

HOUSE No. 03702

The Commonwealth of Massachusetts

PRESENTED BY:

Brian Dempsey

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act establishing expanded gaming in the commonwealth.

PETITION OF:

NAME:

| DISTRICT/ADDRESS:

HOUSE No. 03702

The committee on Ways and Means to whom was referred the Bill establishing expanded gaming in the commonwealth (House, No. 3697), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 3702). September 6, 2011.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act establishing expanded gaming in the commonwealth.

Whereas, the deferred operation of this act would tend to defeat its purpose, which is forthwith to provide for economic investments and job creation in the commonwealth, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

□

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. To provide for certain unanticipated obligations of the commonwealth, to provide
- 2 for an alteration of purpose for current appropriations, and to meet certain requirements of law,
- 3 the sums set forth in section 2A are hereby appropriated from the General Fund, unless
- 4 specifically designated otherwise, for the several purposes and subject to the conditions specified
- 5 in this section and to laws regulating the disbursement of public funds for the fiscal year ending
- 6 June 30, 2012; provided, however, that notwithstanding any general or special law to the

7 contrary, appropriations made herein shall not revert and shall be available for expenditure until
8 June 30, 2013. The sums shall be in addition to any amounts previously appropriated and made
9 available for the purposes of these items.

10 SECTION 2A.

11 OFFICE OF THE GOVERNOR

12 0411-1004 To provide for certain costs associated with the implementation of expanded gaming
13 in the commonwealth, including, but not limited to, costs related to legal, financial and other
14 professional services required for the negotiation and execution of a compact with a federally
15 recognized Indian tribe in the commonwealth to establish a tribal casino in region

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17 SECTION 3. Section 7 of chapter 4 of the General Laws is hereby amended by striking out
18 clause Tenth, as appearing in the 2008 Official Edition, and inserting in place thereof the
19 following clause:-

20 Tenth, "Illegal gaming," a banking or percentage game played with cards, dice, tiles or
21 dominoes, or an electronic, electrical or mechanical device or machine for money, property,
22 checks, credit or any representative of value, but excluding: (i) a lottery game conducted by the
23 state lottery commission, under sections 24, 24A and 27 of chapter 10; (ii) a game conducted
24 under chapter 23K; (iii) pari-mutuel wagering on horse races under chapters 128A and 128C and
25 greyhound races under said chapter 128C; (iv) a game of bingo conducted under chapter 271;
26 and (v) charitable gaming conducted under said chapter 271.

27 SECTION 4. Section 48 of chapter 6 of the General Laws is hereby repealed.

28 SECTION 5. Section 35 of chapter 10 of the General Laws, as appearing in the 2008 Official
29 Edition, is amended by inserting after the word “Lottery”, in lines 2 and 16, each time it appears,
30 the following words:- “and Gaming.

31 SECTION 6. Section 39 of said chapter 10, as so appearing, is hereby amended by inserting after
32 the word “Lottery”, in lines 13 and 19, each time it appears, the following words:- and Gaming.

33 SECTION 7. Sections 64 and 65 of said chapter 10 are hereby repealed.

34 SECTION 8. Said chapter 10 is hereby further amended by inserting after section 72 the
35 following section:-

36 Section 72A. The commissioner of the alcoholic beverages control commission shall establish a
37 gaming liquor enforcement unit whose responsibilities shall include enforcing, regulating and
38 controlling the distribution of alcoholic beverages in a gaming establishment.

39 The gaming liquor enforcement unit shall work in conjunction and cooperation with the
40 investigations and enforcement bureau within the Massachusetts gaming commission established
41 in chapter 23K. The commissioner shall assign investigators and employees of the unit to the
42 bureau, who shall report to the director of the bureau and to the commissioner; provided,
43 however, that the Massachusetts gaming commission shall designate the number of investigators
44 and employees necessary to staff the unit. No investigator or employee of the unit, other than in
45 the performance of official duties, shall place a wager in a gaming establishment licensed under
46 chapter 23K. The commissioner shall establish a program to rotate investigators in and out of
47 the unit. The alcoholic beverages control commission shall be reimbursed by the Massachusetts
48 gaming commission for the costs of operating the unit; provided, however, that the
49 Massachusetts gaming commission shall have final approval over the budget of the unit.

50 SECTION 9. Chapter 12 of the General Laws is hereby amended by inserting after section 11L
51 the following section:-

52 Section 11M. (a) As used in this section the following words shall, unless the context clearly
53 requires otherwise, have the following meanings:

54 “Commission”, the Massachusetts gaming commission established in chapter 23K.

55 “Division”, the division of gaming enforcement established in subsection (b).

56 “Gaming establishment”, as defined in section 1 of chapter 23K.

57 (b) There shall be in the department of the attorney general a division of gaming enforcement.

58 The attorney general shall designate an assistant attorney general as the director of gaming
59 enforcement. The director may appoint and remove, subject to the approval of the attorney
60 general, such expert, clerical or other assistants as the work of the division may require.

61 (c) The division shall enforce criminal violations of chapter 23K which shall include, but not be
62 limited to: (1) investigating and prosecuting allegations of criminal activity related to or
63 impacting the operation of gaming establishments or games; (2) receiving and taking appropriate
64 action on referrals for criminal prosecution from the commission or any other law enforcement
65 body; (3) providing assistance, upon request, to the commission in the consideration and
66 promulgation of rules and regulations; (4) ensuring that there shall be no duplication of duties
67 and responsibilities between the division and the commission; and (5) recommending persons to
68 be placed on a list of excluded persons to be maintained by the commission.

69 No employee of the division and no person engaged by the division in the course of an
70 investigation, other than in the performance of their official duties, shall place a wager in a

71 gaming establishment licensed under chapter 23K during the period of their employment or
72 assignment with the division. The attorney general shall establish a code of ethics for all
73 division employees which shall be more restrictive than chapters 268A and 268B. A copy of the
74 code of ethics shall be filed with the state ethics commission. The code shall include provisions
75 reasonably necessary to carry out this section including, but not limited to: (i) prohibiting the
76 receipt of gifts by a division employee from a gaming licensee, applicant, close associate,
77 affiliate or other person or entity subject to the jurisdiction of the commission established by
78 chapter 23K; and (ii) prohibiting the participation by a division employee in a particular matter
79 as defined in section 1 of said chapter 268A that affects the financial interest of a relative within
80 the third degree of consanguinity or any other person with whom such employee has a significant
81 relationship as defined in the code.

82 Officers and employees of the gaming enforcement unit in the department state police who are
83 assigned to the division shall record their time and submit their total hours to the director of
84 gaming enforcement. The division shall submit a request for reimbursement to the commission
85 and the commission shall reimburse the department of state police.

86 SECTION 10. Chapter 12B of the General Laws is hereby repealed.

87 SECTION 11. Subsection (b) of section 9 of chapter 13 of the General Laws is hereby amended
88 by striking out the words “, as well as the state racing commission established by section 48 of
89 chapter 6,” inserted by section 29 of chapter 4 of the acts of 2009.

90 SECTION 12. Subsection (e) of section 9B of said chapter 13 is hereby amended by striking out
91 the words “, as well as the state racing commission established by section 48 of chapter 6,” ,
92 inserted by section 30 of said chapter 4.

93 SECTION 13. Said subsection (e) of said section 9B of said chapter 13 is hereby further
94 amended by striking out the words “or regulated by the state racing commission, as established
95 by section 48 of chapter 6” , inserted by section 31 of said chapter 4.

96 SECTION 14. Section 38 of chapter 22C of the General Laws is hereby amended by inserting
97 after the word “involving”, in lines 36 and 37, as appearing in the 2008 Official Edition, the
98 following word:- illegal.

99 SECTION 15. Said chapter 22C is hereby further amended by adding the following section:-

100 Section 70. The colonel of state police shall establish a gaming enforcement unit the
101 responsibilities of which shall include, but not be limited to, the investigation of criminal
102 violations of chapter 23K or any other general or special law pertaining to gaming.

103 The gaming enforcement unit shall work in conjunction and cooperation with the investigations
104 and enforcement bureau within the Massachusetts gaming commission to enforce chapter 23K
105 and with the division of gaming enforcement within the office of the attorney general to
106 investigate criminal activity related to gaming. Officers and employees of the unit shall be
107 assigned to the investigations and enforcement bureau and shall report to the deputy director of
108 investigations and enforcement and to the colonel of state police. The colonel shall also assign
109 officers of the unit to the division of gaming enforcement, who shall report to the chief of
110 gaming enforcement and to the colonel of state police. No officer of the unit, other than in the
111 performance of official duties, shall place a wager in a gaming establishment licensed under
112 chapter 23K. The colonel shall establish a program to rotate officers in and out of the unit.

113 SECTION 16. The General Laws are hereby amended by inserting after chapter 23J the
114 following chapter:-

115 CHAPTER 23K.

116 THE MASSACHUSETTS GAMING COMMISSION

117 Section 1. The General Court finds and declares that:

118 (1) ensuring public confidence in the integrity of the gaming licensing process and in the strict
119 oversight of all gaming establishments through a rigorous regulatory scheme is the paramount
120 policy objective of this chapter;

121 (2) establishing the financial stability and integrity of gaming licensees, as well as the integrity of
122 their sources of financing, is an integral and essential element of the regulation and control of
123 gaming under this chapter;

124 (3) gaming licensees shall be held to the highest standards of licensing and shall have a
125 continuing duty to maintain their integrity and financial stability;

126 (4) enhancing and supporting the performance of the state lottery and continuing the
127 commonwealth's dedication to local aid is imperative to the policy objectives of this chapter;

128 (5) the commonwealth must provide for new employment opportunities in all sectors of the
129 economy, particularly opportunities for the unemployed, and shall preserve jobs in existing
130 industries in the commonwealth; this chapter sets forth a robust licensing process where
131 applicants for a gaming license shall submit a comprehensive plan for operating a gaming
132 establishment which includes how they will foster and encourage new construction through
133 capital investment and provide permanent employment opportunities to residents of the
134 commonwealth;

135 (6) promoting local small businesses and the tourism industry, including the development of new
136 and existing small business and tourism amenities such as lodging, dining, retail and cultural and
137 social facilities, is fundamental to the policy objectives of this chapter;

138 (7) recognizing the importance of the commonwealth's unique cultural and social resources and
139 integrating them into new development opportunities shall be a key component of a decision to
140 the award of any gaming license under this chapter;

141 (8) applicants for gaming licenses and gaming licensees shall demonstrate their commitment to
142 efforts to combat compulsive gambling and a dedication to community mitigation, and shall
143 recognize that the privilege of licensure bears a responsibility to identify, address and minimize
144 any potential negative consequences of their business operations;

145 (9) any license awarded by the commission shall be a revocable privilege and may be
146 conditioned, suspended or revoked upon: (i) a breach of the conditions of licensure, including
147 failure to complete any phase of construction of the gaming establishment or any promises made
148 to the commonwealth in return for receiving a gaming license; (ii) any civil or criminal
149 violations of the laws of the commonwealth or other jurisdictions; or (iii) a finding by the
150 commission that a gaming licensee is unsuitable to operate a gaming establishment or perform
151 the duties of their licensed position; and

152 (10) the power and authority granted to the commission shall be construed as broadly as
153 necessary for the implementation, administration and enforcement of this chapter.

154 Section 2. As used in this chapter the following words shall, unless the context clearly requires
155 otherwise, have the following meanings:-

156 “Affiliate”, a person who directly or indirectly controls, or is controlled by, or is under common
157 control with, a specified person.

158 “Applicant”, a person who has applied for a license to engage in activity regulated under this
159 chapter.

160 “Application”, a written request for a finding of suitability to receive a license or engage in an
161 activity which is regulated under this chapter.

162 “Bureau”, the investigations and enforcement bureau under the commission.

163 “Business”, a corporation, sole proprietorship, partnership, limited liability company or any other
164 organization formed for the purpose of carrying on a commercial enterprise.

165 “Category 1 license”, a license issued by the commission that permits the licensee to operate a
166 gaming establishment with table games and slot machines.

167 “Category 2 license”, a license issued by the commission that permits the licensee to operate a
168 gaming establishment with no table games and not more than 1,250 slot machines.

169 “Capital expenditure”, money spent by a gaming licensee to upgrade or maintain depreciable and
170 tangible long-term physical assets that are capitalized on the gaming licensee’s books under
171 generally accepted accounting principles and excluding expenditures or charges for the usual and
172 customary maintenance and repair of any fixed asset.

173 “Cashless wagering system”, a method of wagering and accounting in which the validity and
174 value of a wagering account, promotional account, wagering instrument or wagering credits, not
175 including slot machine printed vouchers, are determined, monitored and retained for an
176 individual by an electronic system operated and maintained by a gaming licensee which

177 maintains a record of each transaction involving the wagering account, promotional account,
178 wagering instrument or wagering credits, exclusive of the game or gaming device on which
179 wagers are being made, including electronic systems which facilitate electronic transfers of
180 money directly to or from a game or gaming device.

181 “Chair”, the chair of the commission.

182 “Cheat”, to alter the selection of criteria which determines the results of a game or the amount or
183 frequency of payment in a game.

