

Pursuant to RSA 287-I, the New Hampshire Lottery Commission ("Lottery") has been authorized to conduct and regulate sports wagering within the State of New Hampshire through the use of contracted agents and vendors.

This legislation, enacted as House Bill 480 (HB 480), allows three channels of sports wagering: internet mobile platform, physical sports book retail locations, and traditional lottery retailers. By law, all revenues raised by the Lottery Commission must go to Education. This brief overview is intended to answer questions players and municipalities may have about the law.

Q. How and where will players place bets?

A. There will be three platforms (channels):

- Internet mobile platform ("mobile app"), available throughout the State on the DraftKings Sportsbook app. Only players physically located within the borders of New Hampshire will be able to place wagers, deposit money, or withdraw money through the mobile app. Players from outside of New Hampshire are welcome to register and place bets as long as they are physically within the State. See draftkings.com for details, and support at support@draftkings.com.
- Physical sports books at up to ten locations around the State; to be determined in spring, 2020.
- Traditional lottery retail locations; to be determined in summer, 2020.

Q. What type of sports wagering bets will New Hampshire allow?

A. The term sports wagering shall include, but not be limited to, single game bets, teaser bets, parlays, over-under bets, money line bets, pools, exchange wagering, in game wagering, in-play bets, proposition bets, and straight bets. To see the full list of approved sports wagering leagues and events offered in the State, refer to our Sports page at nhlottery.com.

Q. What type of sports wagering will New Hampshire prohibit?

A. All high school sports events, amateur sports events where the participants are generally under the age of 18, collegiate events involving a team from New Hampshire or occurring in New Hampshire. Wagers may be accepted on tournaments in which a New Hampshire college participates, so long as wagers are not accepted only on the game involving a New Hampshire team.

Q. Who can participate in sports wagering? Who is prohibited?

A. Anyone 18 or older can place a wager. Prohibited sports bettors include Lottery employees and members of their household; contractors and agents of sports wagering in the State; or athlete, agent, employee, officiant, coach, or official of a sport governing body on a team for which a wager can be made.

Q. How much can a player bet?

A. Responsible gambling limits have been set to promote the entertainment aspects of sports betting. Each player will have only one account, and limits are set to \$2500 per day, \$7500 per week, and \$7500 per month. Players can set their own spending limits as well.

Q. Where does the money go?

A. The proceeds received by the commission from sports wagering, less the administrative costs of the commission, prizes paid, and payments for problem gambling services, shall be deposited in the education trust fund.

The following pages are specific to the municipal voting requirement to permit retail sports book locations in New Hampshire.

Q. How does the new law regarding sports wagering affect municipalities?

A. Municipalities must vote on whether to permit the operation of sports book retail locations within the city or town. If a municipality chooses not to put the question to voters, or if the question does not pass a vote, a retail sports book will not be permitted in that city or town. In a town, the question of allowing a physical sports book may be placed on the warrant for an annual town meeting, "and shall be voted on by ballot." In a city, it may be placed on the official ballot for any regular municipal election. If a majority of those voting on the question vote in the affirmative, retail sports books may be operated within the town or city.

Q. If the municipality passes sports betting, does that mean a sports book will be located in the city?

A. Not necessarily; a business may not apply to operate within your city for one of the ten available sports book locations. The Lottery Commission will select retail locations that make the most sense for the State and municipalities. The cities/towns must grant approval for each location before the Lottery will permit them to begin operations.

Q. What is the process for getting the question onto the ballot or warrant? Is it up to the governing body, or can citizens petition to have it included?

A. The short answer is either one. Here is the longer answer:

For towns: The law says the question "shall be placed on the warrant of an annual town meeting under the procedure set out in RSA 39:3, and shall be voted on a ballot." That is the statute that authorizes citizens to submit a warrant article by petition (signed by at least 25 voters or two percent of the registered voters), so one might conclude that *only* the citizens, not the selectmen, may initiate the warrant article. However, RSA 31:131 states, "Any question which an enabling statute authorizes to be placed in the warrant for a town meeting by petition may also be inserted by the selectmen, even in the absence of any petition." Thus, the selectmen may place the question on the warrant at their own initiative, and they *must* place it on the warrant if a valid petition is received under RSA 39:3.

<u>For cities</u>: The new law states that the legislative body (city council or board of aldermen) "may vote to place the question on the official ballot for any regular municipal election, or, in the alternative, shall place the question on the official ballot for any municipal election upon submission to the legislative body of a petition signed by 25 of the registered voters."

