~~b. The commission determines that the written internal control procedures are adequate to preserve the integrity of the games;~~

~~c. The charity has demonstrated progress in accomplishing its charitable purposes during the 2-year period prior to the date of the application. For the purpose of this clause, "accomplishing its charitable purposes" means relief of poverty, advancement of education, protection of health, relief from disease, relief from suffering or distress, protection of the environment, conservation of wildlife, advancement of civic, governmental, or municipal purposes, or advancement of those purposes as delineated in the articles of incorporation or the bylaws of the organization; and~~

~~d. The organization is in good standing with the director of charitable trust and its central organization, as applicable;~~

(8) ~~In the case of a commercial hall application, copies of the rental or lease agreement have been submitted in accordance with Lot 7003.04(b)(2) above. When applicable, copies of agreement have been submitted and found to comply with the requirements set forth in Lot 7004.05(f), Lot 7004.06(f) and Lot 7004.07(a)(3)-(5) below; and~~

(9) In the case of a host hall application:

- a. The network management plan complies with Lot 7003.05(b)(2) above; and
 - b. The shared carry-over coverall system, obtained through a licensed manufacturer and distributor, meets the requirements of Lot 7005.04.
- (b) The commission shall deny the application when the applicant:
- (1) Does not meet the qualifications for licensure specified in RSA 287-E and this chapter.
 - (2) Has not complied with the application requirements and procedures, as specified in RSA 287-E and this chapter;
 - (3) Has made a materially false statement in the application or in any document that is submitted as part of the application process;
 - (4) Has not complied with an administrative order or fine issued in accordance with Lot 7008, has a criminal record, as prohibited by RSA 287-E:7, VI, or has had a charitable gaming license suspended or revoked within the past year; or
 - (5) The location where the games will be played is not in a city or town that has adopted RSA 287-E in accordance with RSA 287-E:27 and RSA 287-E:27-a.
- (c) In accordance with RSA 287-E:6:
- (1) A license shall not be transferable; and
 - (2) For a charitable organization:
 - a. No more than one license shall be issued per calendar month; and
 - b. The license shall permit no more than ~~40~~16 game dates of bingo in one calendar month; and in no more than one town or city which has authorized bingo games under RSA 287-E:27.

Lot 7003.08 Expiration of an Issued License.

- (a) ~~All~~ licenses issued in accordance with this chapter ~~shall be non transferable, and~~ shall expire in accordance with the following:
- (1) Distributor, ~~or~~ manufacturer, commercial hall and host hall licenses shall expire on June 30 following the date of issue;
 - (2) Charitable organization licenses shall expire on the last day of the month or calendar year for which the license was issued, ~~or for annual licenses, the last day of the year in which it was issued;~~ and
 - (3) Gaming consultant licenses shall expire one year from the date of issue.
 - (3) ~~Commercial hall licenses shall expire on June 30 following the date of issue.~~
- (b) All licenses shall be valid only for the activities, location, dates, and times as listed on the license.

(c) Any licensee that ceases to conduct bingo activities shall immediately notify the commission in writing and provide the commission a report as to the disposition of:

- (1) All unused bingo inventory; and
- (2) Any bingo player systems used by the charity.

PART Lot 7004 RESPONSIBILITIES OF THE LICENSEE

Lot 7004.01 Responsibilities of All Licensees. All licensees shall:

(a) Conduct charitable gaming activities in a manner that ensures:

- (1) The integrity of the game;
- (2) That the games are fair, secure, and able to be auditable and operate correctly; and
- (3) That all games are free from corruption, criminal influences, and conflicts of interest.

(b) Maintain all records for a period of 2 years, or longer than 2 years when notified by the commission that an audit, compliance review, or investigation is being conducted, in which case all records shall be maintained until the audit, review or investigation has concluded; and

(c) Permit the commission or its designee to examine all bingo related books, records, inventory, and business or gaming premises as deemed necessary for an ongoing inspection, investigation, or audit, or to otherwise determine the licensee's compliance with RSA 287-E and this chapter.

Lot 7004.02 Responsibilities of the Licensed Manufacturer.

(a) Each licensed manufacturer of bingo paper, supplies and electronic bingo player systems shall:

- (1) Ensure that all bingo paper, supplies and electronic bingo player systems sold or supplied for use in New Hampshire comply with the standards set forth in this chapter;
- (2) When selling bingo supplies and systems for use in New Hampshire, only sell to New Hampshire licensed distributors;
- (3) Develop internal control procedures and record keeping standards to ensure proper control and accountability of all bingo supplies and systems sold for use in New Hampshire, including the ability to track the series of disposable bingo paper by serial number, description and packaging cut;
- (4) Maintain records pertaining to bingo related sales, expenses and agreements in accordance with Lot 7007.03. Not duplicate the same serial number in a given year on the same series;
- (5) Comply with the ~~construction~~-standards as set forth in Lot 7005.02;
- (6) Comply with the reporting requirements set forth in Lot ~~7007.03~~ below; and

(7) Take action to ensure compliance with RSA 287-E:23, II which prohibits any partner, officer or director of the entity from having been convicted of a felony, which has not been annulled by any court, within the past 10 years.

(b) In addition to (a) above, manufacturers of card-minding systems shall provide to the commission all current protocols, usernames, passwords, and any other required information needed to download or otherwise access the system via a remote connection.

(c) Neither the manufacturer, nor any of its employees, shall participate in the bingo games it provides to its customers in New Hampshire.

Lot 7004.03 Responsibilities of the Licensed Distributor.

(a) Each licensed distributor of bingo paper, supplies and electronic bingo player systems shall:

(1) Ensure that all bingo paper supplies and electronic bingo player systems sold or supplied for use in New Hampshire comply with the standards set forth in this chapter;

(2) Only supply bingo paper supplies and electronic bingo player systems to licensed charitable organizations;

(3) Immediately return any unauthorized bingo supplies in its possession to the manufacturer;

(4) ~~In accordance~~ Comply with RSA 287-E:8-a. by recording the sale of all bingo cards or sheets sold by serial number, and listing the serial numbers on the charitable organization's invoice;

(5) Develop internal control procedures and record keeping standards to track and account for bingo supplies and systems it purchases, sells or holds in inventory, including an explanation of any discrepancies;

~~(6) Comply with all applicable recording and reporting requirements as set forth in Lot 7007. Maintain all relevant records pertaining to bingo related sales, leases or rentals for a period of 2 years, including the following:~~

~~a. Series and serial numbers of bingo cards and sheets;~~

~~b. Description of the bingo cards and sheets sold including, but not limited to:~~

~~1. Color;~~

~~2. Cut of the paper;~~

~~3. Quantity; and~~

~~4. Marketing name;~~

~~e. The name, address and license number of the charitable organization making the purchase;~~

~~d. The name of the manufacturer; and~~

~~e. The quantity of bingo cards or sheets contained in the packaging carton;~~

(76) If providing shared carry-over coverall services, maintain all agreements, including:

a. Any agreements with charitable organizations to provide shared carry-over coverall game system equipment or services, which shall include the terms and conditions of such agreements and, if applicable, details on the operation of the shared bingo game and distribution of costs and proceeds; and

b. Any licensing agreements with other entities for software and hardware developed for conducting shared bingo; and

(87) Take such action as to ensure compliance with RSA 287-E:23, II which prohibits any partner, officer or director of the entity from having been convicted of a felony, which has not been annulled by any court, within the past 10 years.

(b) Neither the distributor, nor any of its employees, shall participate in the bingo games it provides to its customers in New Hampshire.

Lot 7004.04 Responsibilities of the Licensed Charitable Organization. Licensed charitable organizations shall:

(a) ~~Develop and A~~adopt house rules in accordance with Lot 7005.06 below;

(b) Prominently display the following documents within the commercial hall or facility in areas that are accessible to and easily seen by the public, including in the immediate area where bingo games are played:

(1) The organization's current bingo license, pursuant to RSA 287-E:6;

(2) At least one copy of RSA 287-E and this chapter;

(3) At least one copy of any house rules that apply; and

(4) A copy of the current game program;

(c) Prominently display a sign in the immediate area where the bingo games are played advising the public of the phone number where complaints related to charitable gaming may be made;

(d) Only compensate for gaming related services when the individual or entity providing the services is a licensed gaming consultant with whom the organization has a written agreement.

(e) Only reimburse bona fide members of the organization for out-of-pocket expenses in an amount not to exceed \$2550 per game date when such expenses are itemized and submitted in writing to the organization. Such reimbursement shall be for actual and necessary costs incur by the member in providing services associated with the conduct of the games. All other forms of compensation, such as cash, bingo paper, lucky 7 tickets, coupons, discounts, or gifts shall be strictly prohibited.

(f) For each bingo event, designate a member of the charitable organization or engage a gaming consultant to act as the gaming manager as described in Lot 7006.03(c) below, who shall be responsible for:

~~(1) Ensuring that the games are conducted in accordance with RSA 287-E and this chapter;~~

~~(2) Determining program content, prize level requirements, products to be purchased and put into play;~~

~~(3) Overseeing the game event by supervising volunteers, and monitoring the conduct of the games;~~

~~(4) Ensuring that all receipts and disbursements have been properly accounted for, all source documents, and inventory records are complete and, all inventory records have been reconciled;~~

~~(5) Verifying proper accounting for that all gambling expenditure, equipment, assets and receipts;~~

~~(6) Controlling the execution of the games, including payouts and the preparation of transaction records;~~

~~(7) Ensuring that all security measures and internal controls are in place to protect the integrity of the games and gaming assets; and~~

~~(8) Remaining on the premises during the bingo event to address and resolve any issues that occur during the bingo event;~~

(g) Only sell bingo supplies and systems that have been:

~~(1) Purchased from a licensed distributor and manufactured by a licensed manufacturer, pursuant to RSA 287-E:8-a; and~~

~~(2) Meet the criteria in Lot 7005-Approved by the commission;~~

(h) Conduct bingo games in accordance with RSA 287-E and this chapter;

(i) Develop, implement, and adhere to written internal control policies and procedures in accordance with Lot 7006.01 below; ~~designed to ensure effective control over the gaming operation by discouraging and protecting against illicit behavior and safeguarding the integrity of the games, which ensure that:~~

~~(1) Assets are safeguarded;~~

~~(2) Financial records are accurate, reliable and permit proper reporting of gaming revenue, fees and taxes;~~

~~(3) Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound business practice by competent, qualified personnel, with no individual in a position that would allow them to perpetuate and conceal errors or irregularities in the normal course of duties;~~

~~(4) Integrity of the game is preserved by preventing unauthorized access, misappropriation, forgery, theft, or fraud;~~

~~(5) Controls that have been put in place are effective, and that any abnormalities are investigated and addressed;~~

~~(6) Transactions are performed only in accordance with management's general or specific authorization;~~

~~(7) Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes, and to maintain accountability for assets;~~

~~(8) Recorded accountability for assets is compared with actual assets at reasonable intervals, and appropriate action is taken with respect to any discrepancies; and~~

~~(9) Accountability for assets is maintained in accordance with generally accepted accounting principles; and~~

~~(j) Establish and incorporate the following control procedures to provide the maximum accountability for all bingo supplies, systems, revenues and disbursements:~~

~~(1) Control the access and distribution of all bingo supplies;~~

~~(2) Designate an individual who will control, purchase, track, and account for bingo supplies;~~

~~(3) Develop procedures to track the purchase, storage, and distribution to individuals selling bingo supplies and their removal from inventory;~~

~~(4) Develop a perpetual inventory tracking system and conduct monthly physical inventory counts to compare and reconcile with that system, and investigate and resolve any discrepancies;~~