184 “Cheating and swindling device” or “cheating and swindling game”, (i) a coin, token or slug
185 other than a lawful coin or legal tender of the United States or a coin not of the same
186 denomination as the coin intended to be used by the gaming establishment while playing or using
187 a slot machine in a gaming establishment, except that a “cheating and swindling device” shall not
188 include a token or similar object which is approved by the commission; (ii) a bogus or
189 counterfeit chip, coin or die; a marked card; a computerized, electronic, electrical, mechanical or
190 magnetic device; tool, drill, wire, key or other device designed, constructed or programmed
191 specifically for: (A) use in obtaining an advantage in a game; (B) opening, entering or affecting
192 the operation of a gaming device; or (C) removing from a slot machine, other gaming device or
193 drop box any money or other contents; (iii) a tool, drill, wire, coin or token attached to a string or
194 wire, or an electronic or magnetic device to facilitate the alignment of a winning combination; or
195 (iv) a gaming device that has been manufactured, serviced, marked, plugged or tampered with, or
196 placed in a condition or operated in a manner to: (1) deceive, or attempt to deceive, the public; or
197 (2) alter, or attempt to alter, the normal random selection of characteristics, the normal chance of
198 the game or the result of the game at a gaming establishment.

199 “Close associate”, a person who holds a relevant financial interest in, or is entitled to exercise
200 power in, the business of an applicant or licensee and, by virtue of that interest or power, is able
201 to exercise a significant influence over the management or operation of a gaming establishment
202 or business licensed under this chapter.

203 “Commission”, the Massachusetts gaming commission established in section 3.

204 “Commissioner”, a member of the commission.

205 "Complimentary service or item", a service or item provided at no cost or at a reduced cost to a
206 patron of a gaming establishment.

207 “Conservator”, a person appointed by the commission to temporarily manage the operation of a
208 gaming establishment.

209 “Credit card”, a card, code or other device with which a person may defer payment of debt, incur
210 debt and defer its payment, or purchase property or services and defer payment therefor, but not
211 a card, code or other device used to activate a preexisting agreement between a person and a
212 financial institution to extend credit when the person’s account at the financial institution is
213 overdrawn or to maintain a specified minimum balance in the person’s account at the financial
214 institution.

215 “Credit instrument”, a writing which evidences a gaming debt owed to a person who holds a
216 gaming license at the time the debt is created, including any writing taken in consolidation,
217 redemption or payment of a previous credit instrument.

218 “Division”, the division of gaming enforcement in the office of the attorney general.

219 “Executive director”, the executive director of the Massachusetts gaming commission.

220 “Gambling”, the playing of a game by a patron of a gaming establishment.

221 “Game”, a banking or percentage game played with cards, dice, tiles, dominoes or an electronic,
222 electrical or mechanical device or machine played for money, property, checks, credit or any
223 other representative of value which has been approved by the commission.

224 “Gaming”, dealing, operating, carrying on, conducting, maintaining or exposing any game for
225 pay.

226 “Gaming area”, the portion of the premises of a gaming establishment in which or on which
227 gaming is conducted.

228 “Gaming device” or “gaming equipment”, an electronic, electrical or mechanical contrivance or
229 machine used in connection with gaming or a game.

230 “Gaming employee”, an employee of a gaming establishment who: (i) is directly connected to
231 the operation or maintenance of a slot machine or game taking place in a gaming establishment;
232 (ii) provides security in a gaming establishment; (iii) has access to a restricted area of a gaming
233 establishment; (iv) is connected with the operation of a gaming establishment; or (v) is so
234 designated by the commission.

235 “Gaming establishment”, the premises approved under a gaming license which includes a
236 gaming area and any other nongaming structure related to the gaming area and may include, but
237 shall not be limited to, hotels, restaurants or other amenities.

238 “Gaming license”, a license issued by the commission that permits the licensee to operate a
239 gaming establishment.

240 “Gaming licensee”, a person or entity who holds a gaming license under this chapter.

241 “Gaming position”, a designated seat or standing position where a patron of a gaming
242 establishment can play a game.

243 “Gaming service employee”, an employee of a gaming establishment who is not classified as a
244 gaming employee or a key gaming employee, but is required to register with the commission.

245 “Gaming vendor”, a person who offers goods or services to a gaming applicant or gaming
246 licensee on a regular or continuing basis which directly relates to gaming, including, but not
247 limited to, gaming equipment and simulcast wagering equipment manufacturers, suppliers,
248 repairers and independent testing laboratories.

249 “Gaming vendor license”, a license issued by the commission that permits the licensee to act as a
250 vendor to a gaming establishment.

251 “Gross revenue” or “gross gaming revenue”, the total of all sums actually received by a gaming
252 licensee from gaming operations less the total of all sums paid out as winnings to patrons;
253 provided, however, that the total of all sums paid out as winning to patrons shall not include the
254 cash equivalent value of any merchandise or thing of value included in a jackpot or payout; and
255 provided further, that “Gross revenue” shall not include any amount received by a gaming
256 licensee from simulcast wagering or from credit extended or collected by the gaming licensee for
257 purposes other than gaming.

258 “Holding company”, a corporation, association, firm, partnership, trust or other form of business
259 organization, other than a natural person, which, directly or indirectly, owns, has the power or
260 right to control, or has the power to vote any significant part of the outstanding voting securities
261 of a corporation or other form of business organization which holds or applies for a gaming
262 license; provided, however, that “holding company”, in addition to any other reasonable use of

263 the term, shall indirectly have, hold or own any such power, right or security if it does so through
264 an interest in a subsidiary or any successive subsidiaries, notwithstanding how many such
265 subsidiaries may intervene between the holding company and the gaming licensee or applicant.

266 “Host community”, a municipality in which a gaming establishment is located or in which an
267 applicant has proposed locating a gaming establishment.

268 “Impacted live entertainment venue”, a not-for-profit or municipally-owned performance venue
269 designed in whole or in part for the presentation of live concerts, comedy or theatrical
270 performances, which the commission determines experiences, or is likely to experience, a
271 negative impact from the development or operation of a gaming establishment.

272 “Institutional investor”, any of the following entities having a 5 per cent or greater ownership
273 interest in a gaming establishment or gaming licensee: a corporation, bank, insurance company,
274 pension fund or pension fund trust, retirement fund, including funds administered by a public
275 agency, employees’ profit-sharing fund or employees’ profit-sharing trust, an association
276 engaged, as a substantial part of its business or operation, in purchasing or holding securities, or
277 any trust in respect of which a bank is a trustee or co-trustee, investment company registered
278 under the federal Investment Company Act of 1940, collective investment trust organized by
279 banks under part 9 of the Rules of the Comptroller of Currency, closed end investment trust,
280 chartered or licensed life insurance company or property and casualty insurance company,
281 investment advisor registered under the federal Investment Advisers Act of 1940, and such other
282 persons as the commission may reasonably determine to qualify as an institutional investor for
283 reasons consistent with this chapter.

284 “Intermediary company”, a corporation, association, firm, partnership, trust or other form of
285 business organization other than a natural person which is a holding company with respect to a
286 corporation or other form of business organization which holds or applies for a gaming license,
287 and is a subsidiary with respect to a holding company.

288 “Junket”, an arrangement intended to induce a person to come to a gaming establishment to
289 gamble, where the person is selected or approved for participation on the basis of the person’s
290 ability to satisfy a financial qualification obligation related to the person’s ability or willingness
291 to gamble or on any other basis related to the person’s propensity to gamble, and pursuant to
292 which, and as consideration for which, any of the cost of transportation, food, lodging, and
293 entertainment for the person is directly or indirectly paid by a gaming licensee or an affiliate of
294 the gaming licensee.

295 “Junket enterprise”, a person, other than an applicant for a gaming license or gaming licensee,
296 who employs or otherwise engages the services of a junket representative in connection with a
297 junket to a licensed gaming establishment, regardless of whether or not those activities occur
298 within the commonwealth.

299 “Junket representative”, a person who negotiates the terms of, or engages in the referral,
300 procurement or selection of persons who may participate in, a junket to a gaming establishment,
301 regardless of whether or not those activities occur within the commonwealth.

302 “Key gaming employee”, an employee of a gaming establishment who is: (i) in a supervisory
303 capacity; (ii) empowered to make discretionary decisions which regulate gaming establishment
304 operations; or (iii) so designated by the commission.

305 “License”, a license required under this chapter.

306 “List of excluded persons”, the list of excluded persons maintained by the commission under
307 section 45.

308 “Lottery”, the Massachusetts state lottery established in section 24 of chapter 10.

309 “Major policy making position”, the executive or administrative head or heads of the
310 commission and any person whose salary equals or exceeds that of a state employee classified in
311 step 1 of job group XXV of the general salary schedule contained in section 46 of chapter 30 and
312 who reports directly to the commission or the administrative head of any bureau or other major
313 administrative unit within the commission and persons exercising similar authority.

314 “Non-gaming vendor”, a supplier or vendor including, but not limited to, a construction
315 company, vending machine provider, linen supplier, garbage handler, maintenance company,
316 limousine services company, food purveyor or supplier of alcoholic beverages, which provides
317 goods or services to a gaming establishment or gaming licensee, but which is not directly related
318 to games.

319 “Operation certificate”, a certificate of compliance issued by the commission to the operator of a
320 gaming establishment.

321 “Person”, an individual, corporation, association, operation, firm, partnership, trust or other form
322 of business association.

323 “Promotional gaming credit”, a slot machine or table game credit or other item issued by a
324 gaming licensee to a patron to enable the placement of a wager at a slot machine or table game.

325 “Qualification” or “qualified”, the process of licensure set forth by the commission to determine
326 that all persons who have a professional interest in a gaming license, or gaming vendor license,

327 or the business of a gaming licensee or gaming vendor, meet the same standards of suitability to
328 operate or conduct business with a gaming establishment in the commonwealth.

329 “Slot machine”, a mechanical, electrical or other device, contrivance or machine which, upon
330 insertion of a coin, token or similar object therein, or upon payment of any consideration
331 whatsoever, is available to play or operate, the play or operation of which, whether by reason of
332 the skill of the operator or application of the element of chance, or both, may deliver or entitle
333 the individual playing or operating the machine to receive cash, or tokens to be exchanged for
334 cash, or to receive merchandise or anything of value, whether the payoff is made automatically
335 from the machine or in any other manner, except that the cash equivalent value of any
336 merchandise or other thing of value shall not be included in determining the payout percentage
337 of a slot machine.

338 “State police”, the department of state police established in chapter 22C.

339 “Subsidiary”, a corporation, a significant part of whose outstanding equity securities are owned,
340 subject to a power or right of control, or held with power to vote, by a holding company or an
341 intermediary company, or a significant interest in a firm, association, partnership, trust or other
342 form of business organization, other than a natural person, which is owned, subject to a power or
343 right of control, or held with power to vote, by a holding company or an intermediary company.

344 “Surrounding communities”, municipalities in proximity to a host community which the
345 commission determines experience or are likely to experience impacts from the development or
346 operation of a gaming establishment, including municipalities from which the transportation
347 infrastructure provides ready access to an existing or proposed gaming establishment.

348 “Table game”, a game, other than a slot machine, which is authorized by the commission to be
349 played in a gaming establishment.

350 “Transfer”, the sale or other method, either directly or indirectly, of disposing of or parting with
351 property or with an interest therein, or with the possession thereof, or of fixing a lien upon
352 property or upon an interest therein, absolutely or conditionally, voluntarily or involuntarily, by
353 or without judicial proceedings, as a conveyance, sale, payment, pledge, mortgage, lien,
354 encumbrance, gift, security or otherwise; provided, however, that the retention of a security
355 interest in property delivered to a corporation shall be deemed a transfer suffered by such
356 corporation.

357 “Wager”, a sum of money or representative of value that is risked on an occurrence for which
358 the outcome is uncertain.

359 Section 3. (a) There shall be a Massachusetts gaming commission which shall consist of 5
360 commissioners, 1 of whom shall be appointed by the governor; 1 of whom shall be appointed by
361 the attorney general who shall have experience in criminal investigations and law enforcement; 1
362 of whom shall be appointed by the treasurer and receiver general who shall have experience in
363 corporate finance and securities; and 2 of whom shall be appointed by the approval of 2 of the 3
364 appointing authorities, 1 of whom shall have experience in legal and policy issues related to
365 gaming and 1 of whom may have professional experience in gaming regulatory administration or
366 gaming industry management. The governor shall designate the chair of the commission. The
367 chair shall serve in that capacity throughout the term of appointment and until a successor shall
368 be appointed. Prior to appointment to the commission, a background investigation shall be
369 conducted into the financial stability, integrity and responsibility of a candidate, including the

370 candidate's reputation for good character, honesty and integrity. No person who has been
371 convicted of a felony shall be eligible to serve on the commission.

372 (b) Each commissioner shall be a resident of the commonwealth within 90 days of appointment
373 and, while serving on the commission, shall not: (i) hold, or be a candidate for, federal, state or
374 local elected office; (ii) hold an appointed office in a federal, state, or local government; or (iii)
375 serve as an official in a political party. Not more than 3 commissioners shall be from the same
376 political party.

377 (c) Each commissioner shall serve for a term of 5 years or until a successor is appointed and shall
378 be eligible for reappointment; provided, however, that no commissioner shall serve more than 10
379 years. A person appointed to fill a vacancy in the office of a commissioner shall be appointed in
380 a like manner and shall serve for only the unexpired term of such commissioner. The governor
381 may remove a commissioner if the commissioner: (i) is guilty of malfeasance in office; (ii)
382 substantially neglects the duties of a commissioner; (iii) is unable to discharge the powers and
383 duties of the commissioner's office; (iv) commits gross misconduct; or (v) is convicted of a
384 felony.