Q. So the governing body is not required to put the question on the ballot unless it receives a citizen petition?

A. Correct. In the absence of a citizen petition, the governing body *may* place the question on the ballot (or the warrant), at its sole discretion. If a valid citizen petition is received, the governing body *must* submit the question to the voters.

Q. If the question is placed on the warrant for a town meeting, should it go on the official ballot?

A. It depends. Of course, if a town has adopted the official ballot referendum (SB 2) form of town meeting, *all* questions must go on the official ballot.

In a town with a traditional (non-SB 2) town meeting, the question *may* be, but is not *required* to be, placed on the official ballot. This is because the new law specifies the form of the question and says that it will be "voted on a ballot," but does not use the term "official ballot." Under RSA 39:3- d, II, any law that prescribes the wording of a question, but does not use the term "official ballot," is deemed to "authorize, but not require, the use of the official ballot for that question, unless a contrary intent is specified."

RSA 39:3-d, II, goes on to say that if the question is *not* placed on the official ballot, "the prescribed wording shall be placed in the warrant, and may also be placed upon a preprinted ballot to be acted upon in open meeting in the same manner as a secret 'yes-no' ballot." Although the statute says the question *may* be placed on a preprinted ballot, HB 480 says the question *shall* be voted on by ballot, so there is no discretion. Thus, if the question is not placed on the *official* ballot, it must be voted on by "unofficial" written ballot at the open meeting.

In short, non-SB 2 towns have a choice: put the question on the official ballot, or put it on the warrant and vote on it by written ballot at the open meeting.

Q. What exactly is "the question" that should go on the ballot or warrant?

A. The law states, "The wording of the question shall be substantially as follows: 'Shall we allow the operation of sports book retail locations within the town or city?'"

Q. Must it be stated exactly in that manner?

A. No, not *exactly*. Note that the law says "substantially." Further, RSA 31:130 states, "The forms of questions prescribed by municipal enabling statutes shall be deemed advisory only, and municipal legislation shall not be declared invalid for failure to conform to the precise wording of any question prescribed for submission to voters, so long as the action taken is within the scope of, and consistent with the intent of, the enabling statute or statutes." So, for example, there would be nothing wrong with omitting the words "town or" when the question is placed on the ballot in a city, or omitting the words "or city" on a town meeting warrant.

Q. In an SB 2 town, the question would be placed on the warrant that goes to the deliberative session. May the deliberative session amend the question?

A. No. RSA 40:13, IV(a) states, "Warrant articles whose wording is prescribed by law shall not be amended" at the deliberative session. If the question is placed on the warrant, voters may discuss and debate it as much as they want at the deliberative session, but they may not amend it. The question must go on the official ballot "substantially" as provided in HB 480.

Q. Can the governing body include an explanation of the issue along with the question on the warrant or ballot?

A. No. This would be a supplement to the language required by the law, and is likely to be deemed inconsistent with the requirement that the question be "substantially" in the form stated in the law. If the question is going to be submitted, it should be as stated above, without anything extra. The time for explaining the issue to voters is at the hearing that is required before the vote. It also can be explained as part of the discussion at the deliberative session (in a SB 2 town) or at the town meeting (in a non-SB 2 town).

Q. May the question be submitted at a special town meeting?

A. No, the law specifically says the question shall be placed on the official ballot for any regular municipal election or at on the warrant of an annual town meeting.

Q. When is the hearing required to be held? Is it different for a town and a city?

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A. For either a town or a city, the governing body must hold a hearing "at least 15 days but not more than 30 days before the question is to be voted on." Notice of the hearing must be "posted in at least 2 public places in the municipality and published in a newspaper of general circulation at least 7 days before the hearing."

In a town, the date of the hearing will depend on the session at which the vote will be taken. In an SB 2 town, because the question will be on the official ballot, the hearing must be held 15 to 30 days before the second (voting) session—not before the deliberative session. In a town with a traditional town meeting, if the question is going to be on the official ballot, the hearing must be held 15 to 30 days before the voting session. If, instead, it is going to be voted on by written ballot at the open meeting, the hearing must be held 15 to 30 days before the meeting.

In a city, the hearing must be held 15 to 30 days before the municipal election at which the question will be on the ballot.

In all cases, be sure to post and publish the required notice of the hearing as stated above.

Q. Does the governing body need to hold a hearing <u>before</u> voting to put the question on the ballot or warrant?

A. No, unless the municipality has a charter or rules of procedure that require such a hearing. (Again, this refers to a hearing *before* the required public hearing once the warrant or ballot is set.)

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