~~(5) Develop a receipting system for the sale of the cards and sheets to be completed for each bingo event that includes comparing cash register receipt or manual receipt summaries to calculated sales based on the selling price of the cards and sheets sold, where the calculated sales are based on the quantity of cards and sheets sold, determined by the quantity of cards and sheets issued out of inventory at the beginning of the bingo event, less the quantity of cards and sheets returned to inventory at the conclusion of the event;~~

~~(6) Develop a procedure to record the gross receipts generated from the sale of cards and sheets sold by floor workers, and implement such procedures through such things as an inventory accounting system or a floor worker sales report;~~

~~(7) Limit access to the funds in the bingo bank accounts created in accordance Lot 7007.01(a) to authorized executive members of the organization; and~~

~~(8) Assign an individual, who is independent of the person primarily responsible for the control of the inventory and purchasing of the cards and sheets or responsible for accounting for the funds generated from the sale of cards and sheets, to reconcile the funds deposited into the bingo bank accounts to the funds generated from the sale of cards and sheets;~~

~~(k) Retain control over funds jointly held in a cooperative agreement, and ensure that such authority is not extended to a facility owner, or other outside agents;~~

~~(1) Maintain records pertaining to bingo gaming activities including:~~

~~(1) Copies of all policies and procedures;~~

~~(2) Any records or documents necessary to track bingo cards and sheets from the date of purchase through the final disposition, including:~~

~~a. The purchase register which includes the quantity, description, series, serial number, cut, color, date of purchase, cost and purchase invoice number;~~

~~b. Inventory control records which include the quantity and description, series, serial number, cut, color, and date the bingo cards and sheets placed into, withdrawn from, or returned to, inventory;~~

~~e. The sales register controls for the cards or sheets sold by individual floor workers, which includes:~~

~~1. A record of the quantity of all cards or sheets sold by individual floor workers;~~

~~2. The individual's name;~~

~~3. The value of the cards or sheets;~~

~~4. The type of cards or sheets; and~~

~~5. The amount of cash turned in by the individual;~~

~~d. The bingo event report which reflects:~~

~~1. The gross receipts;~~

~~2. Prizes paid;~~

~~3. The number of players in attendance; and~~

~~4. The quantity of singles, packages, or packets sold with corresponding value of the bingo card or sheet;~~

~~e. For each game, the center number of all winning cards, the quantity of winning cards, the game name or number as described on the game program, and the amount of balls called;~~

~~f. For each winner take all, carryover coverall, and progressive coverall game, the amount of balls called and the value of the prize, if carried over;~~

~~g. The record of all prizes paid, with separate listing for those paid by cash from those paid by check;~~

~~h. The daily cash count records which include the amount of cash available for deposit and the amount actually deposited in the bingo bank account; and~~

~~i. The check register which details all deposits and disbursements from the bingo bank account;~~

~~(3) Bank statements, check registers, reconciliations, and cancelled checks and bank deposit slips for bingo bank accounts;~~

~~(4) The purchase of bingo paper supplies and electronic bingo player systems, including copies of invoices provided by the distributor;~~

~~(5) The calculation of charity allocation and state tax;~~

~~(6) All written contracts, agreements, leases, rental agreements, or any other statement of understanding;~~

~~(7) Work schedules and assignments of all employees, volunteers and bona fide members; and~~

~~(8) Copies of by laws, articles of incorporation and organization chart listing titles, roles, and responsibilities;~~

~~(mk)~~ Retain full custody and control over all bank accounts pertaining to bingo and lucky 7 activities;

~~(ml)~~ Comply with the financial recording and reporting requirements set forth in Lot 7007 below;

~~(om)~~ Submit copies of any written agreements to the commission prior to services being rendered, as required by RSA 287-E:7, II(b);

~~(p)~~ Maintain all bingo related records on the premises for a period of 2 years;

~~(pq)~~ Notify the commission in writing within 105 days of an event affecting the charitable organization's:

(1) Qualifications for licensure under Lot 7003.02, such as a change in IRS exemption status; or

(2) Status of good standing with the New Hampshire secretary of state or director of charitable trust, or with the organization's state or national organization;

~~(r)~~ Not allow an individual to serve as both the treasurer and the chairperson of the charitable organization or their designee;

~~(sp)~~ Notify the commission in writing within 24 hours of cancelling an authorized bingo event, and include the following information in the notification:

(1) The name and contact information of the authorized official of the licensed charitable organization submitting the notification;

(2) The date and location of the cancelled bingo event; and

(3) The reason for the cancellation; and

~~(tq)~~ Take actions to ensure compliance with RSA-E:7, VI such that no person who has been convicted of a felony or class A misdemeanor within the previous 10 years, or a class B misdemeanor within the past 5 years, neither of which has been annulled by the court, or who has violated any of the statutes or rules

governing charitable gaming in the past in this or any other state are permitted to participate in the operation of a bingo event licensed under this chapter.

Lot 7004.05 Responsibilities of Licensed Commercial Halls.

(a) The amount of the hall rental to the charitable organization shall not exceed \$10 per player per charitable organization's bingo event.

(b) The commercial hall shall provide, as part of the hall rental fee, the following items and services to the charitable organization:

- (1) Hall space;
- (2) Tables and chairs sufficient for the conduct of the bingo game;
- (3) Bingo equipment necessary for the conduct of the bingo game including, but not limited to:
 - a. A ball rack;
 - b. A mixing machine; and
 - c. A lighted game board;
- (4) Utilities, including but not limited to heat, lights, and communication services;
- (5) Restroom facilities sufficient for the seating capacity of the hall;
- (6) Snow removal; and
- (7) Trash removal and overall janitorial services sufficient to return the hall to a condition clean and proper for conducting business.

(c) The commercial hall shall maintain all bingo related equipment, specified in (b)(3) above, in proper working order.

(d) No third party charges shall be assessed to any charitable organization for services set forth in (b) above.

(e) All agreements between the commercial hall and the charitable organization shall be contained within the lease agreement;

(f) The commercial hall shall submit copies of agreements to the commission as follows:

a. All new agreements shall be submitted at least 15 days prior to providing the contracted services; and

b. All amended agreements shall be submitted at least 3 days prior to the amendments taking effect.

~~(g)~~ Participation in and charges for activities such as advertising, gaming consultant services, free offer of coffee and donuts to customers, security protection for the charitable organization itself, not security for the

hall or parking area, consulting or management services, shall be at the discretion of the charitable organization. Failure to participate in these activities shall not constitute grounds for expulsion from the hall.

(gh) The commercial hall shall:

- (1) Submit copies of all leases and rental agreements to the commission in accordance with Lot 7003.04 (b)(2) above;
- (2) Allow a staff or other authorized representative of the commission to enter and inspect any facility where bingo games are held for purposes of determining compliance with RSA 287-E and this chapter;
- (3) Make all bingo equipment available for inspection or testing by the commission at any reasonable time; and
- (4) Comply with all applicable laws and building codes.

Lot 7004.06 Responsibilities of the Host Hall.

- (a) A host hall shall obtain approval from the commission, in accordance with Lot 7003.07, before holding a shared carry-over coverall bingo game.
- (b) The host hall shall only simulcast shared carry-over coverall games to participating halls located within New Hampshire and licensed by the commission to hold bingo events.
- (c) The host hall shall be solely responsible for the equipment, the management and the operation of the shared carry-over coverall games it provides.
- (d) The host hall shall establish and maintain a separate bank account to which it will deposit all proceeds and pay all of the expenses in connection with the shared carry-over coverall bingo operation.
- (e) The host hall and the participating hall, and, if applicable, the participating hall and the licensed charity, shall enter into a written agreement prior to conducting a shared carry-over coverall game.

(f) The host hall shall submit copies of written agreements to the commission as follows:

- a. All new agreements shall be submitted at least 15 days prior to providing the contracted services; and
- b. All amended agreements shall be submitted at least 3 days prior to the amendments taking effect.

(fg) The host hall shall provide the commission with 30 days advanced written notice of its intent to conduct a shared bingo game.

(gh) The notice required by (f) above shall include:

- (1) The names of each participating hall and charitable organizations, and the locations of the caller and remote players;

(2) The name of the shared carry-over coverall service provider responsible for providing and maintaining the equipment used to operate and transmit the game;

(3) A copy of any written agreements between:

- a. The host and participating halls;
- b. The participating hall and the licensed charitable organization if applicable; and
- c. The host hall and the shared carry-over coverall service provider, if applicable;

(4) The name of the person designated as having a fiduciary responsibility for the game; and

(5) The name and contact information for the bank where the separate shared carry-over coverall funds will be deposited.

(h) The host hall shall maintain all records pertaining to the shared carry-over coverall games for a period of at least 2 years, and make such records available to representatives of the commission upon request during regular business hours.

(i) The records required by (h) above shall include:

- (1) Documentation of all prizes paid and information regarding receipt of the prize;
- (2) All financial records, which shall clearly disclose the amount of money the shared carry-over coverall operation received and expended, and the purposes for which the host hall spent money;
- (3) Copies of any written contracts or agreements between all parties involved in the shared carry-over coverall games including those required by Lot 7003.05(b)(3) above;
- (4) A physical description of the equipment and its cost;
- (5) The name and location of the participating hall where the equipment is installed and the installation date;
- (6) The name of the licensed charitable organizations which will be participating in the shared carry-over coverall games at each location, and the game dates;
- (7) The video recording of each drawing in the previous one-year period that shows, at least:
 - a. The ball selection process, including the numbers drawn; and
 - b. All body movements of the caller;
- (8) Information relative to the purchase and distribution of all shared carry-over coverall bingo cards, including the date the cards were used; and
- (9) Records of gambling proceeds received from the bingo operation and the use of those proceeds towards the stated purpose of the organization.

(j) The host hall shall retain all recordings of each game for a minimum of 30 days.

(~~kl~~) The host hall shall submit for review and obtain approval from the commission prior to implementing any changes to the event operating procedures.

Lot 7004.07 Responsibilities of the Licensed Gaming Consultant.

(a) The licensed gaming consultant shall:

(1) Provide gaming services in accordance with RSA 287-E, this chapter and its written agreement with the charitable organization;

(2) Comply with the internal control procedures and policies of the charitable organization for whom they are providing services;

(3) Enact all agreements with charitable organizations using the "Standard Form of Agreement for Gaming Consultants" form (2/2024);

(5) Submit copies of signed agreements to the commission at least:

(1) 15 days prior to providing the contracted services; and

(2) 3 days prior to any amendments to an existing agreement taking effect.

(~~ab~~) The requirements set forth in Lot 7004.04 above shall apply to the licensed gaming consultant when the consultant is acting on behalf of the organization per a written agreement.

~~(b) In addition to the requirements of (a) above, the licensed gaming consultant shall provide gaming services in accordance with RSA 287-E, this chapter and the written agreement with the charitable organization.~~

PART Lot 7005 BINGO EQUIPMENT, SUPPLIES AND STANDARDS

Lot 7005.01 Bingo Equipment.

~~(a) Equipment used in the conduct of bingo shall be maintained in good and proper working condition, and operated in a manner such that each player is given an equal opportunity of winning.~~

(~~ab~~) The charitable organization shall:

(1) Only use bingo equipment that is free of any defects and functioning in proper working order;
~~and~~

(2) Furnish or operate bingo equipment in such a manner that each player is given an equal opportunity to win; ~~and~~

(3) Test the equipment prior to conducting a bingo event to ensure it is working properly.

(~~cb~~) Bingo ball machines and other selection devices, flashboards and other display devices, and other bingo equipment used in the selection and display of game numbers shall be designed to produce randomness.

