



SPONSOR: Rep. Viola & Sen. Pardee
Reps. Mitchell, D. Short; Sen. Ennis

HOUSE OF REPRESENTATIVES
150th GENERAL ASSEMBLY

HOUSE BILL NO. 131

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO LOTTERIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend Chapter 48, Title 29 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows and by redesignating accordingly:

3 § 4803 Definitions.

4 (~~) "Lottery agent" or "lottery ticket sales agent" means a person whom the Director has licensed to sell lottery~~
5 ~~tickets.~~

6 (~~) "Sports lottery agent" means a person whom the Director has licensed to conduct sports lottery games.~~

7 (~~) "Video lottery agent" means a person whom the Director has licensed to conduct table games, video lottery~~
8 ~~games, sports lottery games, and Internet lottery games and who possesses either a horse racing meet license pursuant to~~
9 ~~Title 3 or Title 28 of the Delaware Code, a harness racing meet license pursuant to Title 3 of the Delaware Code, or both.~~

10 § 4805 Director — Powers and duties.

11 (a) The Director shall have the power and the duty to operate and administer the state lottery and to promulgate
12 such rules and regulations governing the establishment and operation of the lottery as the Director deems necessary and
13 desirable in order that the lottery be initiated at the earliest feasible time and in order that the system shall produce the
14 maximum amount of net revenues consonant with the dignity of the State and the general welfare of the people. The rules
15 shall provide for all matters necessary or desirable for the efficient and economical operation and administration of the
16 system and for the convenience of the purchasers of lottery tickets and the holders of winning tickets, and the players of all
17 state lottery games including, but not limited to, the following:

18 (30) The provision of complimentary services, gifts, transportation, cash, food, nonalcoholic beverages,
19 entertainment or any other thing of value by a video lottery agent to a guest;

20 (b) The Director shall also have the power and it shall be the Director's duty to:

21 (16) Bar, pursuant to §§ 4834 and 4835 of this title, any person from entering the premises of a video lottery
22 agent or from participating in any capacity in the play of any table game, sports lottery game, video lottery game, or

23 Internet lottery game, and, as applicable, procure such assistance from video lottery agents as is appropriate to enforce
24 any such bar.

25 § 4819A Restrictions on location and use of video lottery and sports lottery machines; fees.

26 (k)(6) The Council shall meet at least ~~2 times~~ 1 time each calendar year, at the call of the Director, the
27 Chairperson, or a majority of the members.

28 § 4824 Advisory Council on Video Lottery Planning.

29 (f) The Council shall meet at least ~~4 times~~ 1 time each calendar year, at the call of the Director, the Chairperson,
30 or a majority of the members.

31 § 4835 Exclusion or ejection of certain persons from video lottery facilities and Internet lottery games; exclusion
32 of certain persons from participating in sports lottery games.

33 (a) The Director shall by regulation provide for the establishment of a list of persons who are to be excluded or
34 ejected from any licensed video lottery agent's facility and excluded from participating in any capacity in the play of any
35 table game, sports lottery game, video lottery game, or Internet lottery games game. Persons shall be placed on the list by
36 order of the Director, predicated upon the filing of a petition by the Division of Gaming Enforcement. Persons shall be
37 placed on the list if a reasonable basis exists for believing that the person's engagement in the games or presence in the
38 facility is inimical to the interests of this ~~State~~State, or to the operation of ~~the a~~ a video lottery agent's facilities, or both. Such
39 provisions shall define the standards for exclusion and shall require the Director and the Division of Gaming Enforcement
40 to consider any:

41 (1) Prior conviction of a crime which is a felony in this State or under the laws of the United States; or a
42 crime involving moral turpitude; or a violation of the gaming laws of any state;

43 (2) Violation or conspiracy to violate any of the provisions of § 1471 of Title 11;

44 (3) The failure to disclose an interest in a video lottery facility for which the person must obtain a license;

45 (4) ~~Willful~~ Willful evasion of fees or taxes;

46 (5) Notorious or unsavory reputation which would adversely affect public confidence and trust that the
47 Delaware Lottery is free from criminal or corruptive elements; or

48 (6) Written order of a governmental agency which authorizes the exclusion or ejection of the person from an
49 establishment at which gaming or pari-mutuel wagering is conducted.

50 (b) The Director also shall provide by regulation for the establishment of a list of persons who are to be excluded
51 from participating in any capacity in the play of any sports lottery game, whether such sports lottery game is conducted at a
52 video lottery agent's facility or a sports lottery agent's facility. The Director may place a person on the list of excluded

53 sports lottery players by an order that shall be predicated upon the completion of an investigation conducted by the Division
54 of Gaming Enforcement and its written report to the Director. Such regulatory provisions shall define the standards for
55 exclusion from participation in any sports lottery games and shall require the Director to consider one or more of the
56 following factors:

57 (1) Prior conviction of a crime that is related to sports betting in any jurisdiction.

58 (2) Anything that, in the opinion of the Director, would denigrate or undermine the integrity or overall
59 soundness, financial stability, or reputation of the lottery, which may include a person's reputation, habits, and
60 associations that may pose a threat to the public interest of the State or the reputation or effective control of the lottery.

61 (c)(1) The Director may issue an emergency order to exclude any person from participating in any capacity in the
62 play of any sports lottery game if the Director finds that the person poses an immediate threat that would denigrate or
63 undermine the integrity or overall soundness, financial stability, or reputation of the lottery, which may include a person's
64 reputation, habits, and associations that may pose a threat to the public interest of the State or the reputation or effective
65 control of the lottery.