385 (d) Three commissioners shall constitute a quorum and the affirmative vote of 3 commissioners
386 shall be required for an action of the commission. The chair or 3 members of the commission
387 may call a meeting; provided, however, that notice of all meetings shall be given to each
388 commissioner and to other persons who request such notice. The commission shall adopt
389 regulations establishing procedures, which may include electronic communications, by which a
390 request to receive notice shall be made and the method by which timely notice may be given.

391 (e) Commissioners shall receive salaries not greater than three-quarters of the salary of the
392 commissioner of administration under section 4 of chapter 7; provided, however, that the chair
393 shall receive a salary equal to the salary of the commissioner of administration. Commissioners
394 shall devote their full time and attention to the duties of their office.

395 (f) The commission shall annually elect 1 of its members to serve as secretary and 1 of its
396 members to serve as treasurer. The secretary shall keep a record of the proceedings of the
397 commission and shall be the custodian and keeper of the records of all books, documents and
398 papers filed by the commission and of its minute book. The secretary shall cause copies to be
399 made of all minutes and other records and documents of the commission and shall certify that
400 such copies are true copies, and all persons dealing with the commission may rely upon such
401 certification.

402 (g) The chair shall have and exercise supervision and control over all the affairs of the
403 commission. The chair shall preside at all hearings at which the chair is present and shall
404 designate a commissioner to act as chair in the chair's absence. To promote efficiency in
405 administration, the chair shall, from time to time, make such division or re-division of the work
406 of the commission among the commissioners as the chair deems expedient.

407 (h) All of the commissioners shall, if so directed by the chair, participate in the hearing and
408 decision of any matter before the commission; provided, however, that at least 2 commissioners
409 shall participate in the hearing and decision of matters other than those of formal or
410 administrative character coming before the commission; provided further, that any such matter
411 may be heard, examined and investigated by an employee of the commission designated and
412 assigned by the chair, with the concurrence of 1 other commissioner. Such employee shall make

413 a report in writing relative to the hearing, examining and investigating of every such matter to
414 the commission for its decision. For the purposes of hearing, examining and investigating any
415 such matter, such employee shall have all of the powers conferred upon a commissioner by this
416 section. For each hearing, the concurrence of a majority of the commissioners participating in the
417 decision shall be necessary.

418 (i) The commission shall appoint an executive director. The executive director shall serve at the
419 pleasure of the commission, shall receive such salary as may be determined by the commission,
420 and shall devote full time and attention to the duties of the office. The executive director shall be
421 a person with skill and experience in management and shall be the executive and administrative
422 head of the commission and shall be responsible for administering and enforcing the provisions
423 of law relative to the commission and to each administrative unit thereof. The executive director
424 shall appoint and employ a chief financial and accounting officer and may, subject to the
425 approval of the commission, employ other employees, consultants, agents, and advisors,
426 including legal counsel, and shall attend meetings of the commission. The chief financial and
427 accounting officer of the commission shall be in charge of its funds, books of account and
428 accounting records. No funds shall be transferred by the commission without the approval of the
429 commission and the signatures of the chief financial and accounting officer and the treasurer. In
430 the case of an absence or vacancy in the office of the executive director, or in the case of
431 disability as determined by the commission, the commission may designate an acting executive
432 director to serve as executive director until the vacancy is filled or the absence or disability
433 ceases. The acting executive director shall have all the powers and duties of the executive
434 director and shall have similar qualifications as the executive director. ┐┐

435 (j) The executive director may, from time to time and subject to the approval of the commission,
436 establish within the commission such administrative units as may be necessary for the efficient
437 and economical administration of the commission and, when necessary for such purpose, may
438 abolish any such administrative unit or may merge any 2 or more units. The executive director
439 shall prepare and keep current a plan of organization of the commission, of the assignment of its
440 functions to its various administrative units, offices and employees and of the places at which
441 and the methods by which the public may receive information or make requests. A current copy
442 of the plan of organization shall be kept on file with the state secretary and in the office of the
443 secretary of administration and finance.

444 (k) The executive director may appoint such persons as the executive director shall consider
445 necessary to perform the functions of the commission; provided, however, that chapter 31 and
446 section 9A of chapter 30 shall not apply to commission employees. If an employee serving in a
447 position which is classified under said chapter 31 or in which an employee has tenure by reason
448 of said section 9A of said chapter 30 shall be appointed to a position within the commission
449 which is not subject to said chapter 31, the employee shall, upon termination of service in such
450 position, be restored to the position which the employee held immediately prior to such
451 appointment; provided, however, that the employee's service in such position shall be
452 determined by the civil service commission in accordance with the standards applied by the
453 commission in administering said chapter 31. Such restoration shall be made without impairment
454 of the employee's civil service status or tenure under said section 9A of said chapter 30 and
455 without loss of seniority, retirement or other rights to which uninterrupted service in such prior
456 position would have entitled such employee. During the period of such appointment, each person

457 so appointed from a position in the classified civil service shall be eligible to take any
458 competitive promotional examination for which such person would otherwise have been eligible.

459 (l) The commission may require a prospective employee to: (i) submit an application and a
460 personal disclosure on a form prescribed by the commission which shall include a complete
461 criminal history, including convictions and current charges for all felonies and misdemeanors;
462 (ii) undergo testing which detects the presence of illegal substances in the body; or (iii) provide
463 fingerprints and a photograph consistent with standards adopted by the state police. The
464 commission shall verify the identification, employment and education of each prospective
465 employee, including: (i) legal name, including any alias; (ii) all secondary and post secondary
466 educational institutions attended regardless of graduation status; (iii) place of residence; and (iv)
467 employment history.

468 The commission shall not hire a prospective employee if the prospective employee has: (i) been
469 convicted of a felony or a misdemeanor that, in the discretion of the commission, bears a close
470 relationship to the duties and responsibilities of the position for which employment is sought; (ii)
471 been dismissed from prior employment for gross misconduct or incompetence; or (iii)
472 intentionally made a false statement concerning a material fact in connection with the
473 prospective employee's application to the commission. If an employee of the commission is
474 charged with a felony or misdemeanor while employed by the commission, the commission shall
475 suspend the employee, with or without pay, and terminate employment with the commission
476 upon conviction.

477 (m) Chapters 268A and 268B shall apply to the commissioners and to employees of the
478 commission; provided, however, that the commission shall establish a code of ethics for all

479 members and employees that shall be more restrictive than said chapters 268A and 268B. A
480 copy of the code shall be filed with the state ethics commission. The code shall include
481 provisions reasonably necessary to carry out the purposes of this chapter and any other laws
482 subject to the jurisdiction of the commission including, but not limited to: (i) prohibiting the
483 receipt of gifts by commissioners and employees from any gaming licensee, applicant, close
484 associate, affiliate or other person or entity subject to the jurisdiction of the commission; (ii)
485 prohibiting the participation by commissioners and employees in a particular matter as defined in
486 section 1 of said chapter 268A that affects the financial interest of a relative within the third
487 degree of consanguinity or a person with whom such commissioner or employee has a significant
488 relationship as defined in the code; and (iii) providing for recusal of a commissioner in a
489 licensing decision due to a potential conflict of interest.

490 (n) Immediately upon assuming office, each commissioner and employee of the commission,
491 except for secretarial and clerical personnel, shall swear or affirm that the commissioner or
492 employee possesses no interest in a person licensed under this chapter. No individual shall be
493 employed by the commission if, during the period commencing 3 years prior to employment, that
494 individual held any direct or indirect interest in, or was employed by, a licensee under this
495 chapter.

496 (o) No employee of the commission shall pursue any other business or occupation or other
497 gainful employment outside of the commission without the prior written approval of the
498 commission that such employment shall not interfere or be in conflict with the employee's duties
499 to the commission.

500 (p) No commissioner shall hold a direct or indirect interest in, or be employed by, an applicant or
501 by a person licensed by the commission for a period of 3 years after the termination of
502 employment with the commission.

503 (q) No employee of the commission holding a major policy making position shall acquire an
504 interest in, or accept employment with, an applicant or licensee for a period of 2 years after the
505 termination of employment with the commission.

506 (r) No employee of the commission in a non-major policy making position shall acquire an
507 interest in, or accept employment with, an applicant or licensee under this chapter for a period of
508 1 year after termination of employment with the commission.

509 (s) Any commission employee assigned to a gaming establishment shall be considered an
510 essential state employee.

511 (t) No commissioner or employee, other than in the performance of the commissioner's or
512 employee's official duties, shall place a wager in a gaming establishment.

513 (u) The commissioners and those employees holding major policy-making positions shall be
514 sworn to the faithful performance of their official duties. The commissioners and those
515 employees holding major policy-making positions shall conduct themselves in a manner so as to
516 render decisions that are fair and impartial and in the public interest; avoid impropriety and the
517 appearance of impropriety in all matters under their jurisdiction; avoid all prohibited
518 communications; require staff and personnel subject to their direction and control to observe the
519 same standards of fidelity and diligence; disqualify themselves from proceedings in which their
520 impartiality might reasonably be questioned; and refrain from financial or business dealings
521 which would tend to reflect adversely on impartiality.

522 (v) The commissioners and employees shall not own, or be in the employ of, or own any stock
523 in, a business which holds a license under this chapter, nor shall they have, directly or indirectly,
524 a pecuniary interest in, or be connected with, any such business or in the employ or connected
525 with any person financing any such business; provided further, that immediate family members
526 of commissioners and employees holding major policy making positions shall not own, or be in
527 the employ of, or own stock in, any business which holds a license under this chapter. The
528 commissioners and employees shall not personally, or through a partner or agent, render
529 professional services or make or perform any business contract with or for any regulated entity,
530 except contracts made with the commissioners for the furnishing of services, nor shall the
531 commissioners or employees directly or indirectly receive any commission, bonus, discount, gift
532 or reward from a regulated entity.

533 (w) Neither the commission nor any of its officers, agents, employees, consultants or advisors
534 shall be subject to sections 9A, 45, 46 and 52 of chapter 30, chapter 31, or to chapter 200 of the
535 acts of 1976.

536 (x) The Massachusetts gaming commission shall be a commission for the purposes of section 3
537 of chapter 12.

538 Section 4. The commission shall have all powers necessary or convenient to carry out and
539 effectuate its purposes including, but not limited to, the power to:

540 (1) appoint officers and hire employees;

541 (2) establish, and from time to time amend, a plan of organization that it considers expedient;

542 (3) execute all instruments necessary or convenient for accomplishing the purposes of this
543 chapter;

544 (4) enter into agreements or other transactions with a person, including, but not limited to, a
545 public entity or other governmental instrumentality or authority in connection with its powers
546 and duties under this chapter;

547 (5) appear on its own behalf before boards, commissions, departments or other agencies of
548 municipal, state or federal government;

549 (6) apply for and accept subventions, grants, loans, advances and contributions of money,
550 property, labor or other things of value from any source, to be held, used and applied for its
551 purposes;

552 (7) provide and pay for advisory services and technical assistance as may be necessary in its
553 judgment to carry out this chapter and fix the compensation of persons providing such services
554 or assistance;

555 (8) prepare, publish and distribute, with or without charge as the commission may determine,
556 such studies, reports and bulletins and other material as the commission considers appropriate;

557 (9) assure that licenses shall not be issued to, or held by, and that there shall be no material
558 involvement directly or indirectly with, a gaming operation or the ownership thereof, by
559 unqualified, disqualified or unsuitable persons or by persons whose operations are conducted in a
560 manner not conforming with this chapter;

561 (10) require an applicant for a position which requires a license under this chapter to apply for
562 such license and approve or disapprove any such application or other transactions, events and
563 processes as provided in this chapter;

564 (11) require a person who has a business association of any kind with a gaming licensee or
565 applicant to be qualified for licensure under this chapter;

566 (12) develop criteria, in addition to those outlined in this chapter, to assess which applications for
567 gaming licenses will provide the highest and best value to the commonwealth and the region in
568 which a gaming establishment is to be located;

569 (13) determine which applicants shall be awarded gaming licenses, gaming vendor licenses and
570 other licenses in accordance with this chapter;

571 (14) determine a suitable debt-to-equity ratio for applicants for a gaming license;

572 (15) deny an application or limit, condition, restrict, revoke or suspend a license, registration,
573 finding of suitability or approval, or fine a person licensed, registered, found suitable or
574 approved for any cause the commission deems reasonable;

575 (16) monitor the conduct of licensees and other persons having a material involvement, directly
576 or indirectly, with a licensee for the purpose of ensuring that licenses are not issued to or held by
577 and that there is no direct or indirect material involvement with a licensee, by an unqualified or
578 unsuitable person or by a person whose operations are conducted in an unsuitable manner or in
579 unsuitable or prohibited places as provided in this chapter;

580 (17) gather facts and information applicable to the commission's obligation to issue, suspend or
581 revoke licenses, work permits or registrations granted for: (i) a violation of this chapter or any

582 regulation adopted by the commission; (ii) willfully violating an order of the commission
583 directed to such person; (iii) the conviction of a criminal offense; or (iv) the violation of any
584 other offense which would disqualify such person from holding a license, work permit or
585 registration;

586 (18) conduct investigations into the qualifications of all applicants for employment by the
587 commission and by any regulated entity and all applicants for licensure;

588 (19) request and receive from the state police, the criminal history systems board or other
589 criminal justice agencies, including, but not limited to, the Federal Bureau of Investigation and
590 the Internal Revenue Service, such criminal offender record information relating to criminal and
591 background investigations as necessary for the purpose of evaluating employees of, and
592 applicants for employment by, the commission and any regulated entity, and evaluating licensees
593 and applicants for licensure under this chapter;