(~~de~~) When bingo balls are utilized, the charitable organization shall ensure that the following are true:

(1) Any characteristics that control the selection of the balls, such as size, shape, weight and balance, are the same for all balls within a given set;

(2) All the balls within a given set are present, clean and free of defects and otherwise in operating condition before being utilized; ~~and~~

(3) Each set of balls in play is distinguishable from all other sets of balls in play;

(4) The balls are locked in a safe storage place when not in used; and

(5) Access to bingo operating equipment, including bingo balls and ball blowers, is restricted to authorized persons only;

~~(e)~~ All mechanical ball blowers, which use air flow for mixing and randomly selecting balls, shall be constructed:

(1) To allow game participants to view the mixing action of the balls; and

(2) To prohibit any interruption of the mixing action of the balls in an effort to alter the selection of the balls, except when the device is shut off.

Lot 7005.02 Bingo Paper Construction Standards.

(a) Cards, and sheets used in the conduct of bingo games shall be designed to be disposable and comply with the following manufacture standards:

(1) The paper used should be of sufficient weight and quality to:

a. Allow for legible numbers and prevent ink from spreading or bleeding through, thereby obscuring other numbers on other bingo cards or sheets, and

b. Maintain the original condition and not deteriorate when properly stored and normally handled and protected from environmental elements;

(2) The manufacturer's name, logo or identifying mark shall appear on each card or sheet;

(3) Permutation numbers shall be displayed in the center square, at the bottom right corner of each card, or in both places;

(4) Numbers printed on the card must be randomly assigned;

(5) Each set of bingo cards or sheets shall bear the same serial number, except that a collation or packet that is made up of a number of sets need not bear the same serial number;

(6) Bingo cards and sheets assembled in packets shall be glued, not stapled, in such a way that the papers can be separated without the cards being defaced or similarly damaged;

(7) All cards and sheets shall contain a serial number, which is not duplicated within the same year on the same series;

(8) The exterior of each carton of bingo paper shall include a ~~listing label~~, a bar code or a combination of bar-coding and labeling that provides all of the following information:

- a. Type of product;
- b. Quantity of cards, sheets, or packets;
- c. Series and serial numbers;
- d. Quantity of cases;
- e. Cut and color of paper; and
- f. Product code or identifier;

(9) The information specified in (8) above shall also be provided on a packing slip inside each box;

(10) To assist in the audit of the bingo product, each carton of cards, sheets, or packets shall:

- a. Include an audit tracking system that will enable the charitable organization to control paper by means other than “series” or “perm” number; and
- b. Be divided at established intervals; and

(11) A valid verification system, such as a verification book, master control book, or an electronic data base, or version thereof, shall be provided and certified by the manufacturer as a true and accurate illustration of the pattern of numbers on every card in each permutation to be used to verify the authenticity of a winning card.

(b) The following construction standards shall apply to concealed-face bingo paper:

- (1) A sequential audit number shall be printed on the outside of each card or sheet of concealed-face bingo paper;
- (2) To ensure randomness, concealed-face bingo paper shall be shuffled prior to printing the sequential audit number upon the outside of the card;
- (3) Concealed-face bingo paper shall be constructed to prevent bingo numbers from being viewed or determined from the outside of the card; and
- (4) The sealing or gluing of the concealed-face bingo paper shall not cause any card to be defaced upon opening.

(c) All bingo cards and sheets approved by the commission and in use prior to the effective date of this rule, which have not been subsequently changed or modified, shall be exempt from the requirement in (a)-(b) above, and may remain in use.

(d) A charitable organization may offer special cards that do not meet the requirements of this section when:

- (1) The use of the special cards, such as braille card, will allow an individual with a disability to participate in the event;
- (2) The organization has adopted house rules that specifically address the availability, use, and sale of such cards that ensure that the integrity of the game is being preserved; and
- (3) Controls are in place to ensure the use of such cards does not negatively affect the integrity of the game.

Lot 7005.03 Card-minding System Standards.

(a) A card-minding system shall not be sold, leased, or otherwise furnished to any person for use in the conduct of bingo until it has been:

- (1) Tested by an authorized independent testing laboratory to ensure that the device and proprietary software conforms to the restrictions and conditions set forth in this chapter; and
- (2) Demonstrated to and approved by the commission in accordance with (n) below.

(b) All card-minding system approved by the commission and in use prior to the effective date of this rule, which have not been subsequently changed or modified, shall be exempt from the requirement in (a) above, and may remain in use without being reapproved by the commission.

(c) Except as allowed by (d) below, a card-minding system that has been changed or modified shall not be sold, leased or otherwise furnished to any person for us in the conduct of bingo unless it has undergo additional testing and commission approval in accordance with (a) above.

(d) A manufacturer may conduct routine maintenance activities and replace secondary components of a card-minding device system without prior commission approval or additional testing as long as this activity does not affect the operation of any proprietary software or the manner in which a bingo game is played.

(e) If the manufacturer, distributor, charitable organization or commission detects or discovers any defect, malfunction, or problem with the card-minding device system that affects the security or the integrity of the bingo game or card-minding device system, the manufacturer, distributor, or charitable organization shall immediately discontinue its sale, distribution, and use until the defect has been corrected or resolved.

(f) A card-minding system shall consist of the following:

- (1) A card-minding device that is used by a player to monitor bingo cards played at a bingo event, and which:
 - a. Provides a means for the player to input or monitor called bingo numbers;
 - b. Compares the numbers entered or received against the numbers on the bingo cards stored in the memory of the device or loaded or otherwise enabled for play on the device; and
 - c. Identifies any winning bingo pattern(s) and prize levels; and
- (2) A site system that consists of- computer hardware, software, and peripheral equipment, that is located at the bingo premises, is controlled by the gaming manager conducting bingo, and

interfaces with, connects with, controls, or defines the operational parameters of card-minding devices, and includes the following components:

- a. A point of sale station and an internal accounting system and database that is capable of recording the charitable organization's sale of all charitable gaming supplies;
- b. A caller station verifier that is able to verify winning cards;
- c. Printers;
- d. Remote access capability;
- e. Proprietary executable software; and
- f. Report generation software.

(g) Card-minding devices shall:

- (1) Have a unique, permanent identification number that is coded into the software of the card-minding device, or have a unique identification number secured by password or code and accessible only by use of such password or code;
- (2) Automatically transmit its identification number to the site system or be known by the site system, to be recorded on the transaction log, each time the device is involved in a transaction with the site system;
- (3) Be designed in such a manner to allow for one or more of the following daubing features:
 - a. Manual ball call, which requires the player to identify and enter the numbers as they are called, and enable the player to correct numbers entered in error;
 - b. Ball call confirm which requires the broadcast of the ball call information to the card-minding device, and then the player shall confirm by performing an action or entering each ball call;
 - c. Semi-auto daub which requires the broadcast of the ball call information to the card-minding device, much like the ball call confirmation except that a single action will daub all outstanding ball calls; or
 - d. Auto daub, which requires the broadcast of the ball call information to the card-minding device;
- (4) Recognize bingo numbers called and electronically daub all activated bingo cards containing those numbers loaded on the device;
- (5) Allow the player to cancel or correct any numbers entered in error when the device requires the player to manually enter ball call numbers;
- (6) Recognize and display all winning bingo patterns achieved;

(7) Be programmed to only allow bingo cards purchased and loaded and enabled for play during a bingo event, to be in play during that event;

(8) Be programmed to only allow bingo faces sold, loaded, and enabled during an open bingo session, to be in play during that open session; and

(9) Networked in such a manner that addresses issues of confidentiality, integrity and availability.

(h) A card-minding system shall not:

(1) Allow a player to modify cards that are loaded and enabled for play;

(2) Track and store any winnings from authorized bingo games;

(3) Replay any winnings;

(4) Be used to credit the player's winnings;

(5) Be used to purchase or play lucky 7 tickets;

(6) Be used for video confirmation of lucky 7 tickets; and

(7) Be used:

a. To generate or determine the random letters, numbers, or other symbols used in playing the bingo card played with the device's assistance;

b. As a receptacle for the deposit of tokens or money in payment for playing the bingo card played with the device's assistance; or

c. As a dispenser for the payment of a bingo prize, including coins, paper currency, or a thing of value for the bingo card played with the device's assistance.

(i) When applicable, a card-minding device utilizing a customer account shall:

(1) Not permit customers to purchase any bingo equipment other than electronic bingo cards for play on the card-minding device; and

(2) Display the account balance at all times.

(j) The site system shall:

(1) Be designed so that reports maintained or otherwise available for generation by the card-minding system may be downloaded or accessed at any time by the commission via a remote connection for the verification of the operation, compliance, and internal accounting systems;

(2) Include an internal accounting system that is capable of recording the charitable organization's sale of card-minding devices and bingo cards and sheets;

(3) Be capable of recording and storing:

- a. All transactions affecting a card-minding device;
 - b. The device ID number for each transaction affecting the card-minding device; and
 - c. The date, time, quantity of electronic bingo cards affected, price per card or package, package number, and transaction number for each of the following transactions:
 1. Loading of cards; and
 2. Voiding of cards;
- (4) Not allow the exact duplication of cards on 2 different card-minding devices, but may allow electronic bingo cards originally sold on one card-minding device to be reloaded on a different card-minding device, provided that the original device was removed from play and the site system recorded the transaction as a reload;
- (5) Not be able to engage in any type of sale, void, or reload transaction for a card-minding device unless a functioning card-minding device or a programmable memory device that inserts into a card-minding device is connected with the site system;
- (6) Ensure that, for voided transactions, all electronic bingo cards are erased or deactivated;
- (7) Upon completion of each transaction, not allow any transactional information to be changed within the accounting system or database, including date, time, quantity of electronic bingo cards, price per card or package, package number, or other source information;
- (8) Prevent and identify duplicate device identification numbers;
- (9) Recognize the device identification number of the card-minding device, and record and store that number on the transaction log for each and every transaction that directly affects that device;
- (10) Have a database backup and recovery system to prevent loss of transactional information in the event of power failures or any disruptive event;
- (11) Not allow a player or operator to select specific cards from a perm of bingo cards to be sold or played, if such selection provides a material advantage to the player or operator;
- (12) Record a sequential transaction number or audit tracking number for every transaction, which cannot be changed or reset manually;
- (13) Be capable of producing:
- a. A receipt;
 - b. A transaction log; and
 - c. A complete summary report(s) after each bingo event;
- (14) Not erase or overwrite any of the required bingo event information until its detail information and summary information is transferred to a secondary storage medium;

(15) Be capable of storing and printing detailed bingo event reports and summaries on demand, which includes a separation of revenues collected from progressive coverall, carry-over coverall, shared carry-over coverall and winner-take-all games;

(16) Not allow a card-minding device to enable and play more than 108 card faces for any one regular bingo game; and

(17) Be capable of maintaining all required reports and information for a period of 2 years.

(k) If the site system is designed to incorporate the use of a customer account, the system shall include the following requirements:

(1) All communications regarding transactions between the bingo card-minding device and the site system shall be secured by use of a unique personal identification number (PIN) established by the player;

(2) All transactions shall only be processed after the site system confirms the identity of the player;

(3) Each transaction made by a player from their customer account shall be recorded, and include the transaction number, transaction dollar amount, time and date, quantity, and type of product purchased, and customer's account number;

(4) The system shall not be used to track and credit a customer's account with bingo prizes won;

(5) Additional funds may be added to the customer's account only at a point-of-sale station;

(6) The system shall generate financial reports for customer account activity that includes:

a. The customer account number;

b. The initial amount of funds placed in the account;

c. Each transaction including quantity and type of bingo product(s) purchased, dollar amount, time and date, any ending balance, bingo worker login information; and

d. If balance was refunded at end of the bingo event, or retained by the organization as other income; and

(7) Provide a receipt for each customer transaction that contains the following disclaimer: "Any funds remaining in your customer account that you do not claim by the end of the bingo event will be kept by the licensed charitable organization. Please allow enough time before the end of the bingo event to claim your funds on your account."