66 (2) An emergency order shall set forth the grounds upon which it is issued and shall be effective immediately
67 upon issuance and shall remain in effect until further order of the Director. In addition, an emergency order to exclude
68 a person from participating in any capacity in the play of any sports lottery game shall be served upon the excluded
69 sports lottery player within 7 calendar days of issuance. After the Division of Gaming Enforcement completes an
70 investigation and report to the Director that confirms the excluded sports lottery player meets the criteria of this
71 subsection or that the excluded sports lottery player does not meet the criteria of this subsection, the Director shall
72 issue a further order regarding the excluded sports lottery player, which order may finalize the decision to exclude the
73 sports lottery player or reverse the decision to exclude the sports lottery player.

74 (b)(d) In considering placement on the exclusion list, it shall be improper to discriminate on any basis prohibited
75 by § 711(a) of Title 19.

76 (e)(e) Whenever the name and description of any person is placed on a list pursuant to this section, the Director
77 shall serve notice of such fact to such person:

78 (1) By personal service;

79 (2) By certified mail to the last known address of such person; or

80 (3) By publication daily for 1 week in 1 of the principal newspapers published in the city of Dover and in 1 of
81 the principal newspapers published in the city of Wilmington, Delaware.

82 ~~(d)~~(f) Within 30 days after service by mail or in person or 60 days after the last publication, the person named
83 may demand a hearing before the Lottery Commission and show cause why that person's name should be taken from such a
84 list. Failure to demand a hearing within the time allotted in this section precludes the person from having an administrative
85 hearing, but in no way affects that person's right to petition for judicial review.

86 ~~(e)~~(g) Upon receipt of a demand for hearing, the Lottery Commission shall set a time and place for the hearing.
87 This hearing must not be held later than 30 days after receipt of the demand for the hearing, unless the time of the hearing is
88 changed by the Lottery Commission with the agreement of the Division of Gaming Enforcement, the Director, and the
89 person demanding the hearing. At the hearing, the Division of Gaming Enforcement or the Director, whichever initiated the
90 placement of the person on the exclusion list or the list of excluded sports lottery players, shall have the affirmative
91 obligation to establish a reasonable basis that the person named for exclusion satisfies the criteria for exclusion established
92 by this section and any regulations hereunder.

93 ~~(f)~~(h) If, upon completion of the hearing, the Lottery Commission determines that:

94 (1) The Division of Gaming Enforcement or the Director has not met ~~its~~ the burden of proof, an order shall
95 be entered requiring that the person's name be removed from the list of excluded persons or the list of excluded sports
96 lottery players and requiring the Director to so notify all video lottery agents of the person's removal from the list.

97 (2) Placing the person on the exclusion list or the excluded sports lottery players list was proper, an order
98 shall be entered to that effect, and the ~~Director~~ Lottery Commission shall serve a copy of that order on the person so
99 named pursuant to subsection ~~(e)~~ (e) of this section, ~~supra~~, as well as all video lottery agents. This order is subject to
100 review in the Superior Court, which shall have exclusive jurisdiction over appeals of exclusion listings from the
101 Lottery Commission.

102 ~~(g)~~(i) Nothing contained in this section shall:

103 (1) Affect the common law right of a video lottery agent, as an owner or lessor of property, from excluding or
104 ejecting any person from its property for any reason that is not unlawful or excluding any person from participation in
105 Internet lottery games for any reason that is not unlawful; or

106 (2) Be applicable to any action undertaken by a video lottery agent in the exercise of such right.

107 § 4836 Penalties for wagering by excluded persons.

108 (a) Any person whose name has been placed on the list of persons to be excluded from participating in any
109 capacity in the play of any sports lottery game or the Internet lottery game or excluded or ejected from a video lottery
110 agent's facilities facility, except for persons whose name has been placed on the self-exclusion list, who thereafter

111 knowingly participates in any capacity in the play of any sports lottery game or Internet lottery game or enters the premises
112 of a video lottery facility, is guilty of a class A misdemeanor.

113 (b) Any person whose name has been placed on the self-exclusion list, who thereafter knowingly enters a gaming
114 area or engages in the Internet lottery, is guilty of a class A misdemeanor.

115 (c) A ~~licensed~~ video lottery agent shall have a duty to keep from its premises any person who is on the list of
116 persons to be excluded from entering a video lottery facility, and shall have a duty to keep from its gaming room any
117 person who is on the self-exclusion list. The Director may revoke, limit, condition, or suspend the license of a video lottery
118 agent, or impose a fine or other monetary penalty, if that video lottery agent knowingly fails to exclude or eject from its
119 premises any person placed on the list of persons to be excluded or ejected, or knowingly fails to exclude or eject from its
120 gaming room any person on the self-exclusion list.

121 (d) A person who is prohibited from gaming activity by any order of the Director, or court of competent
122 jurisdiction, or by any provision of this subchapter, including underage persons and any person on the exclusion or self-
123 exclusion list, shall not collect, in any manner or proceeding, any winnings or recover any losses arising as a result of any
124 prohibited gaming activity. The Director shall provide by regulation for the procedures of handling the forfeiture of any
125 winnings or the prohibition of recovering any losses by persons prohibited from gaming activity as set forth in this
126 subsection.

127 (e) In addition to any other penalty provided by law, any money or thing of value which has been obtained by any
128 person prohibited from gaming activity in a video lottery facility shall be subject to an order of forfeiture by the Director,
129 following notice to the prohibited person and an opportunity for the prohibited person to be heard as set forth by regulation.

130 (f) The Director also shall establish regulations concerning the disposition of any forfeited funds received under
131 this section.

SYNOPSIS

This bill reduces the required number of meetings that the Advisory Council on Video Lottery Planning and the Advisory Council on Charitable Gaming Planning must hold each calendar year and authorizes the Lottery Director to add certain sports lottery players to an involuntary exclusion list by order.