594 (20) be present, through its inspectors and agents, at all times, in gaming establishments for the
595 purposes of: (i) certifying revenue; (ii) receiving complaints from the public relating to the
596 conduct of gaming and wagering operations; (iii) examining records of revenues and procedures
597 and inspecting and auditing all books, documents and records of licensees; (iv) conducting
598 periodic reviews of operations and facilities for the purpose of regulations adopted thereunder;
599 and (v) exercising its oversight responsibilities with respect to gaming;

600 (21) inspect and have access to all equipment and supplies in a gaming establishment or on
601 premises where gaming equipment is manufactured, sold or distributed;

602 (22) seize and remove from the premises of a gaming licensee and impound any equipment,
603 supplies, documents and records for the purpose of examination and inspection;

604 (23) demand access to and inspect, examine, photocopy and audit all papers, books and records
605 of any affiliate of a gaming licensee or gaming vendor whom the commission suspects is
606 involved in the financing, operation or management of the gaming licensee or gaming vendor;
607 provided, however, that the inspection, examination, photocopying and audit may take place on
608 the affiliate's premises or elsewhere as practicable, and in the presence of the affiliate or its
609 agent;

610 (24) require that the books and financial or other records or statements of a gaming licensee or
611 gaming vendor be kept in a manner that the commission considers proper;

612 (25) levy and collect assessments, fees and fines and impose penalties and sanctions for the
613 violation of this chapter and the regulations promulgated by the commission;

614 (26) collect taxes and fees under this chapter;

615 (27) restrict, suspend or revoke licenses issued under this chapter;

616 (28) conduct adjudicatory proceedings and promulgate regulations in accordance with chapter
617 30A;

618 (29) hear appeals of the bureau's suspension or revocation of a license;

619 (30) refer cases for criminal prosecution to the appropriate federal, state or local authorities;

620 (31) issue subpoenas and compel the attendance of witnesses at any place within the
621 commonwealth, administer oaths and require testimony under oath before the commission in the
622 course of an investigation or hearing conducted under this chapter;

623 (32) ensure that there is no duplication of duties and responsibilities between the commission and
624 bureau; provided, however, that the commission shall not place any restriction upon the bureau's
625 ability to investigate or prosecute violations of this chapter or the regulations adopted by the
626 commission;

627 (33) determine which municipalities are the surrounding communities of a proposed gaming
628 establishment; provided, however, that in making such determination, the commission shall
629 consider factors including, but not limited to, population, infrastructure, distance from the
630 gaming establishment and political boundaries;

631 (34) establish parameters for elections under clause (13) of section 15;

632 (35) maintain an official internet website for the commission;

633 (36) monitor any federal activity regarding internet gaming and coordinate with the office of
634 treasurer and receiver general on implementing any measures necessary to protect the
635 commonwealth's lottery and gaming interests;

636 (37) adopt, amend or repeal regulations for the administration and enforcement of this chapter;

637 (38) act as trustees for any gaming-related trust funds;

638 (39) designate impacted live entertainment venues; provided, however, that, in making such
639 designations, the commission shall consider factors including, but not limited to, the venue's
640 distance from the gaming establishment, venue capacity and the type of performances offered by
641 that venue;

642 (40) provide assistance to the governor in negotiating a compact with a federally-recognized
643 Indian tribe in the commonwealth; and

644 (41) regulate and enforce the provisions of section 7A of chapter 271 relating to bazaars;
645 provided, however, that nothing in this section shall limit the attorney general's authority over
646 public charities pursuant to the general laws.

647 Section 5. (a) The commission shall promulgate regulations for the implementation,
648 administration and enforcement of this chapter including, without limitation, regulations that:

649 (1) prescribe the method and form of application which any applicant for licensure shall follow
650 and complete before consideration by the commission;

651 (2) prescribe the information to be furnished by an applicant or licensee concerning an applicant
652 or licensee's antecedents, habits, character, associates, criminal record, business activities and
653 financial affairs, past or present;

654 (3) prescribe the criteria for evaluation of the application for a gaming license including, with
655 regard to the proposed gaming establishment, an evaluation of architectural design and concept
656 excellence, integration of the establishment into its surroundings, tourism appeal, level of capital
657 investment committed, financial strength of the applicant and the applicant's financial plan;

658 (4) prescribe the information to be furnished by a gaming licensee relating to the licensee's
659 gaming employees;

660 (5) require fingerprinting of an applicant for a gaming license, a gaming licensee or employee of
661 a gaming licensee or other methods of identification;

662 (6) prescribe the manner and method of collection and payment of assessments and fees and
663 issuance of licenses;

664 (7) prescribe grounds and procedures for the revocation or suspension of a license or registration;

665 (8) require quarterly financial reports and an annual audit prepared by a certified public
666 accountant attesting to the financial condition of a gaming licensee and disclosing whether the
667 accounts, records and control procedures examined are maintained by the gaming licensee as
668 required by this chapter and the regulations promulgated by the commission;

669 (9) prescribe the minimum procedures for effective control over the internal fiscal affairs of a
670 gaming licensee, including provisions for the safeguarding of assets and revenues, the recording
671 of cash and evidence of indebtedness and the maintenance of reliable records, accounts and
672 reports of transactions, operations and events, including reports by the commission;

673 (10) provide for a minimum uniform standard of accounting procedures;

674 (11) establish licensure and work permits for employees working at the gaming establishment
675 and minimum training requirements; provided, however, that the commission may establish
676 certification procedures for any training schools and the minimum requirements for reciprocal
677 licensing for out-of-state gaming employees;

678 (12) require that all gaming establishment employees be properly trained in their respective
679 professions;

680 (13) prescribe the conduct of junkets and conditions of junket agreements between gaming
681 licensees and junket representatives;

682 (14) provide for the interim authorization of a gaming establishment under this chapter;

683 (15) develop standards for monitoring and enforcing a gaming licensee's agreement with
684 impacted live entertainment venues;

685 (16) establish procedures and ensure compliance with the timelines for making the capital
686 investments required under this chapter;

687 (17) require the posting of payback statistics of slot machines played in a gaming establishment;
688 and

689 (18) establish security procedures for ensuring the safety of minors on the premises of a gaming
690 establishment.

691 (b) The commission may, pursuant to section 2 of chapter 30A, promulgate, amend or repeal any
692 regulation promulgated under this chapter as an emergency regulation if such regulation is
693 necessary to protect the interests of the commonwealth in regulating a gaming establishment.

694 Section 6. (a) There shall be within the commission an investigations and enforcement bureau
695 which shall be the primary enforcement agent for regulatory matters under this chapter. The
696 bureau shall perform such functions as the chair may determine in relation to enforcement,
697 including the investigation of all licensees under this chapter. The bureau shall be under the
698 supervision and control of the deputy director of investigations and enforcement. The deputy
699 director shall be the executive and administrative head of the bureau and shall be responsible for
700 administering and enforcing the laws relative to the bureau and to each administrative unit of the
701 bureau. The duties of the deputy director as provided in this chapter and in any other general or
702 special law shall be exercised and discharged subject to the direction, control and supervision of
703 the chair.

704 (b) The bureau shall be a law enforcement agency and its employees shall have such law
705 enforcement powers as necessary to effectuate the purposes of this chapter, including the power

706 to receive intelligence on an applicant or licensee under this chapter and to investigate any
707 suspected violations of this chapter.

708 (c) Officers and employees of the gaming enforcement unit of the state police assigned to the
709 commission under section 70 of chapter 22C shall work with employees of the bureau, under the
710 direction of the deputy director, to investigate violations of this chapter by a licensee or to
711 investigate any activity taking place on the premises of a gaming establishment. Officers
712 assigned to work with the bureau shall record their time and submit total hours to the deputy
713 director and the commission shall reimburse the state police.

714 (d) The bureau shall notify the division of gaming enforcement in the office of the attorney
715 general of criminal violations by a gaming licensee. The bureau and the division shall cooperate
716 on the regulatory and criminal enforcement of this chapter and may determine whether to
717 proceed with civil or criminal sanctions, or both, against a gaming licensee.

718 (e) To further effectuate the purposes of this chapter with respect to the investigation and
719 enforcement of gaming establishments and licensees, the bureau may obtain or provide pertinent
720 information regarding applicants or licensees from or to law enforcement entities or gaming
721 authorities and other domestic, federal or foreign jurisdictions, including the Federal Bureau of
722 Investigation, and may transmit such information to each other electronically.

723 (f) The gaming enforcement unit within the department of state police shall have exclusive
724 police jurisdiction over any criminal activity relating to the operation of a gaming establishment
725 or relating to games or gaming that occur inside a gaming establishment; provided, however, that
726 the state police shall have concurrent jurisdiction with the law enforcement agency of the host
727 community on all other policing matters and, in consultation with the commission, shall execute

728 a memorandum of understanding with the law enforcement agency of the host community that
729 shall include, but not be limited to, procedures involving: (i) assignment of police officers of the
730 host community to the gaming enforcement unit of the state police; (ii) first responder calls from
731 the gaming establishment; (iii) emergencies occurring within the gaming establishment,
732 including the gaming area; and (iv) criminal investigations involving employees or patrons of a
733 gaming establishment.

734 (g) Investigators and employees of the gaming liquor enforcement unit of the alcoholic
735 beverages control commission assigned to the commission under section 72A of chapter 10 shall
736 work with employees of the bureau, under the direction of the deputy director, to enforce,
737 regulate and control the distribution of alcoholic beverages in a gaming establishment.
738 Investigators assigned to work with the bureau shall record their time and submit their total hours
739 to the deputy director and the commission shall reimburse the alcoholic beverages control
740 commission.

741 Section 7. The commission shall administer and enforce chapters 128A and 128C and any other
742 general or special law related to pari-mutuel wagering or simulcasting. The commission shall
743 serve as a host racing commission and an off-track betting commission for purposes of 15
744 U.S.C.A.30001, et seq.

745 Section 8. (a) The commission shall issue a request for applications for category 1 and category 2
746 licenses; provided, however, that the commission shall first issue a request for applications for
747 the category 2 licenses. All requests for applications shall include: (i) the time and date for
748 receipt of responses to the request for applications, the manner they are to be received and the
749 address of the office to which the applications shall be delivered; (ii) the form of the application

750 and the method for submission; (iii) a general description of the anticipated schedule for
751 processing the application; (iv) the contact information of commission employees responsible for
752 handling applicant questions; and (v) any other information that the commission determines.

753 (b) Requests for applications pursuant to subsection (a) shall be advertised in a newspaper of
754 general circulation and on the official internet website of the commission.

755 (c) The commission shall establish deadlines for the receipt of all applications for a gaming
756 license. Applications received after the deadline shall not be reviewed by the commission.

757 Section 9. (a) The commission shall prescribe the form of the application for gaming licenses
758 which shall require, but not be limited to, the following:

759 (1) the name of the applicant;

760 (2) the mailing address and, if a corporation, the name of the state under the laws of which it is
761 incorporated, the location of its principal place of business and the names and addresses of its
762 directors and stockholders;

763 (3) the identity of each person having a direct or indirect interest in the business and the nature of
764 such interest; provided, however, that if the disclosed entity is a trust, the application shall
765 disclose the names and addresses of all beneficiaries; provided further, that if the disclosed entity
766 is a partnership, the application shall disclose the names and addresses of all partners, both
767 general and limited; and provided further, that if the disclosed entity is a limited liability
768 company, the application shall disclose the names and addresses of all members;

769 (4) an independent audit report of all financial activities and interests including, but not limited
770 to, the disclosure of all contributions, donations, loans or any other financial transactions to or
771 from a gaming entity or operator in the past 5 years;

772 (5) clear and convincing evidence of financial stability including, but not limited to, bank
773 references, business and personal income and disbursement schedules, tax returns and other
774 reports filed by government agencies, and business and personal accounting check records and
775 ledgers;

776 (6) information and documentation to demonstrate that the applicant has sufficient business
777 ability and experience to establish the likelihood of establishment and maintenance of a
778 successful gaming establishment;

779 (7) a full description of the proposed internal controls and security systems for the proposed
780 gaming establishment and any related facilities;

781 (8) an agreement that the applicant shall mitigate the potential negative public health
782 consequences associated with gambling and the operation of a gaming establishment, including:
783 (i) maintaining a smoke-free environment within the gaming establishment under section 22 of
784 chapter 270; (ii) providing complimentary on-site space for an independent substance abuse and
785 mental health counseling service to be selected by the commission; (iii) prominently displaying
786 information on the signs of problem gambling and how to access assistance; (iv) describing a
787 process for individuals to exclude their names and contact information from a gaming licensee's
788 database or any other list held by the gaming licensee for use in marketing or promotional
789 communications; and (v) instituting other public health strategies as determined by the
790 commission;

791 (9) the designs for the proposed gaming establishment, including the names and addresses of the
792 architects, engineers and designers, and a timeline of construction that includes detailed stages of
793 construction for the gaming establishment, nongaming structures and racecourse, where
794 applicable;

795 (10) the number of construction hours estimated to complete the work;

796 (11) a description of the ancillary entertainment services and amenities to be provided at the
797 proposed gaming establishment; provided, however, that a gaming licensee shall only be
798 permitted to build a live entertainment venue that has less than 1,000 seats or more than 3,500
799 seats;

800 (12) the number of employees to be employed at the proposed gaming establishment, including
801 detailed information on the pay rate and benefits for employees;

802 (13) completed studies and reports as required by the commission, which shall include, but not
803 be limited to, an examination of the proposed gaming establishment's: (i) economic benefits to
804 the region and the commonwealth; (ii) local and regional social, environmental, traffic and
805 infrastructure impacts; (iii) impact on the local and regional economy, including the impact on
806 cultural institutions and on small businesses in the host community and surrounding
807 communities; (iv) cost to the host community and surrounding communities and the
808 commonwealth for the proposed gaming establishment to be located at the proposed location;
809 and (v) the estimated municipal and state tax revenue to be generated by the gaming
810 establishment;

811 (14) the names of proposed vendors of gaming equipment;

812 (15) the location of the proposed gaming establishment, which shall include the address, maps,
813 book and page numbers from the appropriate registry of deeds, assessed value of the land at the
814 time of application, and ownership interests over the past 20 years, including all interests,
815 options, agreements in property and demographic, geographic and environmental information,
816 and any other information requested by the commission;

817 (16) the type and number of games to be conducted at the proposed gaming establishment and
818 the specific location of the games in the proposed gaming establishment;

819 (17) the number of hotels and rooms, restaurants and other amenities located at the proposed
820 gaming establishment and how they measure in quality to other area hotels and amenities;

821 (18) whether the applicant's proposed gaming establishment is part of a regional or local
822 economic plan; and

823 (19) whether the applicant purchased or intends to purchase publicly-owned land for the
824 proposed gaming establishment;

825 (b) Applications for licenses shall be public records under section 10 of chapter 66; provided
826 however, that trade secrets, competitively-sensitive or other proprietary information provided in
827 the course of an application for a gaming license under this chapter, the disclosure of which
828 would place the applicant at a competitive disadvantage, may be withheld from disclosure under
829 chapter 66.