(l) The card-minding system network shall employ sufficient security safeguards to ensure that:

(1) Any restrictions or requirements authorized by the commission or any approved proprietary software are protected from alteration; and

(2) Confidentiality methods guard against data theft during network eavesdropping, or unauthorized usage of the network by non-intended devices and minimizes interference from other networks;

(3) Integrity methods provide delivery of accurate data to system devices; and

(4) Availability methods provide a good functioning network during gaming.

(m) To obtain approval of a card-minding system, a manufacture shall:

(1) Submit the proposed system to an authorized testing laboratory for validation testing, and obtain written certification that confirms the systems complies with this chapter;

(2) Submit a written request for approval of the system along with a copy of the laboratory certification; and

(3) Demonstrate the system to the commission, if requested to do so.

(n) The commission shall approve a card-minding system when the system is found to meet the requirements of RSA 287-E, and this chapter.

(o) When a distributor leases, sells or otherwise furnishes a card-minding system to a licensed charitable organization, the distributor shall provide written notice to the commission that includes:

(1) The distributor's name and contact information;

(2) The name of the licensed manufacturer, model and version number of the card-minding system;

(3) The name of the licensed charitable organization to whom the card-minding system was sold, leased, or otherwise furnished;

(4) The location where the card-minding system will be located;

(5) The expected startup date for use of the card-minding system;

(6) The total number of card-minding devices installed at the bingo premises;

(7) The modem number or IP address and protocol for remote access, if applicable; and

(8) A certification statement from the manufacturer that the remote connectivity is operating properly.

(p) Before the complete removal or hardware up-grade of any card-minding system, the distributor shall supply one copy of the data files to each licensed authorized organization that utilized the card-minding system and maintain one additional copy for a period of 2 years.

Lot 7005.04 Shared Carry-over Coverall Systems for Simulcasting Games.

(a) A shared carry-over coverall game shall only be simulcast using audio and video technologies that have been approved by the commission.

(b) The audio and video technology used to link the facilities may include cable, internet, satellite, broadband, or telephone technology, or any other means of electronic transmission that ensures the secure, accurate, and simultaneous transmission of the announcement of numbers or symbols in the game from the host hall to the participating hall(s).

(c) At a minimum, the equipment used to link the facilities shall:

- (1) Record the video and audio of the shared carry-over coverall game;
- (2) Support remote sales units that immediately communicate all sales directly to the main shared bingo game system computer;
- (3) Meet the “International Technical Standards for Electronic Gaming Machines” (Version 1.0, 10-28-14) set forth by the International Association of Gaming Regulators (IAGR), where applicable, available as noted in Appendix B;
- (4) Include a backup communication system that allows the participating halls to notify the host hall of any breakdowns in the system; and
- (5) Include an automatic or manual backup system to save all sales, financial, and game data.

(d) To obtain approval of a shared carry-over coverall system, a licensed manufacturer shall submit the following:

- (1) A written request to the commission on company letterhead; and
- (2) A copy of the certification from an independent laboratory that includes:
 - a. A detailed description of the equipment and related software applications that were tested, including applicable model number of specific equipment and the software version of the application used for testing;
 - b. A specific reference to the standard being tested and a statement that the equipment meets the standard, including the “International Technical Standards for Electronic Gaming Machines” (Version 1.0, 10-28-14) set forth by the International Association of Gaming Regulators (IAGR), as applicable, available as noted in Appendix B;
 - c. Certification that the systems meets the applicable requirements of RSA 287-E and this chapter; and
 - d. Any additional findings or issues of concerns that might affect the performance or play of the equipment;

(e) The commission shall approve a request submitted in accordance with (d) above when the system complies with RSA 287-E and this chapter.

(f) Except as allowed by (g) below, a shared carry-over coverall system that has been changed or modified shall not be sold, leased or otherwise furnished to any person for us in the conduct of bingo unless it has undergone additional testing and commission approval in accordance with (a)-(e) above.

(g) A manufacturer may conduct routine maintenance activities and replace secondary components of a card-minding device system without prior commission approval or additional testing as long as this activity does not affect the operation of any proprietary software or the manner in which a bingo game is played.

(h) If the manufacturer, distributor, charitable organization, or commission detects or discovers any defect, malfunction, or problem with the card-minding device system that affects the security or the integrity of the bingo game or card-minding device system, the manufacturer, distributor, or charitable organization shall immediately discontinue its use until the defect has been corrected or resolved.

Lot 7005.05 Game Patterns.

(a) Only game patterns that have been approved by the commission shall be used in a game of bingo.

(b) To obtain approval of a bingo game pattern that has not previously been approved by the commission, the charitable organization shall submit a written request to the commission that includes:

- (1) A written description of the proposed game; and
- (2) A sample of the proposed game pattern design.

(c) The commission shall approve a game pattern design when:

- (1) The game can be understood by the player; and
- (2) The game otherwise meets the requirements of RSA 287-E and this chapter.

(d) Bingo game patterns approved for one charitable organization may be used by any other charitable organization without additional authorization.

Lot 7005.06 House Rules.

(a) A charitable organization shall adopt and follow house rules that do not violate RSA 287-E or this chapter, and address a minimum of the following:

- (1) What constitutes a bingo and whether or not the last number called need be involved;
- (2) The responsibility of the bingo player to make it known to the game officials that the player has a bingo;
- (3) Reserved seating policies;
- (4) The start and end time for purchasing bingo cards;
- (5) Availability, use and sale of special cards for the blind or handicapped;
- (6) Card exchange, if allowed;
- (7) If the charity uses a mixing machine, whether or not the mixing machine will be shut off before a bingo has been verified ~~or during a progressive coverall game;~~
- (8) Whether or not regular card purchase is necessary to play the winner-take-all game;

Commented [KV3]: TO DO: Consider revising this section and adding something about having game procedures available. This could be the manufacturer's instructions on how to play a given game, or the instructions developed by the charity for certain games and promotions.

Rhonda note that the patterns are "on the board for players to follow and the volunteers are the best course of action to explain game play to players."

(9) What constitutes an official ball, such as requiring that both the letter and number be announced by the caller before a ball is considered official, even if the ball has been shown on the video monitor;

(10) Smoking/non-smoking policy which shall comply with RSA 155:66 through RSA 155:70;

(11) Use of a card-minding device that allows a player to play several cards at the same time;

(12) The consolation prizes and the manner in which they will be awarded;

(13) The effective date of the house rules;

(14) The criteria for awarding ~~the free plays/coupons~~;

~~(15)~~ The name of a member of the charitable organization to be contacted by a player with comments, concerns or questions;

~~(16)~~ That the bingo game will be conducted in accordance with RSA 287-E and this chapter; and

~~(17)~~ If applicable, criteria relative to the availability, use, and sale of special cards for use by individuals with disabilities.

~~(b) The charitable organization shall maintain copies of all house rules that were in effect within the prior 2 years, and make such documents available to the commission upon request. In addition to the requirement in Lot 7003.02(d)(4), the charitable organization shall file any amended house rules with the commission at least 30 days prior to the first bingo event at which the amendments are scheduled to take effect.~~

~~(c) The commission shall approve the organization's house rules when such rules comply with the requirements of (a) above and otherwise meets the requirements set forth in RSA 287-E and this chapter.~~

(d) Prior to the start of the first game of a bingo event, the charitable organization shall ensure that a public announcement is made letting players know where copies of the house rules are located and how copies can be obtained.

Lot 7005.07 Game Programs.

(a) A charitable organization shall only play bingo games as identified on a game programs.

(b) The game program shall not include:

(1) Games designed to be concluded quickly for the sole purpose of allowing the operation of electronic Lucky 7 machines, such as games with multiple "wild" or "free" spaces;

~~(2)~~ Games, such as "dealer's choice" for which the style of play is not disclosed in advance;

~~(3)~~ Games for which the odds of winning are not weighted against the player;

~~(4)~~ Cumulative prize values that exceed the limit specified in RSA 287-E:7, XI-XVI; and

(54) Game that do not otherwise meets the requirements of RSA 287-E and this chapter.

(c) The game program shall include the following information:

- (1) The name of the charitable organization that will be sponsoring the game(s);
- (2) The name of the member of the charitable organization, or the gaming consultant designated to act as the gaming manager, in accordance with Lot 7006.04(f);
- (3) The effective date of the program and the date(s), day(s) of the week, and time(s) the program applies to;
- (4) The location where the proposed game(s) will be held;
- (5) The list of all the proposed games in the order in which they will be played;
- (6) If the game program includes a shared bingo game, the name of the host hall and participating halls;
- (7) The prices for each card, sheet, package or packet to be sold, including the number and price for each card, sheet included in each package or packet;
- (8) The fee charged for ~~using the use of a bingo~~ card-minding device, if applicable;
- (9) Any prizes, tokens or awards to be offered, including door prizes and ~~free play coupons~~, the criteria for winning, and any factors used to determine the payout of such prizes, tokens or awards; and
- (10) Whether prizes are subject to increase or decrease based on actual attendance, and if so, how attendance will affect the prizes.

(d) The charitable organization shall maintain copies of all house rules that were in effected within the prior 2 years, and make such documents available to the commission upon request. file any amended game schedule with the commission at least 5 days prior to the first bingo event at which the amendments are scheduled to take effect.

Lot 7005.08 Coupons and Gift Certificates.

(a) A charitable organization shall not offer free or discounted bingo cards to participants except as allowed by (b) below.

(b) A charitable organization may award coupons redeemable for bingo cards as a bingo prize, promotional prize, or as a prize in a raffle provided the bingo cards are accounted for in the following manner:

(1) Each coupon shall:

a. Be sequentially numbered;

b. Include the following information on its face:

1. The name of the licensed charitable organization issuing the coupon;

2. A clear description of the type of bingo card(s) the coupon can be redeemed for; and

3. The dollar value of the coupon;

(2) The dollar value of the coupon shall be:

a. Determined by the organization's posted selling price of the bingo card(s) described on the coupon.

b. Included in the organization's bingo gross receipts for the bingo event at which the coupon is redeemed; and

c. Included when determining the organization's compliance with RSA 287-E:7, XI, limiting the total value of all prizes awarded in at a single event to \$4,000; and

(3) If the bingo cards are to be awarded as a raffle prize, the organization shall pay for the coupon with proceeds from the organization's raffle account.

(4) Redeemed coupons shall be:

a. Signed by the player redeeming the coupon; and

b. Signed and dated by the bingo worker accepting the coupon; and

c. Included in the bingo gross receipts of the bingo event; and

d. Retained with the daily records.

(c) Individuals who participate in the operation of a bingo event shall not be eligible to receive or redeem coupons or discounts of any kind.

(d) A licensed organization may sell gift certificates to be used exclusively for the purchase of bingo cards as follows:

(1) Any such gift certificate shall clearly indicate the name of the licensed organization issuing the certificate, and that it is redeemable only for the purchase of bingo cards;

(2) The only acceptable methods of payment for a gift certificate shall be cash, check, or bank credit or debit card;

(3) A receipt shall be issued by the charitable organization for each sale; and

(4) The proceeds from the sale of bingo card gift certificates shall be deposited in the licensed charitable organization's bingo checking account; and

(5) The value of all gift certificate shall be included in the bingo gross receipts of the bingo event at which it is redeemed.

(e) A licensed charitable organization shall not offer coupons or gift certificates unless such coupons or gift certificates are made available to all players.

PART Lot 7006 GAME OPERATIONS

Lot 7006.01 Internal Controls.

(a) Each charitable 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, which ensure that:

- (1) Assets are safeguarded;
- (2) Financial records are accurate, reliable and permit proper reporting of gaming revenue, fees and taxes;
- (3) Functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound business practice by competent, qualified personnel, with no individual in a position that would allow them to perpetuate and conceal errors or irregularities in the normal course of duties;
- (4) The integrity of the game is preserved by preventing unauthorized access, misappropriation, forgery, theft, or fraud;
- (5) Controls that have been put in place are effective, and that any abnormalities are investigated and addressed;
- (6) Transactions are performed only in accordance with management's general or specific authorization;
- (7) Transactions are recorded adequately to permit proper reporting of gaming revenue and of fees and taxes due, and to maintain accountability for assets;
- (8) Recorded accountability for assets is compared with actual assets at reasonable intervals, and appropriate action is taken with respect to any discrepancies; and
- (9) Accountability for assets is maintained in accordance with generally accepted accounting principles; and

(b) The internal controls required by (a) above shall include a minimum of the following:

- (1) Controls relative to the segregation of duties such that no one person or group within the organization has complete control over a business process or multiple steps within that process;
- (2) Controls relative to the access to bingo papers, including maintaining bingo papers in a secure location, and restricting accessible to authorized individuals only;
- (3) Controls relative to bingo paper inventory to assure that bingo inventory can be accounted for, and shall include a minimum of the following:

a. Assigning the control of bingo paper inventories to individuals such that:

1. The individual in control of the perpetual inventory is independent of the monthly physical inventory and bingo paper sales; and
 2. The individual in control of the monthly physical inventory is independent of the perpetual inventory and bingo paper sales;
- b. Maintaining a perpetual inventory control log that tracks bingo cards from receipt until use or permanent removal from inventory;
- c. Maintaining records relative to the issuance and return of bingo card inventory, including the requirement that such records be signed by the issuer and recipient under the following events:
1. Issuance of inventory from storage to a staging area
 2. Issuance of inventory from a staging area to the sellers
 3. Return of inventory from a staging area to storage; and
 4. Return of inventory from the seller to the staging area or storage.
- d. Conducting monthly physical inventory counts to ensure that bingo card inventory can be accounted, and bingo cards have not been marked, altered, or otherwise manipulated;
- e. Implementing a monthly process by which a person or persons independent of bingo sales and inventory control:
1. Reconciles the ending balance of the perpetual inventory to the physical inventories to ensure that no inventory is missing; and
 2. Investigates and resolves all discrepancies discovered by the monthly reconciliation;
- (4) Controls relative to bingo paper sales, including:
- a. Documenting and maintaining records that adequately record, track and reconcile all bingo cards sales and voids, including a minimum of the following:
1. The date(s) the bingo papers were sold or voided;
 2. The total number of bingo cards issued, sold, and returned;
 3. The dollar amount of bingo card sales;
 4. The signature, initials, or other identifier of the individual preparing the record; and
 5. Signature, initials or other identifier of an independent agent who verified the bingo cards returned to inventory and the dollar amount of bingo card sales; and

b. Requiring that the total sales of all bingo paper sales are verified by an authorized individual independent of the bingo paper sales being verified;

d. Restricting access to the bingo paper sales records to authorized individuals;

(5) Controls relative to ensuring that the equipment used in the conduct of the bingo event are in good working order as required by Lot 7005.01;

(6) Controls relative to payouts of winning bingo cards, including:

a. Ensuring that an individual who sell bingo cards are not the sole verifier of bingo cards for prize payouts;

b. Requiring that all prize payouts of \$500 or more are documented and verified by at least 2 authorized individuals;

c. Recording, tracking and reconciling all redeemed bingo papers and payouts;

Lot 7006.02~~4~~ Documents to be Displayed. The following documents shall be prominently displayed within the hall in areas that are accessible to and easily seen by the public, including in the immediate area where the bingo games are played:

(a) The current bingo license of the charitable organization hosting the game;

(b) The license issued to a commercial hall where the games are conducted, if applicable;

(c) A copy of the current game program;

(d) A sign advising the public of the phone number where complaints related to charitable gaming may be made; and

(e) At least one copies of each of the following:

(1) RSA 287-E;

(2) This chapter; and

(3) The organization's house rule's developed in accordance with Lot 7005.06 above.

~~Lot 7006.02 - Auxiliaries.~~

~~(a) Auxiliaries are any group of people functioning in a subsidiary capacity to assist the primary charitable organization.~~

~~(b) Auxiliaries may assist the primary charity in the operation of a bingo game if all of the following are true:~~

~~(1) The auxiliary has been in existence for 2 years;~~

~~(2) The auxiliary was not formed for the primary purpose of operating bingo games; and~~

~~(3) The auxiliary does not hold a bingo license in its own name.~~

Lot 7006.03 Operations of a Bingo Game.

~~(a) The charitable organization shall conduct games in a manner that ensures that no person, player, employee, volunteer, or licensee can engage in any act, practice, or course of conduct that would adversely affect the integrity or outcome of any bingo game.~~

~~(b) For each bingo event, the charitable organization shall designate a member of the charitable organization or engage a gaming consultant to act as the gaming manager.~~

~~(c) The gaming manager shall be responsible for:~~

~~(1) Ensuring that the games are conducted in accordance with RSA 287-E and this chapter, and that illegal gambling is not conducted on the premises;~~

~~(2) Determining program content, prize level requirements, products to be purchased and put into play;~~

~~(3) Overseeing the bingo event by reviewing and monitoring the conduct of the games, and supervising individuals involved in the operation;~~

~~(4) Ensuring that all receipts and disbursements have been properly accounted for, and all source documents and inventory records are complete and reconciled;~~

~~(5) Verifying proper accounting of all gambling expenditure, equipment, assets and receipts;~~

~~(6) Controlling the execution of the games, including payouts and the preparation of transaction records;~~

~~(7) Ensuring that all security measures and internal controls are in place to protect the integrity of the games and gaming assets; and~~

~~(8) Remaining on the premises during the bingo event to address and resolve any issues that occur during the bingo event;~~

~~(d)~~ Pursuant to RSA 287-E:1, V-a, bingo shall only be played at a licensed commercial ~~bingo~~-hall, or at a facility owned by a charitable organization or governmental subdivision.

~~(e)~~ Pursuant to RSA 287-E:7, IX, the charitable organization shall not charge a fee for admission to bingo games.

~~(f)~~ The charitable organization shall not charge for any door prize ticket.

~~(g)~~ The total value of any individual door prizes shall not:

(1) Exceed \$500.00; and

(2) Be pro-rated over multiple bingo events to meet the \$500 limit.

(~~h~~e) Except as allowed by RSA 287-E:10 and RSA 287-E:13, no individuals under 18 years of age shall be allowed in the gaming area while a bingo game is being conducted.

(~~i~~f) Only individuals authorized in accordance with RSA 287-E:7, I and RSA 287-E:10-13 shall operate bingo games.

(~~j~~e) When a charitable organization engages the services of one or more gaming consultants, the charitable organization shall ensure that a majority of the individuals participating in the operation of the bingo event are ~~volunteers~~members of the charitable organization.

(~~k~~) Each person ~~participating in the operation of a bingo event~~working at a bingo game shall:

(1) ~~Wear on his or her outside clothing, in plain view, an identification insignia or badge measuring no less than 2-1/2 inches by 3-1/2 inches in size and indicates: Wear an identification badge that shall bear the worker's name and the name of the charitable organization of which that person is a member;~~

a. ~~The name of the individual working the event;~~

b. ~~The name of the charitable organization operating the event; and~~

c. ~~Either the word "member" or "gaming consultant" to indicate the individual's authority to participate in the operation of the game. For the purposes of this paragraph, "member" refers to any individual authorized to assist with the operation in accordance with RSA 287-E:7, I; and~~

(2) Be prohibited from purchasing lucky 7 tickets or playing bingo until after they are no longer working, and have returned all revenue and unsold tickets and cards in their possession to the organization's chairperson, treasurer or designee overseeing the event.

(~~l~~) ~~Bingo papers and lucky 7 tickets shall not be made unavailable to other players or otherwise set aside for individuals working the bingo event to purchase once they are no longer working.~~

(~~m~~) Bingo paper sheets sold in packets shall not be taken apart and sold as individual sheets;

(~~n~~) The licensed organization shall:

(1) ~~Post the price structure for all bingo cards at the location in the premises where bingo cards are sold; and~~

(2) ~~Offer the same price structure for the purchase or use of all bingo cards, to all players at the bingo event.~~

(~~o~~) ~~Pursuant to RSA 287 E:7, VIII, t~~The price of a single bingo card, whether sold individually or as part of a sheet, package or packet, shall not exceed \$1 per card ~~per bingo event~~. Individual games that offer a multiple prize payout, based on prizes normally offered, shall also not exceed ~~a cost of~~ \$1 per card ~~per bingo event~~.

(~~p~~) The charitable organization shall allow anyone to purchase a minimum of one card, sheet, package, or packet depending on what is being sold at a particular bingo game and shall not charge anyone more than the maximum price as specified in (~~h~~m) above.

(q) A licensed charitable organization may have a graduated price structure for the purchase of different types or packets of bingo cards; however, the organization shall not offer discounts on the price charged for disposable paper bingo cards or packets unless the discounted cards or packets are of a different color and of a different series than the regular priced cards or packets. For example, a licensed organization could have the following price structure on disposable paper bingo cards or packets:

<u>Regular Price</u>	<u>Discounted Price</u>
<u>3 ON Red Booklet \$5.00</u>	<u>3 ON Yellow Booklet 2 for \$9.00</u>
<u>6 ON Blue Booklet \$9.00</u>	<u>6 ON Green Booklet 2 for \$15.00</u>
<u>9 ON Orange Booklet 12.00</u>	<u>9 ON Purple Booklet 2 for \$20.00</u>

(r) Prior to changing the price structure or adding a new card or packet to the price structure, the charitable organization shall ensure that a physical inventory is taken of the disposable paper bingo cards that will be affected by the price change.

(s) A charitable organization shall not use the same serial numbered paper bingo cards for more than one game or group of games during a bingo event, unless the face of a card is a different color or a paper card tracking number is used.

(t) Prior to the calling of the first ball draw of each game, the criteria to win, including the winning game pattern, and the prize amount for each game shall be clearly described and audibly announced.

(u) With the exception of concealed-face games, no bingo cards or sheets shall be sold for use in any game after the first ball has been called for that game.

(v) The charitable organizations shall use:

- (1) A lighted game board; and
- (2) A mixing machine.

(w) Prior to the first bingo game of the day, the caller or operator shall announce that all of the balls are in the rack and are available for inspection by anyone who wishes to inspect the system.

(x) Before each game is started, the criteria to win, including pattern and any other requirements, shall be announced. This information shall also be posted and/or listed in the bingo event program.

(y) The caller or operator drawing the bingo balls during each game shall:

- (1) Draw one ball at a time;
- (2) Have no discretion over which ball is drawn;

~~(3) Announce the number drawn simultaneously to all players, in such a manner that a typical player would be able to hear the number being called;~~

~~(3) After each ball is drawn:~~

a. Clearly announce the letter and number of the drawn ball in such a manner that a typical player would be able to hear the number being called;

ab. Display the ball in a manner that makes the ball visible to players throughout the gaming area, such as through the use of video monitors; and

c. Place the ball in a receptacle to prevent it from being placed back in the selection pool;

bd. Indicate the ball using the lighted game board, unless the requirement of a lighted game board is waived in accordance with (m) and (n) above; and

~~(5)~~ Not use any electronic device capable of receiving communication by voice, text, or email.

(y) A winning card must be verified by an individual authorized to participate in the operation of the event and one neutral player or person unless an electronic bingo card verifier is used, and the display of an electronic bingo card verifier is shown to all players on a monitor.