830 Section 10. (a) The commission shall set the minimum capital investment for all category 1
831 licenses; provided, however, that all gaming licensees shall make a capital investment of not less
832 than \$500,000,000 into the gaming establishment which shall include, but not be limited to, a

833 gaming area, at least 1 hotel and other amenities as proposed in the application for a category 1
834 license; and provided further, that the commission shall determine whether it will include the
835 purchase or lease price of the land where the gaming establishment will be located or any
836 infrastructure designed to support the site, including, but not limited to, drainage, utility support,
837 roadways, interchanges, fill and soil or groundwater or surface water contamination issues,
838 whether or not the applicant is an eligible owner or operator under chapter 206 of the acts of
839 1998, and has suitable capital to finance its operations and the proposed capital investment. Upon
840 award of a gaming license by the commission, the applicant shall be required to deposit 10 per
841 cent of the total investment proposed in the application into an interest-bearing account. Monies
842 received from the applicant shall be held in escrow until the final stage of construction, as
843 detailed in the timeline of construction submitted with the licensee's application and approved by
844 the commission, at which time the deposit shall be returned to the applicant to be applied for the
845 final stage. Should the applicant be unable to complete the gaming establishment, the deposit
846 shall be forfeited to the commonwealth. In place of a cash deposit, the commission may allow
847 for an applicant to secure a deposit bond insuring that 10 per cent of the proposed capital
848 investment shall be forfeited to the commonwealth if the applicant is unable to complete the
849 gaming establishment.

850 (b) A licensee who fails to begin gaming operations within 1 year after the date specified in its
851 construction timeline, as approved by the commission, shall be subject to suspension or
852 revocation of the gaming license by the commission and may, after being found by the
853 commission after a hearing to have acted in bad faith in its application, be assessed a fine of up
854 to \$50,000,000.

855 (c) Applicants for a category 1 license shall submit their proposed capital investment with their
856 application to the commission which shall include stages of construction of the gaming
857 establishment and the deadline by which the stages and overall construction and any
858 infrastructure improvements will be completed. In awarding a category 1 license, the
859 commission shall determine at what stage of construction a licensee shall be approved to open
860 for business; provided, however, that a licensee shall not be approved to open for business until
861 the commission has determined that at least the gaming area and other ancillary entertainment
862 services and non-gaming amenities, as required by the commission, have been built and are of a
863 superior quality as set forth in the conditions of licensure; and provided further, that total
864 infrastructure improvements onsite and around the vicinity of the gaming establishment,
865 including projects to account for traffic mitigation as determined by the commission, shall be
866 completed before the gaming establishment shall be approved for opening by the commission.
867 The commission shall not approve a gaming establishment to open for business before the
868 completion of the permanent gaming area.

869 (d) The commission shall determine a minimum licensing fee for each region, which shall not
870 be less than \$85,000,000, to be paid by a category 1 licensee within 30 days after the final award
871 of the license. The license shall set forth the conditions to be satisfied by the licensee before the
872 gaming establishment shall be opened to the public. The commission shall set any renewal fee
873 for such license based on the cost of fees associated with the evaluation of a category 1 licensee
874 under this chapter which shall be deposited into the Gaming Revenue Fund. Such renewal fee
875 will be exclusive of any subsequent licensing fees under this section.

876 (e) The commission shall determine the sources and total amount of an applicant's proposed
877 capitalization to develop, construct, maintain and operate a proposed gaming establishment

878 under this chapter. Upon award of a gaming license, the commission shall continue to assess the
879 capitalization of a licensee for the duration of construction of the proposed gaming establishment
880 and the term of the license.

881 Section 11. (a) The commission shall set the minimum capital investment for a category 2
882 license; provided, however, that the gaming licensee shall make a capital investment of not less
883 than \$125,000,000 into the gaming establishment, which shall include, but not be limited to, a
884 gaming area or other amenities as proposed in the application for a category 2 license; and
885 provided further, that the commission shall determine whether it will include the purchase or
886 lease price of the land where the gaming establishment will be located or any infrastructure
887 designed to support the site, including, but not limited to, drainage, utility support, roadways,
888 interchanges, fill and soil or groundwater or surface water contamination issues, whether or not
889 the applicant is an eligible owner or operator under chapter 206 of the acts of 1998, and has
890 suitable capital to finance its operations and the proposed capital investment. The investment
891 required under this section shall be made within 2 years after receiving a gaming license;
892 provided, however, that any infrastructure improvements necessary to increase visitor capacity
893 and account for traffic mitigation shall not be considered part of the required capital investment
894 and, as determined by the commission, shall be completed before the category 2 licensee shall be
895 authorized to operate a slot machine at the gaming establishment.

896 (b) The commission shall determine the minimum licensing fee for a category 2 licensee, which
897 shall not be less than \$25,000,000 to be paid within 30 days after the award of the license.

898 (c) Upon award of a category 2 license, the commission shall continue to assess the
899 capitalization of a licensee for the duration of construction of the proposed gaming establishment
900 and the term of the gaming license.

901 Section 12. (a) Upon receipt of an application for a gaming license, the commission shall instruct
902 the bureau to commence an investigation into the suitability of the applicant. In evaluating the
903 suitability of the applicant, the commission shall consider the overall reputation of the applicant
904 including, without limitation:

905 (1) the integrity, honesty, good character and reputation of the applicant;

906 (2) the financial stability, integrity and background of the applicant;

907 (3) the business practices and the business ability of the applicant to establish and maintain a
908 successful gaming establishment;

909 (4) whether the applicant has a history of compliance with gaming licensing requirements in
910 other jurisdictions;

911 (5) whether the applicant, at the time of application, is a defendant in litigation involving its
912 business practices;

913 (6) the suitability of all parties in interest to the gaming license, including affiliates, close
914 associates and the financial resources of the applicant; and

915 (7) whether the applicant is disqualified from receiving a license under section 16; provided,
916 however, that in considering the rehabilitation of an applicant for a gaming license, the
917 commission shall not automatically disqualify an applicant if the applicant affirmatively
918 demonstrates, by clear and convincing evidence, that the applicant has financial responsibility,

919 character, reputation, integrity and general fitness as such to warrant belief by the commission
920 that the applicant will act honestly, fairly, soundly and efficiently as a gaming licensee.

921 (b) If the bureau determines during its investigation that an applicant has failed to: (i) establish
922 the applicant's integrity or the integrity of any affiliate, close associate, financial source or any
923 person required to be qualified by the commission; (ii) demonstrate responsible business
924 practices in any jurisdiction; or (iii) overcome any other reason, as determined by the
925 commission, as to why it would be injurious to the interests of the commonwealth in awarding
926 the applicant a gaming license, the bureau shall cease any further review and recommend that the
927 commission deny the application.

928 (c) If the bureau has determined an applicant is suitable to receive a gaming license, the bureau
929 shall recommend that the commission commence a review of the applicant's entire application.

930 Section 13. (a) All applicants for a gaming license, and any person required by the commission
931 to be qualified for licensure, shall establish its individual qualifications for licensure to the
932 commission by clear and convincing evidence.

933 (b) All applicants, licensees, registrants and any other person who shall be qualified under this
934 chapter shall have the continuing duty to provide any assistance or information required by the
935 commission and to cooperate in any inquiry or investigation conducted by the commission.
936 Refusal to answer or produce information, evidence or testimony by an applicant, licensee,
937 registrant or other person required to be qualified under this chapter may result in denial of the
938 application or suspension or revocation of license or registration by the commission.

939 (c) No applicant, licensee, registrant or person required to be qualified under this chapter shall
940 willfully withhold information from, or knowingly give false or misleading information to, the

941 commission. If the commission determines that an applicant, or a close associate of an applicant,
942 has willfully provided false or misleading information, such applicant shall not be eligible to
943 receive a license under this chapter. Any licensee or other person required to be qualified for
944 licensure under this chapter who willfully provides false or misleading information shall have its
945 license conditioned, suspended or revoked by the commission.

946 Section 14. (a) The commission shall require anyone with a financial interest in a gaming
947 establishment, or with a financial interest in the business of the gaming licensee or applicant for
948 a gaming license or who is a close associate of a gaming licensee or an applicant for a gaming
949 license, to be qualified for licensure by meeting the criteria provided in sections 12 and 16 and to
950 provide any other information that the commission may require.

951 (b) For each business that applies for a gaming license, the commission shall determine whether
952 each officer and director of a corporation, other than a publicly-traded corporation, general
953 partner and limited partner of a limited partnership, and member, transferee of a member's
954 interest in a limited liability company, director and manager of a limited liability company which
955 holds or applies for a gaming license meets the standards for qualification of licensure pursuant
956 to sections 12 and 16 and, in the judgment of the commission, any or all of a business's
957 individual stockholders, lenders, holders of evidence of indebtedness, underwriters, close
958 associates, executives, agents or employees.

959 (c) A person owning more than 5 per cent of the common stock of the applicant company,
960 directly or indirectly, or a holding, intermediary or subsidiary of an applicant company may be
961 required meet the qualifications for licensure under sections 12 and 16. The commission may
962 waive the licensing requirements for institutional investors holding up to 15 per cent of the stock

963 of the applicant company or holding, intermediary or subsidiary company of the applicant
964 company upon a showing by the person seeking the waiver that the applicant purchased the
965 securities for investment purposes only and does not have any intention to influence or affect the
966 affairs or operations of the applicant company or a holding, intermediary or subsidiary of the
967 applicant company. An institutional investor granted a waiver which subsequently determines to
968 influence or affect the affairs or operations of the applicant company or a holding, intermediary
969 or subsidiary of the applicant company shall provide not less than 30 days notice to the
970 commission of such intent and the commission shall ensure that the institutional investor meets
971 the qualifications for licensure under said sections 12 and 16 before the institutional investor may
972 take an action that may influence or affect the affairs of the applicant company or a holding,
973 intermediary or subsidiary of the applicant company. Any company holding over 15 per cent of
974 the applicant company, or a holding, intermediary or subsidiary of an applicant company, shall
975 be required to meet the qualifications for licensure under said sections 12 and 16.

976 (d) A person who is required to be qualified for licensure under this section as a general or
977 limited partner shall not serve as such a partner until that person obtains the required approval or
978 waiver from the commission.

979 (e) The commission shall require any person involved in the financing of a gaming establishment
980 or an applicant's proposed gaming establishment to be qualified for licensure pursuant to
981 sections 12 and 16 and may allow such person to seek a waiver pursuant to the standards in
982 subsection (c).

983 (f) A person required to be qualified for licensure shall apply for qualification within 30 days
984 after taking a position with the business. A person who is required to be qualified for licensure

985 pursuant to a decision of the commission shall apply for qualification within 30 days after that
986 decision.

987 (g) If a corporation or other form of business organization applying for a gaming license is, or if
988 a corporation or other form of business organization holding a gaming license is to become, a
989 subsidiary, each holding company, intermediary company and other entity having an interest in
990 the applicant shall be required to be qualified for licensure under sections 12 and 16.

991 (h) The commission shall require that a company or individual that can exercise control or
992 provide direction to a gaming licensee or applicant for a gaming license or a holding,
993 intermediary or subsidiary of a gaming licensee or applicant for a gaming license be qualified for
994 licensure under sections 12 and 16; provided, however, that the commission may allow such
995 person to seek a waiver under subsection (c).

996 (i) The bureau shall investigate each person required to be qualified for licensure under this
997 section and shall: (i) make a recommendation to the commission that the commission approve or
998 deny the application for licensure; or (ii) extend the period for issuing a recommendation in order
999 to obtain additional information necessary for a complete evaluation of the application for a
1000 license.