~~(q) As specified in Lot 7007.01(c)(9) below, the charitable organization shall issue a separate check for each prize of \$500 or more. Prizes of less than \$500 may be paid in cash.~~

(zf) In accordance with RSA 287-E:7, XI, all prizes, tokens, or awards used, given, offered or awarded in connection with any game or series of games conducted at the same bingo event shall not exceed the total value of \$4,000, up to \$500 of which may be provided by the commercial hall, except that:

(1) In accordance with RSA 287-E:7, XIII, during any game or series of games conducted at any one bingo event by a charitable organization, no more than 4 winner take all games may be conducted in which the total amount paid by the players shall be divided among the winners of that game; and

(2) In accordance with RSA 287-E:7, XV, a progressive coverall game ~~or a shared carryover coverall game~~ shall not have a total of prize and bonus combined exceeding \$3,000.

(aa*) The charitable organization may offer prizes including door prizes, tokens or awards, provided that the amount of those prizes, tokens or awards are calculated as part of the daily prize limits specified in (r) above.

(ab*) The value of ~~free plays/coupons~~ awarded shall ~~not~~ be included as part of the daily prize limit specified in (zf) above.

(ac*) The charitable organization shall include the wholesale cost of any door prize, token or award in the daily prize limit.

(ad*) Except as required by Lot ~~7007.01(a)(2);7006.04(b)~~, the charitable organization shall have a separate checking account for depositing bingo and lucky 7 revenue at a financial institution in New Hampshire, as required by RSA 287-E:9,IV.

(ae*) If the bingo event is cancelled, the charitable organization shall notify the commission in writing within 24 hours of the cancelation, as required by Lot 7004.04(s). Failure to comply with this requirement shall result in the organization forfeiting its right to a refund of the license fee for that game date.

Lot 7006.04 Operations of Carry-over Coverall, Winner-Take-All, and Progressive Coverall Games.

(a) The following shall apply to all carry-over coverall games as defined by Lot 7002.07:

~~(1) A charitable organization may offer only one carry-over coverall game during any given bingo event;~~

(2) ~~The accumulated prize money~~ shall be awarded when a player achieves coverall within 50 or fewer balls;

~~(3) A bonus prize shall not be included in the prize payout;~~

~~(4) If no player achieves coverall within 50 or fewer balls:~~

a. A consolation prize shall be awarded to the first player who achieves coverall, which shall be paid from the accumulated funds; and

b. The remaining prize money shall roll over to successive bingo events, and continue to accumulate until there is a winner;

~~(4) The following shall apply to all prizes:~~

~~a. All prizes shall be paid from the accumulated prize money;~~

~~b. A bonus prize shall not be included in the prize payout; and~~

~~c. The prize pool shall not be seeded;~~

(5) The charitable organization shall pay a tax of 7 percent of the total amount collected from participants; ~~and~~

(6) Other bingo game configurations may be played concurrently with the carryover coverall game.

~~(7) Remaining funds shall be deposited in a separate bank account as specified in Lot 7007.01(a) below; and~~

~~(8) A charitable organization with an unclaimed carry-over coverall prize pool may move its bingo events to a new game time, day of the week or location provided that:~~

~~a. At least 14 days prior to the change, the organization:~~

~~1. Submits a written notification to the commission which includes all relevant details such as the new time, date or location, and the reason for the move; and~~

~~2. Notifies players by prominently posting a public notice at the gaming facility, and on any social media accounts held by the organization announcing its intent and providing details relative to the new time, date or location; and~~

~~b. The accumulated jackpot is transferred in total, and the operation of the game continues otherwise unchanged; and~~

Commented [VK4]: TO DO: Should charities be prohibited from having difference COCAs for different nights of the week (only 1 COCA per charity vs. per charity per night of the week).

Commented [VK5]: TO DO: Confirm if a charity must award the entire accumulated jackpot or if they can award only some of the accumulated fund and keep the rest in the pool to keep the jackpot from zeroing out.

(9) A charitable organization with an unclaimed carry-over coverall prize pool may cease to offer the game provided that the organization:

a. Develops rules to award fully distribute the carry-over coverall prize pool in a manner that is fair and preserves the integrity of the game, including calling balls until a player achieves coverall;

b. At least 14 days prior to its final carry-over coverall game:

1. Submits a written request for approval to the commission that includes a copy of the rules developed in accordance with a. above, and any other relevant details including the date and time of the final game; and

2. Prominently posts a public notice at the gaming facility, and on any social media accounts held by the organization announcing its intent to close the game, and the rules developed in accordance with a. above, and

c. At the event where the final carry-over coverall prize pool will be awarded:

1. Prominently display the rules developed in accordance with a. above in the immediate area where the bingo cards and papers will be sold; and

2. Makes a public announcement at least 30 minutes prior to the commencement of the carry-over coverall game informing players where carry-over coverall game pieces can be purchased and where the rules posted in accordance with c. above are located.

(10) In the event the charitable organization's license expires, is not renewed, is suspended, revoked, or surrendered, or if the organization permanently terminates its bingo operations or terminates its operations at a particular location before the carry-over coverall prize pool can be awarded the organization shall submit a plan to the commission for fully distribute the carry-over coverall prize pool in a manner that is fair and preserves the integrity of the game.

(11) The commission shall approve a plan submitted in accordance with (a)(8)a.1., (a)(9)b.1. or (a)(10) above when the commission determines that the plan demonstrates that the carry-over coverall prize pool will be distributed in a manner that is fair and preserves the integrity of the game.

(b) The following shall apply to all winner-take-all games as defined by Lot 7002.28:

(1) A charitable organization may offer up to 4 winner-take-all games during any given bingo event;

(2) Charitable organizations that include winner-take-all cards or sheets as part of a package or packet sold for a single price shall not discount the value of the winner-take-all cards and sheets when figuring the amount to be assessed for total sales, tax and payout.

(3) The value of any winner-take-all cards and sheets sold in packages or packets sold for use with a card-minding device shall be recorded at the same dollar amount as those sold for use without a card-minding device.

(24) The following game rules shall apply to any winner-take-all game:

- a. No more than 75 numbers shall be called in the game;
- b. No number shall be called more than once;
- c. The game may be played as a progressive game; and
- d. The total amount awarded in the game shall:
 1. Be publicly announced and recorded by an authorized official of the charitable organization prior to the start of the game;
 2. Not exceed 86% of the total amount collected from the participants in the game; and
 3. Be divided among the winners;

(35) A predetermined bonus up to and including \$3,000 may be offered; ~~and~~

(46) From the total amount collected from participants, the charitable organization operating the game shall:

- a. Retain 7% as a game reimbursement fee; and
- b. Pay a tax of 7% to the commission; ~~and-~~

(7) Prize money shall not be carried over to successive bingo events or otherwise be allowed to accumulated.

(c) The following shall apply to all progressive coverall games as defined by Lot 7002.23:

- (1) A charitable organization may offer one progressive coverall during any given bingo event;
- (2) When offered, the progressive coverall shall be played on the second or last coverall;
- (3) A prize shall be awarded when a player achieves coverall within 50 or fewer balls, except as otherwise allowed by (6) below;
- (4) A bonus prize may be included in the prize payout;
- (5) The total prize and bonus combination shall not exceed \$3,000.;
- (6) If no player achieves coverall within 50 or fewer balls, a consolation prize may be awarded to the first player who achieves coverall.;
- (7) In accordance with RSA 287-E:8, a tax shall not be assessed on progressive coverall games; and
- (8) Other bingo game configurations may be played concurrently with the game.

~~(9) Any remaining prize money shall not be carried over to successive bingo events or otherwise be allowed to accumulate.~~

(d) The following shall apply to all carry-over coverall, and winner-take-all, and progressive coverall games:

(1) All money collected from the participants for each game shall be counted and kept separate from other moneys collected during the bingo event;

(2) The prize money shall be organization specific, and not transferable, ~~except as otherwise allowed by (8) below;~~

(3) Pursuant to Lot 7002.12, free play shall not be used in conjunction with any of these games;

(4) The charitable organization shall announce the total amount collected in sales relating to each game type prior to the start of the applicable game;

~~(5) As specified in Lot 7007.01(a) below, the charitable organization shall maintain a separate bank account at a financial institution with at least one office in New Hampshire into which all winner take all, carryover coverall, and progressive coverall funds are deposited;~~

~~(6) Withdrawals from the bank account specified in (5) above shall require the signature of both the charitable organization's treasurer and chairperson or their designee(s);~~

~~(7) When a charitable organization will be moving to a new location to hold its bingo events, the charitable organization shall either:~~

~~a. Award the entire accumulated jackpot prior to the last bingo event held at its current location; or~~

~~b. Bring the accumulated jackpot to the new location to continue the game.~~

~~(8) If a charitable organization will no longer be operating bingo events, the organization shall:~~

~~a. Award the entire accumulated jackpot:~~

~~1. Prior to the completion of its last bingo event; or~~

~~2. When compliance with a. above is not feasible, at a licensed bingo event offered by another charitable organization, and held within 45 days of the organization's last game date, and at the same or nearby location as to allow regular patrons of the organization's bingo events to participate; and~~

~~b. At least one week prior to awarding the jackpot, provide written notification to the commission and the organization's patrons relative to how the jackpot will be awarded, including jackpot amount, and the time and location of the bingo event at which the jackpot will be awarded.~~

~~(9) A charitable organization may change the day of the week that a game is played, provided that:~~

- ~~a. The game is operated at the same location;~~
- ~~b. A written is prominently posted in the bingo hall at least 30 days in advance notifying players of the charitable organization's intent to make the change;~~
- ~~c. The charitable organization notifies the commission in writing at least 30 days in advance of its intent to make the change;~~
- ~~d. The operation of the games does not change in any way, until the existing jackpots in play are won and fully disbursed; and~~
- ~~e. The jackpot funds remain in the same checking account as was originally designated prior to the change; and~~

~~(10) In the event the charitable organization's license expires, is not renewed, is suspended, revoked, or surrendered, or if the organization permanently terminates its bingo operations or terminates its operations at a particular location before the jackpots are awarded, the organization shall:~~

- ~~a. Determine a winner and award the jackpots on the licensee's last authorized bingo event at the location where the jackpots originated, regardless of the number of balls called; or~~
- ~~b. Allow the jackpots to be awarded at a single bingo event hosted by another licensed charitable organization within 3 weeks of the revocation, the date of which shall be publicly advertised for a minimum of one week prior to the event.~~

Lot 7006.05 Operations of a Shared Carry-over Coverall Game. In addition to the requirements in Lot 7008.04 above, a shared carry-over coverall game shall comply with the following:

(a) Prior to conducting a shared carry-over coverall game, all parties shall enter into written agreements which include:

- (1) The effective dates of the agreement and the protocol for early termination of the agreement;
- (2) The time and day of the week when the games will be shared;
- (3) The location where the game will be simulcast to and from;
- (4) A detailed breakdown of all costs associated with the running of the shared bingo games, including details of how expenses and proceeds of the game are to be allocated among the participating organization;
- (5) A clear indication of the equipment that will be provided by the host hall, and that which the participating hall will provide;
- (6) How game records are to be maintained; and
- (7) The procedure for either party to amend or terminate the conditions of the contract;

(b) The host hall shall provide a copy of the agreement required by (a) above to the commission:

- (1) Within 7 calendar days of entering into a new or revised agreement; and
- (2) At least 30-days prior to first shared carry-over coverall game the participating hall will be participating in under the agreement;
- (c) The host hall shall notify the commission within 7 days of any changes to its agreements with any participating hall(s), including the initiation or termination of any such agreements;
- (d) Only one shared carry-over coverall game shall be permitted per bingo event, and in conjunction with a complete bingo program;
- (e) In the event that there is no winner:
 - (1) The prize money shall be carried over to the next game date held at the same time and day of the week, and continue to accumulate until there is a winner;
 - (2) A pre-designated consolation prize may be awarded to the first person who achieves coverall; and
 - (3) No bonus prize shall be included in the prize payout;
- (f) The number shall be selected by a live person. A random number generator shall not be permitted;
- (g) Shared carry-over coverall shall be played using traditional paper or tangible bingo cards and daubers, and shall not be played using electronic devices, with the exception of card-minding devices;
- (h) A player shall be limited to 18 cards, or “faces”;
- (i) Cards shall not be distributed free, discounted or be included as part of a package or packet sale;
- (j) In the event a connection is interrupted or lost:
 - (1) The game shall be suspended at all participating halls until such time as the live feed is restored, provided the interruption does not cause a competitive disadvantage to some players by reducing their chances of winning; or
 - (2) The game shall be cancelled and the players refunded when the feed is not restored within 2 hours, or the interruption causes a competitive disadvantage to some players by reducing their chances of winning;
- (k) No individual, corporation, partnership, or other legal entity, except the organization authorized to conduct or participate in a remote caller bingo game, shall hold a legally cognizable financial interest in the conduct of that game;
- (l) All prizes, excluding consolation prizes, shall be paid by check within 72 hours of the awarding of the prize;
- (m) The receipts of the bingo game shall be used only for charitable purposes. The organization conducting the game shall determine the disbursement of the net receipts of the game; and
- (n) Gross revenue, before prizes, shall be distributed as follows:

- (1) The host hall shall retain the profit percentage set by the commission in accordance with RSA 287-E:13-a, which shall not be less than 7%;
- (2) Participating halls shall retain the profit percentage set by the commission in accordance with RSA 287-E:13-a, which shall not be less than 7%;
- (3) Seven percent shall be retained to pay the bingo tax required by RSA 287-E:8; and
- (4) The remainder to be returned to the players as prizes.

Lot 7006.06 Bingo Games Conducted at Agricultural Fairs.

- (a) A charitable organization may operate bingo at an agricultural fair when designated to do so by the organization conducting the fair.
- (b) In accordance with RSA 287-E:10, bingo games shall only be conducted on those days during which the agricultural fair holds its annual bona fide agricultural exhibition.
- (c) All applicable provisions of RSA 287-E and this chapter shall apply to bingo games conducted at agricultural fairs, with the following exceptions:
 - (1) As allowed by RSA 287-E:10, IV, individuals under 18 years of age may be admitted to the premises on which the bingo games are being conducted when accompanied and supervised by a parent or legal guardian, however, these individuals shall not be permitted to play; and
 - (2) In accordance with RSA 287-E: V, there are no limits on the total value of prizes, tokens or awards given for any game or series of games.
- (d) The charitable organization shall indicate on its application submitted in accordance with Lot 7003.02 above which bingo events, if any, will be held at an agricultural fair.
- (e) In accordance with RSA 287-E:10, VII, the organization conducting the agricultural fair shall not charge a higher ground rent, a concession fee or any other fees to the licensed charitable organization designated to operate the bingo games than it would charge for the same or similar location for other types of concessions on the fair grounds.

Lot 7006.07 When Lucky 7 Tickets are Sold in Conjunction with a Bingo Event.

- (a) A charitable organization may sell lucky 7 tickets in conjunction with a bingo event, as allowed by RSA 287-E:20 - 21, and Lot 7106.03, only when:
 - (1) Authorized by the commission, as indicated on the organization's bingo and lucky 7 licenses; and
 - (2) The games qualify as a bingo event as defined by Lot 7002.02.
- (b) If the bingo event is cancelled, the charitable organization shall notify the commission in writing within 24 hours of the cancellation, as required by Lot 7004.04(s).

(c) Lucky 7 tickets are intended to enhance and not take the place of bingo games, and as such no charitable organization shall cancel bingo events or otherwise fail to host viable bingo events for the sole purpose of allowing the sale of lucky 7 tickets to take place.

(d) Lucky 7 tickets shall not be sold at a bingo event that is not licensed by the commission, such as a senior bingo as described in RSA 287-E:11.

PART Lot 7007 ~~FINANCIAL RECORDING~~ AND REPORTING REQUIREMENTS

Lot 7007.01 General Recordkeeping Requirements For All Licensees.

(a) Each licensee shall:

(1) Maintain complete and accurate records with detailed supporting and subsidiary records sufficient to furnish information regarding all transactions pertaining to its bingo activities for a period of at least 2 years; and

(2) Make all records required by this section available upon request of the commission or its authorized representative.

(b) If a licensee has been identified through inspection, audit, or other means as having deficiencies in complying with statutory or regulatory requirements or having ineffective internal controls, the commission shall impose restrictions or additional record keeping and financial reporting requirements.

Lot 7007.02 Specific Recordkeeping Requirements for Manufacturers and Distributors.

(a) To comply with Lot 7007.01 above, each licensed manufacturer and distributor shall maintain a minimum of the following for at least 2 years:

(1) Invoice numbers and shipment dates;

(2) The name, address and license number of the licensee making the purchase;

(3) A description of the bingo cards and sheets sold including:

a. Serial number;

b. Color;

c. Cut of the paper;

d. Quantity; and

e. Marketing name; and

f. Manufacturer; and

(4) The quantity and cost of each item.

Lot 7007.03 Specific Recordkeeping Requirements for Charitable Organizations.

(a) To comply with Lot 7007.01 above, each licensed charitable organization shall maintain a minimum of the following for at least 2 years:

- (1) Copies of all policies and procedures related to bingo;
- (2) Any records or documents necessary to track bingo cards and sheets from the date of purchase through the final disposition including:
 - a. Copies of invoices provided by the distributor; and
 - b. Inventory controls records required by Lot 7006.01(b)(3) above;
- (3) For each bingo game:
 - a. The center or free-space number of all winning cards;
 - b. The quantity of winning cards;
 - c. The game name or number as described on the game program and
 - d. The number of balls called;
- (4) For each progressive and carry-over coverall game, the number of balls called and the value of the prize; if carried over;
- (5) A record of each awarded prize with an indication of whether the prize was paid by cash or by check;
- (6) The following documents relative to each bank account required by Lot 7007.04(a)(1) below:
 - a. Check registers which details all deposits and disbursements;
 - b. Bank statements and reconciliations; and
 - c. Cancelled checks and bank deposit slips;
- (7) Work schedules and assignments of all employees, bona fide members and gaming consultants involved in the operation of each bingo event; and
- (8) All written contracts, agreements, leases, rental agreements, or any other statement of understanding; and

Lot 7007.04+ Financial Requirements for Charitable Organizations.

(a) Pursuant to RSA 287-E:9, IV, the charitable organization shall:

- (1) Maintain the following separate checking accounts at a financial institution in New Hampshire: of all income related to bingo and lucky 7:
 - a. A checking account solely for deposit and disbursement of all bingo and lucky 7 revenue, except as provided by (2) below; and

Commented [VK6]: TO DO: Confirm serial number issue noted below.

COMMENT: Several commenters felt this requirement held no value. P. LaFlamme also stated that sheets and bingo brains to not have serial numbers associated with the (individual) winning card.

RESPONSE: This is an internal control that helps prevent and identify errors and/or fraudulent activities.

Revised to reflect language and requirements in NAGRA Bingo Record-Keeping and Reporting Standards (2011)

b. A checking account solely for deposit and disbursement of all carry-over coverall revenue;

(2) Deposit all receipts from each bingo event, except for cash used to make prize pay-outs, from the appropriate account as described in (1) within 2 days of the bingo event at which the funds were received;

(3) Separately identify money deposited from bingo and lucky 7 revenue on each deposit slip;

(4) Use the funds in the account specified in (1) above only for:

a. Expenditures related to bingo or lucky 7; or

b. Disbursement of bingo or lucky 7 proceeds for a charitable purpose;

(5) Pay all expenses by preprinted, consecutively numbered check or electronic funds transfer from the organization's charitable gaming account specified in (1)a. above; and

(6) Not withdraw funds from the accounts required by (1) above by withdrawal slip or by writing checks payable to "cash.

~~(a) Pursuant to RSA 287 E:9, IV, the charitable organization shall maintain the following separate checking accounts at a financial institution with at least one office in New Hampshire for the deposit and disbursement of all income relating to bingo and lucky 7, except cash prizes awarded at the games:~~

~~(1) A checking account solely for depositing bingo and lucky 7 revenue; and~~

~~(2) A checking account solely for depositing winner take all, carryover coverall and progressive coverall revenue.~~

~~(b) The charitable organization shall only use the funds in the account specified in (a)(1) above for:~~

~~(1) Expenditures related to bingo or lucky 7; or~~

~~(2) Disbursement of bingo or lucky 7 proceeds for a charitable purpose for which the organization is created.~~

~~(c) The charitable organization shall:~~

~~(1) Deposit all receipts from bingo, except for cash used to make prize pay-outs of less than \$500 per prize, and the amount retained as a cash back, into the bingo account within 2 days of the bingo event;~~

~~(2) Not commingle bingo and lucky 7 funds with other funds of the charitable organization;~~

~~(3) Separately identify money deposited from bingo and lucky 7 revenue;~~

~~(4) Pay all expenses by consecutive numbered checks or electronic funds transfer;~~

~~(5) Not withdraw funds by withdrawal slip or by writing checks payable to "cash;~~

~~(7) Not transfer or deposit any funds, other than bingo or lucky 7 revenues, into the account specified in (a)(2) above, except as allowed by (8) below;~~

~~(8) Transfer the 7% reimbursement fee specified in Lot 7007.02(d) below from the account specified in (a)(2) above to the account specified in (a)(1) above;~~

~~(9) Pay all prizes of \$500 or more by preprinted, consecutively numbered checks from the account specified in (a)(1) above; and~~

~~(10) Retain all cancelled checks for payment of expenses and prizes for at least 2 years.~~

~~(d) A charitable organization shall:~~

~~(1) Maintain complete and accurate financial documentation related to the operation of bingo games with sufficient detail to enable preparation and verification of the monthly financial reports required by Lot 7007.03 below;~~

~~(2) Keep the bank statements for the bingo account on the premises where the tickets are sold;~~

~~(3) Retain financial documentation, including receipts and invoices, relative to all revenue and expenses contained in the financial reports required in Lot 7007.03 below, and all cancelled checks for payment of expenses and prizes, for at least 2 years;~~

~~(4) For items provided or donated at no cost to the organization, obtain and retain documented evidence from the donor that no costs was incurred by the organization; and~~

~~(5) Make all financial and account records, and inventory available upon request for inspection by the commission or its authorized representative.~~

Lot 7007.025 Bingo Tax and Game Reimbursement Fee.

(a) ~~Except as provided by (b) below~~In accordance with RSA 287-E:8, the charitable organization shall deduct and submit to the commission a tax equal to 7 percent of the total amount collected from participants ~~in any game, including any winner take all game, conducted in accordance with RSA 287-E:7, XIII, for the following games:~~

~~(1) Winner take all games;~~

~~(2) Carry over cover all games;~~

~~(3) Shared carry over cover all games~~

(b) A tax shall not be assessed on bingo games licensed under RSA 287-E:10 through RSA 287-E:13 or on progressive coverall games offered in accordance with RSA 287-E:7, XV.

~~(c) All charitable organizations shall deduct and submit to the commission a 7% tax for all progressive coverall games pursuant to RSA 287-E:7, XV based on the total amount contributed by the charitable organization.~~

~~(d)~~ The charitable organization shall submit the 7% tax required in (a) ~~and (b)~~ above to the commission ~~as part of the monthly financial report pursuant to in accordance with~~ Lot 7007.03 below.