1001 Section 15. No applicant shall be eligible to receive a gaming license unless the applicant meets
1002 the following criteria and clearly states as part of an application that the applicant shall:

1003 (1) agree to be a licensed state lottery sales agent under chapter 10 to sell or operate the lottery,
1004 multi-jurisdictional and keno games; demonstrate that the lottery and keno games shall be readily
1005 accessible to the guests of the gaming establishment and agree that, as a condition of its license
1006 to operate a gaming establishment, that it will not create, promote, operate or sell games that are

1007 similar to or in direct competition, as determined by the commission, with games offered by the
1008 state lottery commission, including the lottery instant games or its lotto style games such as keno
1009 or its multi-jurisdictional games;

1010 (2) in accordance with the design plans submitted with the licensee's application to the
1011 commission, invest not less than the required capital under this chapter into the gaming
1012 establishment;

1013 (3) own or acquire, within 60 days after a license has been awarded, the land where the gaming
1014 establishment is proposed to be constructed; provided, however, that ownership of the land shall
1015 include a tenancy for a term of years under a lease that extends not less than 60 years beyond the
1016 term of the gaming license issued under this chapter;

1017 (4) meet the licensee deposit requirement;

1018 (5) demonstrate that it is able to pay and shall commit to paying the gaming licensing fee;

1019 (6) demonstrate to the commission how the applicant proposes to address lottery mitigation,
1020 compulsive gambling problems, workforce development and community development as well as
1021 host and surrounding community impact and mitigation issues as set forth in the memoranda of
1022 understanding required under this chapter;

1023 (7) identify the infrastructure costs of the host and surrounding communities incurred in direct
1024 relation to the construction and operation of a gaming establishment and commit to a community
1025 mitigation plan for those communities;

1026 (8) provide to the commission a signed agreement between the host community and the applicant
1027 setting forth the conditions to have a gaming establishment located within the host community;

1028 provided, however, that the agreement shall include a community impact fee for the host
1029 community and all stipulations of responsibilities between the host community and the applicant,
1030 including stipulations of known impacts from the development and operation of a gaming
1031 establishment;

1032 (9) provide to the commission signed agreements between the surrounding communities and the
1033 applicant setting forth the conditions to have a gaming establishment located in proximity to the
1034 surrounding communities and documentation of public outreach to those surrounding
1035 communities; provided, however, that the agreement shall include a community impact fee for
1036 each surrounding community and all stipulations of responsibilities between each surrounding
1037 community and the applicant, including stipulations of known impacts from the development and
1038 operation of a gaming establishment;

1039 (10) provide to the commission signed agreements between the impacted live entertainment
1040 venues and the applicant setting forth the conditions to have a gaming establishment located in
1041 proximity to the impacted live entertainment venues; provided, however, that the agreement shall
1042 include, but not be limited to, terms relating to cross marketing and coordination of performance
1043 schedules;

1044 (11) pay to the commission a nonrefundable application fee of \$350,000 to defray the costs
1045 associated with the processing of the application and investigation of the applicant; provided,
1046 however, that if the costs of the investigation exceed the initial application fee, the applicant
1047 shall pay the additional amount to the commission within 30 days after notification of
1048 insufficient fees or the application shall be rejected;

1049 (12) comply with state and local building codes and local ordinances and bylaws, including
1050 sections 61 to 62H, inclusive, of chapter 30;

1051 (13) have received a certified and binding vote on a ballot question at an election in the host
1052 community, in favor of such license; provided, however that the vote shall take place after the
1053 effective date of this chapter; provided further that upon receipt of a request for an election, the
1054 governing body of the municipality shall call for the election to be held not less than 35 days but
1055 not more than 90 days from the date that the request was received; provided further, that a
1056 binding vote shall be conducted not less than 60 days after the execution of a signed agreement
1057 between the host community and the applicant as provided in clause (8); provided further, that
1058 the municipality that holds an election shall be reimbursed for its expenses related to the election
1059 by the applicant; provided further, that, for purposes of this clause, if the gaming establishment is
1060 proposed to be located in a city with a population of at least 125,000 residents according to the
1061 most recent enumerated federal census, “host community” shall mean the ward in which the
1062 gaming establishment is to be located for the purpose of receiving a certified and binding vote on
1063 a ballot question at an election; provided further, that, upon the signing of an agreement between
1064 the host community and the applicant, and upon the request of the applicant, the city or town
1065 clerk shall set a date certain for an election on the ballot question in the host community;
1066 provided further, that at such election, the question submitted to the voters shall be worded as
1067 follows: “Shall the (city/town) of _____ permit the operation of a gaming establishment
1068 licensed by the Massachusetts Gaming Commission to be located at ____ [description of
1069 site] _____? YES _____ NO _____”; provided further, that if a majority of the votes cast in a
1070 host community in answer to the ballot question is in the affirmative, the host community shall
1071 be taken to have voted in favor of the applicant’s license; provided further, that if a proposed

1072 gaming establishment is situated in 2 or more cities or towns, the applicant shall execute an
1073 agreement with each host community, or a joint agreement with both communities, and receive a
1074 certified and binding vote on a ballot question at an election held in each host community, in
1075 favor of such a license;

1076 (14) provide a community impact fee to the host community;

1077 (15) formulate for commission approval and abide by a marketing program by which the
1078 applicant shall identify specific goals, expressed as an overall program goal applicable to the
1079 total dollar amount of contracts, for utilization of: (i) minority business enterprises, women
1080 business enterprises and veteran business enterprises to participate as contractors in the design of
1081 the gaming establishment; (ii) minority business enterprises, women business enterprises and
1082 veteran business enterprises to participate as contractors in the construction of the gaming
1083 establishment; and (iii) minority business enterprises, women business enterprises and veteran
1084 business enterprises to participate as vendors in the provision of goods and services procured by
1085 the gaming establishment and any businesses operated as part of the gaming establishment; and

1086 (16) formulate for commission approval and abide by an affirmative-action program of equal
1087 opportunity whereby the applicant establishes specific goals for the utilization of minorities,
1088 women and veterans on construction jobs; provided, however, that such goals shall be equal to or
1089 greater than the goals contained in the executive office for administration and finance
1090 Administration Bulletin Number14. In furtherance of specific goals for the utilization of
1091 minorities and women on construction jobs, the licensee shall send to each labor union or
1092 representative of workers with which the applicant has a collective bargaining agreement or

1093 other contract or understanding, a notice advising the labor union or workers' representative of
1094 the applicant's commitments.

1095 Section 16. The commission shall deny an application for a gaming license, or any license or
1096 registration issued under this chapter, if the applicant: (i) has been convicted of a felony or other
1097 convictions involving embezzlement, theft, fraud or perjury; provided, however, that for
1098 convictions which occurred before the 10-year period immediately preceding application for
1099 licensure, an applicant may demonstrate, and the commission shall consider, the applicant's
1100 rehabilitation and whether such conviction should not be an automatic disqualification under this
1101 section; (ii) submitted an application for a license under this chapter that contains false or
1102 misleading information; (iii) committed prior acts which have not been prosecuted or in which
1103 the applicant was not convicted but form a pattern of misconduct that makes the applicant
1104 unsuitable for a license under this chapter; or (iv) has affiliates or close associates that would not
1105 qualify for a license or whose relationship with the applicant may pose an injurious threat to the
1106 interests of the commonwealth in awarding a gaming license to the applicant.

1107 Section 17. (a) After a review of the entire application and any independent evaluations, the
1108 commission shall identify which communities shall be designated as the surrounding
1109 communities of a proposed gaming establishment; provided, however, that any community that
1110 has negotiated a surrounding community memorandum of understanding with the applicant that
1111 was submitted with the application shall be considered a surrounding community by the
1112 commission. In making that determination, the commission shall consider the detailed plan of
1113 construction submitted by the applicant, information received from the public and factors which
1114 shall include, but not be limited to, population, infrastructure and distance from the gaming
1115 establishment and political boundaries. If the commission determines a city or town to be a

1116 surrounding community and the applicant has not included a signed agreement with that
1117 community in its application, the applicant shall negotiate a signed agreement with that
1118 community within 30 days and no action shall be taken on its application prior to the execution
1119 of that agreement. When necessary the commission may facilitate the negotiation of fair and
1120 reasonable agreements between the applicant and surrounding communities.

1121 (b) After a review of the entire application and any independent evaluations, the
1122 commission shall identify which live entertainment venues shall be designated as impacted live
1123 entertainment venues of a proposed gaming establishment; provided, however, that any live
1124 entertainment venue that has negotiated an agreement with the applicant that was submitted with
1125 the application shall be considered an impacted live entertainment venue by the commission. If
1126 the commission determines an live entertainment venue to be an impacted live entertainment
1127 venue and the applicant has not included a signed agreement with that live entertainment venue
1128 in its application, the applicant shall negotiate a signed agreement with that live entertainment
1129 venue within 30 days and no action shall be taken on its application prior to the execution of that
1130 agreement. A gaming licensee's compliance with such agreements shall be considered upon a
1131 gaming licensee's application for renewal of the gaming license. When necessary the
1132 commission may facilitate the negotiation of fair and reasonable agreements between the
1133 applicant and impacted live entertainment venues.

1134 (c) The commission shall conduct a public hearing on the application pursuant to section 11 ½
1135 of chapter 30A. An applicant for a gaming license and a municipality designated as a host or
1136 surrounding community shall be given at least 30 days notice of the public hearing. The
1137 commission shall hold the public hearing within the host community; provided, however, that the
1138 host community may request that the commission hold the hearing in another city or town.

1139 (d) The public hearing shall provide the commission the opportunity to address questions and
1140 concerns relative to the proposal of a gaming applicant to build a gaming establishment,
1141 including the scope and quality of the gaming area and amenities, the integration of the gaming
1142 establishment into the surrounding community and the extent of required mitigation plans, as
1143 well as receive input from members of the public from the impacted community or communities.
1144 During the hearing, the commission may take the opportunity to read into the record any letters
1145 of support, opposition or concern from members of the communities in the vicinity of the
1146 proposed gaming establishment.

1147 (e) Not later than 90 days after the conclusion of the public hearing, the commission shall take
1148 action on the application. The commission may: (i) grant the application for a gaming license;
1149 (ii) deny the application; or (iii) extend the period for issuing a decision in order to obtain any
1150 additional information necessary for a complete evaluation of the application; provided,
1151 however, that the extension shall be not longer than 30 days.

1152 (f) Upon denial of an application, the commission shall prepare and file the commission's
1153 decision and, if requested by the applicant, shall further prepare and file a statement of the
1154 reasons for the denial, including specific findings of fact by the commission and the
1155 recommendation from the bureau with respect to the suitability of the applicant pursuant to
1156 sections 12 and 16. Applicants may request a hearing before the commission to contest any
1157 findings of fact by the bureau into the suitability of the applicant.

1158 (g) The commission shall have full discretion as to whether to issue a license. Applicants shall
1159 have no legal right or privilege to a gaming license and shall not be entitled to any further review
1160 if denied by the commission.

1161 Section 18. In determining whether an applicant shall receive a gaming license, the commission
1162 shall evaluate and issue a statement of findings of how each applicant proposes to advance the
1163 following objectives:

1164 (1) protecting the lottery from any adverse impacts due to expanded gaming including, but not
1165 limited to, developing cross-marketing strategies with the lottery and increasing ticket sales to
1166 out-of-state residents;

1167 (2) promoting local businesses in host and surrounding communities, including developing cross-
1168 marketing strategies with local restaurants, hotels, retail outlets and impacted live entertainment
1169 venues;

1170 (3) realizing maximum capital investment exclusive of land acquisition and infrastructure
1171 improvements;

1172 (4) implementing a workforce development plan to utilize the existing labor force, including the
1173 estimated number of construction jobs a proposed gaming establishment will generate, the
1174 development of workforce training programs that serve the unemployed and methods for
1175 accessing employment at the gaming establishment;

1176 (5) building a gaming establishment of high caliber with a variety of quality amenities to be
1177 included as part of the gaming establishment and operated in partnership with local hotels and
1178 dining, retail and entertainment facilities so that patrons experience the diversified regional
1179 tourism industry;

1180 (6) taking additional measures to address problem gambling including, but not limited to,
1181 training of gaming employees to identify patrons exhibiting problems with gambling and
1182 prevention programs targeted toward vulnerable populations;

1183 (7) providing a market analysis detailing the benefits of the site location of the gaming
1184 establishment and the estimated recapture rate of gaming-related spending by residents travelling
1185 to out of state gaming establishments;

1186 (8) utilizing sustainable development principles including, but not limited to: (i) being certified
1187 as gold or higher under the appropriate certification category in the Leadership in Environmental
1188 and Energy Design program created by the United States Green Building Council; (ii) meeting or
1189 exceeding the stretch energy code requirements contained in Appendix 120AA of the
1190 Massachusetts building energy code or equivalent commitment to advanced energy efficiency as
1191 determined by the secretary of energy and environmental affairs; (iii) efforts to mitigate vehicle
1192 trips; (iv) efforts to conserve water and manage storm water; (v) demonstration that electrical and
1193 HVAC equipment and appliances will be EnergyStar labeled where available; (vi) procuring or
1194 generating on-site 10 per cent of its annual electricity consumption from renewable sources
1195 qualified by the department of energy resources under section 11F of chapter 25A; and (vii)
1196 developing an ongoing plan to submeter and monitor all major sources of energy consumption
1197 and undertake regular efforts to maintain and improve energy efficiency of buildings in their
1198 systems;

1199 (9) establishing, funding and maintaining human resource hiring and training practices that
1200 promote the development of a skilled and diverse workforce and access to promotion
1201 opportunities through a workforce training program that: (i) establishes transparent career paths

1202 with measurable criteria within the gaming establishment that lead to increased responsibility
1203 and higher pay grades that are designed to allow employees to pursue career advancement and
1204 promotion; (ii) provides employee access to additional resources, such as tuition reimbursement
1205 or stipend policies, to enable employees to acquire the education or job training needed to
1206 advance career paths based on increased responsibility and pay grades; and (iii) establishes an
1207 on-site child day-care program;

1208 (10) contracting with local business owners for the provision of services and goods to the gaming
1209 establishment, including developing plans designed to assist businesses in the commonwealth in
1210 identifying the needs for goods and services to the establishment;

1211 (11) maximizing revenues received by the commonwealth;

1212 (12) providing a high number of quality jobs in the gaming establishment;

1213 (13) offering the highest and best value to create a secure and robust gaming market in the region
1214 and the commonwealth;

1215 (14) mitigating potential impacts on host and surrounding communities which might result from
1216 the development or operation of the gaming establishment;

1217 (15) purchasing, whenever possible, domestically manufactured slot machines for installation in
1218 the gaming establishment;

1219 (16) implementing a marketing program that identifies specific goals, expressed as an overall
1220 program goal applicable to the total dollar amount of contracts, for the utilization of: (i) minority
1221 business enterprises, women business enterprises and veteran business enterprises to participate
1222 as contractors in the design of the gaming establishment; (ii) minority business enterprises,

1223 women business enterprises and veteran business enterprises to participate as contractors in the
1224 construction of the gaming establishment; and (iii) minority business enterprises, women
1225 business enterprises and veteran business enterprises to participate as vendors in the provision of
1226 goods and services procured by the gaming establishment and any businesses operated as part of
1227 the gaming establishment; and

1228 (17) implementing a workforce development plan that: (i) incorporates an affirmative action
1229 program of equal opportunity by which the applicant guarantees to provide equal employment
1230 opportunities to all employees qualified for licensure in all employment categories, including
1231 persons with disabilities; (ii) utilizes the existing labor force in the commonwealth; (iii)
1232 estimates the number of construction jobs a gaming establishment will generate and provides for
1233 equal employment opportunities and which includes specific goals for the utilization of
1234 minorities and women on those construction jobs; (iv) identifies workforce training programs
1235 offered by the gaming establishment; and (v) identifies the methods for accessing employment at
1236 the gaming establishment.