~~(e)~~ In accordance with RSA 287-E:7, XIII(e), a game reimbursement fee equal to 7 percent of the total amount collected from participants in a winner take all game shall be paid to the charitable organization operating the game.

~~(f)~~ The charitable organization shall disburse all the monies received in winner-take-all games, except for the 7% tax and the 7% reimbursement fee as specified in (a)-(d) above.

~~(g)~~ ~~The charitable organization shall disburse all the monies received in bonus games to the winners, except for the 7% tax as specified in (a) (e) above.~~

~~(h)~~ The charitable organization shall not deduct any monies other than the tax and, if applicable, the fee described in ~~(e)~~ above, from winner-take-all ~~and bonus game~~ prize pools for any other purpose whatsoever.

~~(i)~~ In accordance with Lot 7006.04(b)(2)-(3) above, when figuring the amount to be assessed for total sales, tax and payout purposes, the charitable organization shall not discount the value of winner-take-all cards and sheets.

~~(j)~~ Charitable organizations that include winner take all cards or sheets as part of a package or packet sold for a single price shall not discount the value of the winner take all cards and sheets when figuring the amount to be assessed for total sales, tax and payout.

~~(k)~~ The value of any winner take all cards and sheets sold in packages or packets sold for use with a card minding device shall be recorded at the same dollar amount as those sold for use without a card minding device.

~~(l)~~ The charitable organization shall submit tax payments to the commission within 15 days pf the end pf the reported month.

Lot 7007.036 Reporting Requirements for Charitable Organizations.

(a) Each licensed charitable organization shall:

(1) Electronically complete a "Bingo Lucky 7 Monthly Financial Report (BL7MFR)" (7/2023) for each month in which the organization held a valid bingo license; and

(2) Electronically submit the BL7MFR to the commission within 15 days of the end of the reported month.

~~(a) Each licensed charitable organization shall complete and submit a "Bingo Monthly Financial Report (DMFR)" (1/2020) to the commission to document the organization's income and expenses with regard to bingo activities.~~

~~(b) A licensed charitable organization shall submit a report for each month in which the organization held a valid bingo license.~~

~~(c) Pursuant to RSA 287-E:9, I, the charitable organization shall submit the monthly report required by (a) above.~~

~~(1) Within 15 days after the expiration of each license when the license is issued on a monthly basis in accordance with RSA 287-E:6, II(a); or~~

~~(2) Within 15 days after the last game of the month when the license is issued on an annual basis in accordance with RSA 287-E:6, II(b).~~

(~~b~~) Failure to submit a BMFR within the timeframe ~~noted in (e)~~ required by (a)(2) above, shall subject the charitable organization to penalties per Lot 7008 below.

(c) The charitable organization shall maintain copies of the monthly financial reports and all supporting documentation for a period of 2 years from the date the monthly financial report was submitted to the commission.

~~(e) If a licensee has been identified through inspection, audit, or other means as having deficiencies in complying with statutory or regulatory requirements or having ineffective internal controls, the commission shall impose restrictions or additional recordkeeping and financial reporting requirements.~~

PART Lot 7008 PENALTIES

Lot 7008.01 Imposition of Penalties.

(a) Pursuant to RSA 287-E:14 and RSA 287-E:25, 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:30, 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) 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.
- (e) 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) Insure the integrity of charitable gaming in New Hampshire.

Lot 7008.02 Administrative Fines.

(a) Pursuant to RSA 287-E:14, I, when the commission imposes an administrative order or fine upon a person or entity for a violation of RSA 287-E or this chapter, the order shall be scaled to reflect the scope of the violation for each offense.

(b) When the commission has determined that a violation or violations of RSA 287-E, or this chapter have occurred, the commission shall send a written notice of the proposed fine(s), by certified mail or hand delivery, to the person, entity, applicant or licensee of the commission's intent to assess a fine.

(c) The written notice required under (b) above shall contain the following information:

- (1) The violation(s) alleged by the commission and the facts on which the allegations are based;
- (2) The statutory section(s) that authorize(s) the commissioner to impose a fine;
- (3) The amount of the fine for each violation sited and the total amount of fine(s) being sought; and
- (4) The respondent's right to request an adjudicative hearing prior to the imposition of the fine.

(d) In accordance with RSA 287-E:14, II, any administrative fine imposed under this section shall not preclude the imposition of further penalties or administrative actions under RSA 287-E or this chapter.

Lot 7008.03 Administrative Fine Schedule.

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

- (1) Of a nature, quality, or extent to effect or potentially effect 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.

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

- (1) Failing to prominently display documents, as required by Lot 7004.04(b);
- (2) Failing to make an announcement prior to the start of the game letting players know where to find copies of the house rules, and how copies can be obtained, as required by Lot 7005.06 (d);
- (3) Allowing individuals under the age of 18 on the premises where bingo is being conducted, as prohibited by Lot 7006.03(e); or
- (4) Failing to wear a properly issued identification badge, as required by Lot 7006.03(g).

(c) 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.

(d) 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 define in (a) above, but do not meet the level of severity of a major violation, as define in (g) below.

(e) 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 program;
- (3) Operating a game on a different date than the dates authorized by the license, without approval of the commission;

(4) Failing to maintain the bingo equipment in proper, working order, as required by Lot 7004.05(c);

(5) Failing to display the ball in a manner that makes the ball visible to players throughout the gaming area, or indicating the ball using a lighted game board as required by Lot 7006.03(p)(4); or

(6) Committing 3 or more minor violations within 2 years.

(f) 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.

(g) 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.

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

(1) Establishing, maintaining, operating, or otherwise offering a bingo event without a license, or with a suspended license;

(2) Falsifying a bingo license;

(3) Failing to make available any records required by the commission for investigation, monitoring or licensing purposes, as required by Lot 7007.01(d)(5);

(4) 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;

(5) Failing to cooperate during any visit authorized under RSA 287-E or this chapter;

(6) Failing to maintain a separate checking account at a NH financial institute for bingo and lucky 7 activities, as required by Lot 7007.01(a); or

(7) Committing 5 or more minor violations or 3 or more moderate violations within 2 years.

(i) 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.

(j) In determining the actual amount of a fine, the commission shall consider:

- (1) The degree of non-compliance;
- (2) Prior history of violations of the same or similar nature;
- (3) The consequences of the violation, including the economic impact to the state and other affected parties;
- (4) The nature and persistence of the violation;
- (5) The extent of any remedial or corrective action taken;
- (6) The good or bad faith exhibited by the cited individual(s);
- (7) Evidence that the violation was willful;
- (8) The extent to which the individual cooperated with the board's investigation;
- (9) The cost of any investigation or hearing conducted by the commission;
- (10) The licensee's ability to pay a fine assessed by the commission; and
- (11) Any other mitigating or aggravating factors.

(k) Except as otherwise noted, the penalties prescribed in (a)-(j) above shall be imposed for each day that the person, entity, applicant, or licensee is ~~found to be out of not in compliance, beginning with the date as indicated in that~~ the notification described in Lot 7008.02(b) above ~~is issued~~ and continuing for each day of non-compliance, or until the date of compliance.

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

- (1) If the recipient of a notice described in Lot 7008.02(b) 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 15 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 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.

(m) 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 or a basis for denying a subsequent license or renewal application or a basis for judicial action seeking to collect the fine.

(n) If a licensee or respondent fails to pay a fine in accordance with (l) 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.

(o) If a licensee corrects and then subsequently repeats a violation for which a fine was previously issued in accordance with (a)-(n) above, the fine shall be doubled from that of the previous 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 7008.04 License Revocation, Suspension, and Refusal to Renew.

(a) The commission shall revoke, suspend, or refuse to renew a license when, based upon the facts of the case, imposition of an administrative fine would not protect the public's interests.

(b) If a reason exists, as set forth in (c) below, to suspend, revoke, or refuse to renew a license the commission shall notify the licensee in writing of:

(1) The intended action;

(2) The reason(s) for the intended action;

(3) The licensee's right to request an adjudicative hearing to show compliance with all lawful requirements for the retention of the license, and that such a request shall be filed within 15 days of the date of the notice; 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.

(c) Except as allowed by (g) below, the commission shall proceed to revoke or refuse to renew a license if the commission determines that one or more of the following reasons for revocation exist:

(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 or a manufacturer or distributor allowing the required bond to lapse;

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

(3) An inability or unwillingness to comply with RSA 287-E, as it applies to bingo, 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 bingo games;

(5) Providing false information to the commission, including willfully and knowingly making false statements or makes false entries in any books or records with respect to any transaction connected with the holding, operating, and conducting of any bingo 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;

(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-E or this chapter; or

(15) Operating without a valid gaming license in any state or commonwealth in the United States.

(d) 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.

(e) Failure to comply with (d) above shall constitute separate grounds for further disciplinary action.

(f) In accordance with RSA 287-E:14, any licensee whose license is revoked shall be ineligible for licensure for a period of up to one year from the date of revocation.

(g) 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 exist; and

(4) The licensee demonstrates that any corrective actions that were ordered by the commission have been fully implemented.

(h) The commission shall proceed to suspend a license if the commission determines that one or more reasons to revoke as license, as described in (c) above, exist, but:

- (1) The licensee did not act with intent to deceive; and
- (2) The deficiency(ies) can be corrected to conform to applicable requirements.

(i) 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 (l) below.

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

(k) 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.

(l) 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.

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

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

(o) If, after receiving a request for renewal of a license, the commission has information that indicates that a reason, as set forth in (c) above, exists to refuse to renew the license, 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 for renewal.

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

Lot 7008.05 Immediate License Suspension.

(a) When the commission receives information indicating that a licensee has supplied false or incomplete 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 7008.06 Appealing a Decision.

(a) Any person aggrieved by the commission's decision to deny, suspend, or revoke a license 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 Lot 7008.02(c) 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 Lot 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 shall be deemed to have waived the right to an adjudicative hearing, and the penalty shall be affirmed.

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

Lot 7008.07 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-E:15, any person aggrieved by a decision of the commission to deny, suspend, or revoke a bingo license may apply to the commission for a rehearing within 15 business days from the date of the decision.

(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 shall 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 7008.08 Subpoenas.

(a) In accordance with RSA 287-E:14-a, 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.

PART Lot 7009 WAIVER OF RULES

Lot 7009.01 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;
- (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 beyond the approved period of time, 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: STATUTES IMPLEMENTED

Rule	Specific State Statute the Rule Implements
Lot 7001	RSA 287-E:2; and RSA 287-E:3, XIV
Lot 7002	RSA 287-E:1; and RSA 287-E:3, XIV
Lot 7003	RSA 287-E:3, I-II-a; RSA 287-E:4; RSA 287-E:5; RSA 287-E:6; RSA 287-E:8-a; and RSA 287-E:15
Lot 7004	RSA 287-E:3, V, VII, XII-XIV, and XV; RSA 287-E:7; and RSA 287-E:13-a
Lot 7005	RSA 287-E:3, XII, IX and XV; and RSA 287-E:8-a
Lot 7006	RSA 287-E:3, V- XII and XV; RSA 287-E:7; and RSA 287-E:13-a
Lot 7007	RSA 287-E:3, XII and XV; and RSA 287-E:9
Lot 7008	RSA 287-E:3, IV, XV and XVI; RSA 287-E:14; RSA 287-E:14-a; and RSA 287-E:15
Lot 7009	RSA 287-E:3, XV

APPENDIX B: INCORPORATION BY REFERENCE

Rule	Title	Obtain At
Lot 7005.04(c)(3) and Lot 7005.04(d)(2)b.	International Technical Standards for Electronic Gaming Machines, version 1.0 (10-28-14)	Available free of charge on the International Association of Gaming Regulators' (IAGR) website found at: https://iagr.org/sites/default/files/International%20Technical%20Standards%20for%20EGM%20%2828Oct2014%29.pdf