1237 Section 19. (a) The commission may issue not more than 3 category 1 licenses based on the
1238 applications and bids submitted to the commission. Not more than 1 license shall be awarded per
1239 region. Regions shall be established as follows:

1240 (1) region A: suffolk, middlesex, essex, norfolk and worcester counties;

1241 (2) region B: hampshire, hampden, franklin and berkshire counties; and

1242 (3) region C: bristol, plymouth, nantucket, dukes and barnstable counties.

1243 Gaming licenses shall only be issued to applicants who are qualified under the criteria set forth in
1244 this chapter, as determined by the commission. Within any region, if the commission is not
1245 convinced that there is an applicant that has both met the eligibility criteria and provided
1246 convincing evidence that the applicant will provide value to the region in which the gaming
1247 establishment is proposed to be located and to the commonwealth, no gaming license shall be
1248 awarded in that region.

1249 (b) No other gaming license shall be issued by the commission for a period of 15 years
1250 after the initial awarding of gaming licenses.

1251 (c) No gaming licensee shall transfer a gaming license or any direct or indirect interest in
1252 the gaming license or a gaming establishment without the majority approval of the commission.
1253 A person seeking to acquire a gaming license through a transfer shall qualify for licensure under
1254 this chapter. The commission shall reject a gaming license transfer or a transfer of interest in the
1255 gaming establishment to an unsuitable person and may reject a proposed transfer that, in the
1256 opinion of the commission, would be disadvantageous to the interests of the commonwealth.

1257 (d) The commission shall take into consideration the physical distance in selecting the locations
1258 of the gaming establishments as they relate to each other and how they maximize benefits to the
1259 commonwealth.

1260 (e) If a category 1 license is awarded to an applicant with a simulcasting license under chapter
1261 128C as of July 1, 2011, a condition of the gaming license shall be to maintain the simulcasting
1262 license under said chapter 128C. Upon failure to conduct simulcast wagering, the commission
1263 shall suspend the category 1 license.

1264 (f) If a category 1 license is awarded to an applicant with live racing under chapter 128A as of
1265 July 1, 2011, a condition of the gaming license shall be to maintain and complete the annual live
1266 racing season under said chapter 128A. Upon failure to conduct live racing the commission shall
1267 suspend the category 1 license.

1268 (g) For the purposes of subsections (e) and (f), an applicant for a gaming license shall be
1269 considered to be the holder of a license under chapter 128A or chapter 128C if the applicant: (i)
1270 owns 50.1 or more per cent of the common stock of the company which obtained a license under
1271 said chapter 128A or 128C; and (ii) is a person who owns more than 5 per cent of the common
1272 stock of the applicant company, directly or indirectly, or is an institutional investor in the gaming
1273 license.

1274 Section 20. (a) The commission may issue not more than 1 category 2 license; provided,
1275 however, that the category 2 license shall only be issued to an applicant who is qualified under
1276 the criteria set forth in this chapter as determined by the commission. If the commission is not
1277 convinced that there is an applicant that has both met the eligibility criteria and provided
1278 convincing evidence that the applicant will provide value to the commonwealth, no category 2
1279 license shall be awarded.

1280 (b) If a category 2 license is awarded to an applicant with a simulcasting license under chapter
1281 128C as of July 1, 2011, a condition of said license shall be to maintain the simulcasting
1282 license.pursuant to said chapter 128C. Upon failure to conduct simulcast wagering the
1283 commission shall suspend the category 2 license.

1284 (c) If a category 2 license is awarded to an applicant with live racing, pursuant to chapter 128A
1285 as of July 1, 2011, a condition of the license shall be to maintain and complete the annual live

1286 racing season pursuant to said chapter 128A. Upon failure to conduct live racing, the commission
1287 shall suspend the category 2 license.

1288 (d) For the purposes of subsections (b) and (c), an applicant for a gaming license shall be
1289 considered to be the holder of a license under chapter 128A or chapter 128C if the applicant: (i)
1290 owns 50.1 or more per cent of the common stock of the company which obtained a license under
1291 chapter 128A or 128C; and (ii) includes a person who owns more than 5 per cent of the common
1292 stock of the applicant company, directly or indirectly, or is an institutional investor in the gaming
1293 license.

1294 (e) A category 2 license issued pursuant to this chapter shall not be transferrable or
1295 assignable without the approval of the commission; provided, however, that for 5 years after the
1296 initial issuance of a category 2 license, the commission shall only approve such a transfer if: (i)
1297 the licensee experiences a change in ownership; or (ii) the licensee fails to maintain suitability or
1298 other circumstances which the commission may consider, which, in the opinion of a majority of
1299 members of the commission, impact a licensee's ability to successfully operate a gaming
1300 establishment.

1301 (f) A category 2 license issued pursuant to this chapter shall be for a period of 5 years.
1302 The commission shall establish procedures for renewal and set the renewal fee based on the cost
1303 of fees associated with the evaluation of a licensee; provided, however, that the cost of renewal
1304 shall not be less than \$100,000. Any renewal fees shall be deposited into the Gaming Revenue
1305 Fund.

1306 Section 21. (a) The commission shall prescribe the form of the gaming license, which shall
1307 include, but not be limited to, the following license conditions for each licensee. The licensee
1308 shall:

1309 (1) have an affirmative obligation to abide by every statement made in its application to
1310 the commission including all evaluation criteria and eligibility requirements;

1311 (2) comply with all laws of the commonwealth, the laws of the United States and all rules
1312 and regulations promulgated under this chapter;

1313 (3) pay daily to the commission the gross gaming revenue payment;

1314 (4) make, or cause to be made, capital expenditures to its gaming establishment in a
1315 minimum aggregate amount equal to or greater than 3.5 per cent of the net gaming revenues
1316 derived from the establishment;

1317 (5) change its business governing structure without the notification and approval of the
1318 commission;

1319 (6) operate, invest or own, in whole or in part, another gaming licensee's license or
1320 gaming establishment;

1321 (7) cooperate with the commission and the attorney general in all gaming-related
1322 investigations. Each gaming licensee shall make readily available all documents, materials,
1323 equipment, personnel and any other items requested during all investigations; provided, however,
1324 that material that the gaming licensee considers a trade secret or detrimental to the gaming
1325 licensee if it were made public may, with the commission's approval, be protected from public

1326 disclosure and the gaming licensee may require nondisclosure agreements with the commission
1327 before disclosing such material;

1328 (8) cooperate with the commission and the attorney general with respect to the
1329 investigation of any criminal matter; provided, however, that the gaming licensee shall, upon
1330 receipt of a criminal or civil process compelling testimony or production of documents in
1331 connection with a civil or criminal investigation, immediately disclose such information to the
1332 commission; and provided further, that this clause shall not prohibit private persons or public
1333 entities from seeking any remedy or damages against a gaming licensee;

1334 (9) allow the commission or the division and state police officers assigned to the
1335 commission or the division to conduct warrantless searches of the licensee's gaming area;

1336 (10) have a duty to inform the commission of any action which the gaming licensee
1337 reasonably believes would constitute a violation of this chapter, and shall assist the commission
1338 and any federal or state law enforcement agency in the investigation and prosecution of such
1339 violation; provided, however, that no person who informs the commission of such an action shall
1340 be discriminated against by an applicant or gaming licensee as a consequence for having
1341 supplied such information;

1342 (11) provide an office for the commission at the gaming establishment and the designated
1343 state police unit at the gaming establishment; provided, however, that the commission shall
1344 establish the minimum requirements for square footage for the state police office, office
1345 furnishings and parking space;

1346 (12) collect and annually report to the commission a detailed statistical report on the
1347 number, job titles, benefits and salaries of employees hired and retained in employment at the
1348 gaming establishment;

1349 (13) employ only those persons licensed or registered by the commission;

1350 (14) do business only with those vendors licensed or registered by the commission;

1351 (15) provide to the commission aggregate demographic information with respect to the
1352 gaming licensee's customers in a manner and under a schedule to be defined by the commission;

1353 (16) provide complimentary on-site space for an independent substance abuse,
1354 compulsive gambling and mental health counseling service and establish a program to train
1355 gaming employees in the identification of and intervention with customers exhibiting problem
1356 gaming behavior;

1357 (17) keep conspicuously posted in the gaming area a notice containing the name and a
1358 telephone number for problem gambling assistance; provided, however, that the commission
1359 may require the gaming licensee to provide this information in more than 1 language;

1360 (18) provide a process for individuals to exclude their names and contact information
1361 from the gaming licensee's database or any other list held by the gaming licensee for use in
1362 marketing or promotional communications;

1363 (19) institute additional public health strategies as required by the commission;

1364 (20) abide by an affirmative-action program of equal opportunity by which the gaming
1365 licensee guarantees to provide equal employment opportunities to all employees qualified for

1366 licensure in all employment categories, including a person with a disability, under the laws of the
1367 commonwealth.

1368 (21) formulate for commission approval and abide by an affirmative marketing program
1369 by which the gaming licensee identifies specific goals, expressed as an overall program goal
1370 applicable to the total dollar amount or value of contracts entered into, for the utilization of: (i)
1371 minority business enterprises, women business enterprises and veteran business enterprises to
1372 participate as contractors in the design of the gaming establishment; (ii) minority business
1373 enterprises, women business enterprises and veteran business enterprises to participate as
1374 contractors in the construction of the gaming establishment; and (iii) minority business
1375 enterprises, women business enterprises and veteran business enterprises to participate as
1376 vendors in the provision of goods and services procured by the gaming establishment and any
1377 businesses operated as part of the gaming establishment; provided, however, that the specific
1378 goals for the utilization of such minority business enterprises, women business enterprises and
1379 veteran business enterprises shall be based on the availability of such minority business
1380 enterprises, women business enterprises and veteran business enterprises engaged in the type of
1381 work to be contracted by the gaming licensee;

1382 (22) formulate for commission approval and abide by an affirmative action program of
1383 equal opportunity whereby the licensee establishes specific goals for the utilization of minorities,
1384 women and veterans on construction jobs; provided, however, that such goals shall be equal to or
1385 greater than the goals contained in executive office of administration and finance administration
1386 Bulletin Number 14; provided further, that in furtherance of the specific goals for the utilization
1387 of minorities, women and veterans on construction jobs, the gaming licensee shall send to each
1388 labor union or representative of workers with which the gaming licensee or its agent has a

1389 collective bargaining agreement or other contract or understanding, a notice advising the labor
1390 union or workers' representative of the gaming licensee's commitments;

1391 (23) provide to the commission, on a quarterly basis, a detailed statistical report on the
1392 number, gender and race of individuals hired to perform labor as part of the construction of the
1393 gaming establishment; and

1394 (24) collect and annually provide to the commission a detailed statistical report on the
1395 total dollar amounts contracted with and actually paid to minority business enterprises, women
1396 business enterprises and veterans business enterprises in: (i) design contracts; (ii) construction
1397 contracts; and (iii) contracts for every good and service procured by the gaming establishment;
1398 provided, however, that such statistical report shall also identify the amounts so contracted as a
1399 percentage of total dollar amounts contracted with and actually paid to all firms.

1400 (b) No person shall transfer a gaming license, a direct or indirect real interest, structure,
1401 real property, premises, facility, personal interest or pecuniary interest under a gaming license
1402 issued under this chapter or enter into an option contract, management contract or other
1403 agreement or contract providing for such transfer in the present or future, without the notification
1404 to, and approval by, the commission. The commission may promulgate rules and regulations that
1405 create exemptions from the approval requirement; provided, however, that: (i) in no event shall
1406 a bona fide commercial financial institution licensed by the division of banks which becomes a
1407 substantial party of interest with a gaming licensee be considered a transferee; (ii) the
1408 commission may require the transferor, transferee, or both, to pay to the commission an amount
1409 representing the commonwealth's share of the increased value for the transferred licenses,
1410 property or interest; provided, further, that the commission shall consider as a factor in

1411 determining the amount of the payment the market value of the gaming license, property or
1412 interest when it was acquired and at the time of the transfer; provided further, that the
1413 commission may place additional conditions or restrictions on a transfer that the commission
1414 considers suitable; provided further, that the commission may reject a transfer if the commission
1415 considers the transfer unsuitable; and (iii) any payments collected by the commission on behalf
1416 of the commonwealth based on the transfer shall be deposited in the same manner as license fees
1417 are deposited.

1418 (c) The commission may include any reasonable additional requirements to the license
1419 conditions.

1420 Section 22. The sale, assignment, transfer, pledge or other disposition of any security issued by a
1421 corporation, which holds a gaming license shall be conditional and shall be ineffective if
1422 disapproved by the commission. If at any time the commission finds that an individual owner or
1423 holder of a security of a corporate licensee or of a holding or intermediary company with respect
1424 thereto is not qualified under this chapter and if as a result the corporate licensee is no longer
1425 qualified to continue as a gaming licensee, the commission shall take any action necessary to
1426 protect the interests of the commonwealth including, but not limited to, suspension or revocation
1427 of the gaming license of the corporation.

1428 Each corporation which has been issued a gaming license pursuant to this chapter shall file a
1429 report of any change of its corporate officers or members of its board of directors with the
1430 commission. No officer or director shall be entitled to exercise any powers of office until
1431 qualified by the commission.

1432 Section 23. (a) A category 1 or category 2 licensee shall issue an annual report to the commission
1433 explicitly stating its progress on meeting each of the stated goals and stipulations put forth in the
1434 licensee's original application. Inability to meet stated goals within a reasonable time frame, as
1435 determined by the commission, shall result in additional fees as deemed fair and reasonable by
1436 the commission. Failure to meet stated goals may also result in revocation of the license at any
1437 time by the commission.

1438 Nothing in this section shall preclude the commission at any time from reviewing the business
1439 operations of a gaming licensee to ensure that the conditions of licensure are being met
1440 including, but not limited to, the suitability of the gaming licensee and any affiliates and the
1441 fiscal stability of the gaming establishment.

1442 (b) The commission may condition, suspend or revoke a gaming license upon a finding that a
1443 licensee: (i) has committed a criminal or civil offense under this chapter or under any other laws
1444 of the commonwealth; (ii) is not in compliance with gaming regulations or is under criminal
1445 investigation in another jurisdiction; (iii) has breached a condition of licensure; (iv) has affiliates,
1446 close associates or employees that are not qualified or licensed under this chapter with whom the
1447 gaming licensee continues to conduct business or employ; (v) is no longer capable of
1448 maintaining operations at a gaming establishment; or (vi) whose business practice, upon a
1449 determination by the commission, is injurious to the policy objectives of this chapter.

1450 (c) Whenever any person contracts to transfer any property relating to an ongoing gaming
1451 establishment, including a security holding in a gaming licensee or holding or intermediary
1452 company, under circumstances which require that the transferee obtain licensure under this
1453 chapter, the contract shall not specify a closing or settlement date which is earlier than the 121

1454 days after the submission of a completed application for licensure or qualification, which
1455 application shall include a fully executed and approved trust agreement.

1456 The commission shall hold a hearing and render a decision on the interim authorization of the
1457 new applicant. If the commission grants interim authorization, then the closing or settlement may
1458 occur without interruption of operations of the gaming establishment. If the commission denies
1459 interim authorization, there shall be no closing or settlement until the commission makes a
1460 determination on the qualification of the applicant, and if the commission then denies
1461 qualification the contract shall thereby be terminated for all purposes without liability on the part
1462 of the transferor. The commission shall promulgate further regulations for interim authorization
1463 of a gaming establishment.

1464 (d) No person or affiliate shall be awarded, purchase or otherwise hold or have a financial
1465 interest in more than 1 gaming license issued by the commission.

1466 Section 24. (a) An applicant for a gaming license shall maintain an existing racing facility on the
1467 premises; provided, however, that the gaming licensee shall increase the number of live racing
1468 days to a minimum of 125 days according to the following schedule: (i) in the first calendar year
1469 of operation, a gaming licensee shall hold 105 racing days; (ii) in the second calendar year of
1470 operation, a gaming licensee shall hold 115 racing days; and (iii) in the third and subsequent
1471 calendar years of operation, a gaming licensee shall hold 125 racing days;

1472 (b) A category 2 licensee may increase the number of live racing days if the gaming licensee is
1473 holding a minimum of 125 racing days within 3 years of receiving a category 2 license. If a
1474 gaming licensee does not conduct live racing for the minimum number of days set forth in
1475 subsection (a), the commission shall suspend the gaming license.

1476 (c) After 3 years of operation of the gaming establishment and in consultation with the parties to
1477 the purse agreement, the commission may adjust the amount of required racing days at a gaming
1478 establishment based on fields, demand and racing performance.

1479 (d) A gaming licensee with a live racetrack shall have an annual purse agreement in effect by
1480 December 31 of each year for the following year's racing; provided, however, that if the parties
1481 to a purse agreement at a gaming establishment cannot in good faith negotiate an agreement by
1482 December 31, the purse agreement shall be arbitrated by the commission.

1483 Section 25. (a) No gaming licensee shall conduct gaming without an operations certificate issued
1484 by the commission. An operations certificate shall only be issued upon compliance with the
1485 requirements of this chapter including, but not limited to: (i) implementation of all management
1486 controls required by the commission including, without limitation, controls on accounting,
1487 wagering and auditing; (ii) implementation of all security precautions required by the
1488 commission; (iii) an up to date listing of all gaming employees; (iv) licensing or registering of all
1489 gaming employees; (v) the provision of office space at the gaming establishment for use by the
1490 commission employees; (vi) the hours of operation of the gaming establishment; and (vii) that its
1491 personnel and procedures are efficient and prepared to entertain the public.

1492 The operations certificate shall be conspicuously posted and shall state the number of slot
1493 machines, table games or other authorized games, if applicable.

1494 (b) A gaming licensee may operate a gaming establishment from 6:00 am to 5:59 am; provided,
1495 however, that the gaming establishment shall register its hours of operation with the commission.

1496 (c) Each gaming establishment shall arrange its gaming area in such a manner as to promote
1497 optimum security for the gaming establishment operations including, but not limited to: (i) a

1498 closed circuit television system according to specifications approved by the commission, with
1499 access on the licensed premises to the system or its signal provided to the commission; (ii) rooms
1500 or locations approved by the commission for use by commission employees; and (iii) design
1501 specifications that ensure that visibility in a gaming area is not obstructed in any way that might
1502 interfere with the ability of the commission or the division to supervise gaming establishment
1503 operations.

1504 (d) Each applicant for a gaming license shall submit to the commission: (i) a description of its
1505 minimum system of internal procedures and administrative and accounting controls for gaming
1506 and any simulcast wagering operations; (ii) a certification by the applicant's chief legal officer
1507 that the submitted procedures conform to this chapter and any regulations promulgated
1508 hereunder; and (iii) a certification by the applicant's chief financial officer that the submitted
1509 procedures provide adequate and effective controls, establish a consistent overall system of
1510 internal procedures and administrative and accounting controls and conform to generally
1511 accepted accounting principles and any additional standards required by the commission. Each
1512 applicant shall submit the above descriptions and certifications at least 30 business days before
1513 such operations are scheduled to commence unless otherwise directed by the commission;
1514 provided, however, that no gaming licensee shall commence gaming operations or alter its
1515 minimum internal controls until such system of minimum controls is approved by the
1516 commission. The commission shall establish regulations for the information required in the
1517 internal control submission.

1518 Any proposed changes to a gaming licensee's system of internal procedures and controls shall be
1519 submitted to the commission along with 2 new certifications from its chief legal and financial

1520 officers. If the commission does not object, the gaming licensee may make the proposed
1521 changes 15 business days after submitting a description of the changes to the commission.

1522 (e) Gaming equipment shall not be possessed, maintained or exhibited by any person on the
1523 premises of a gaming establishment except in a gaming area approved by the commission or in a
1524 restricted area used for the inspection, repair or storage of such equipment and specifically
1525 designated for that purpose.

1526 (f) Each gaming establishment shall contain a count room and such other secure facilities as may
1527 be required by the commission for the counting and storage of cash, coins, tokens, checks,
1528 plaques, gaming vouchers, coupons and other devices or items of value used in wagering and
1529 approved by the commission that are received in the conduct of gaming and for the inspection,
1530 counting and storage of dice, cards, chips and other representatives of value.

1531 (g) A dealer may accept tips or gratuities from a patron at the table game where such dealer is
1532 conducting play; provided, however, that such tips or gratuities shall be placed in a pool for
1533 distribution among other dealers. The commission shall determine how tips and gratuities shall
1534 be set aside for the dealer pool as well as the manner of distribution among dealers. No key
1535 gaming employee or any other gaming official who serves in a supervisory position shall solicit
1536 or accept a tip or gratuity from a player or patron in the gaming establishment where the
1537 employee is employed.

1538 (h) No person under the age of 21 shall be permitted to wager or be in a gaming area; provided,
1539 however, that a person 18 years or over of age who is a licensed employee of the gaming
1540 establishment may be in a gaming area if in the performance of the duties the employee is
1541 licensed to undertake.

1542 (i) No category 1 or category 2 licensee shall operate unless the gaming establishment manager
1543 or the manager's designee is on the premises and representatives of the commission are present
1544 at the gaming establishment.

1545 (j) Each gaming establishment shall file an emergency response plan with the fire department
1546 and police department of the host community which shall include, but not be limited to: (i) a
1547 layout identifying all areas within the facility and grounds, including support systems and the
1548 internal and external access routes; (ii) the location and inventory of emergency response
1549 equipment and the contact information of the emergency response coordinator for the gaming
1550 establishment; (iii) the location of any hazardous substances and a description of any public
1551 health or safety hazards present on site; (iv) a description of any special equipment needed to
1552 respond to an emergency at the gaming establishment; (v) an evacuation plan; and (vi) any other
1553 information relating to emergency response as requested by the commission, the fire department
1554 or the police department of the host community.

1555 Section 26. (a) Notwithstanding chapter 138 or any other general or special law or rule or
1556 regulation to the contrary, the commission may grant, upon request of an applicant for a gaming
1557 license, a gaming beverage license for the sale and distribution of alcoholic beverages to be
1558 drunk on the premises of a gaming establishment. The division of gaming liquor enforcement of
1559 the alcoholic beverage control commission shall have the authority to enforce, regulate and
1560 control the distribution of alcoholic beverages in a gaming establishment.

1561 (b) The fee for the gaming beverage license and any renewals of the license shall be determined
1562 by the commission. The application fee shall be remitted with the gaming application fee.

1563 (c) Notwithstanding any regulation to the contrary, a licensee under this section shall be
1564 permitted to distribute alcohol free of charge and for on-premise consumption to patrons in the
1565 gaming area or as a complimentary service or item in the gaming establishment; provided,
1566 however, that the commission, in consultation with the alcoholic beverages control commission,
1567 shall promulgate regulations on such distribution as well as the forms of identification that may
1568 be presented to the gaming licensee to demonstrate proof that a person has attained the age of 21.

1569 (d) The request submitted to the commission for a gaming beverage license by an applicant for a
1570 gaming license shall detail all areas where alcoholic beverages will be served within the gaming
1571 establishment. In issuing a gaming beverage license, the commission shall describe the scope of
1572 the particular license and any restrictions and limitations; provided, however, that the gaming
1573 beverage license shall not permit the sale or distribution of alcoholic beverages between the
1574 hours of 2 a.m. and 8 a.m.

1575 (e) A gaming licensee shall be responsible for violations of the gaming beverage license in the
1576 gaming establishment. The commission may revoke, suspend, refuse to renew or refuse to
1577 transfer a gaming beverage license for violations of chapter 138 that pertain to the sale and
1578 distribution of alcohol drunk on-premises and the regulations adopted by the commission. If, at
1579 any time, a gaming licensee elects temporary suspension of their gaming license due to
1580 violations of this section, said gaming licensee shall owe the commonwealth the average tax on
1581 gross gaming revenue based on an appropriate period of time as determined by the commission
1582 for the number of days operation was suspended.

1583 (f) A gaming beverage license shall be nontransferable without prior approval from the
1584 commission. If the gaming beverage license is cancelled, revoked or no longer in use, it shall be

1585 returned physically, with all the legal rights, privileges and restrictions pertaining to the license,
1586 to the commission and the commission may then grant the license to a new gaming licensee
1587 under the same conditions as specified in this section.

1588 (g) A license granted under this section shall not decrease the number of such licenses authorized
1589 to be granted to the host community under chapter 138.

1590 Section 27. (a) A gaming licensee shall be permitted to issue credit to a patron of a gaming
1591 establishment in accordance with regulations promulgated by the commission. Such regulations
1592 shall include, but not be limited to: (i) procedures for confirming that a patron has an established
1593 credit history and is in good standing; (ii) whether the patron has a good credit history with the
1594 gaming establishment; (iii) authorization of any credit instrument; (iv) methods for
1595 acknowledging a credit instrument and payment of debt; and (v) information to be provided by
1596 the patron to the gaming establishment to be shared with the commission for auditing purposes.

1597 (b) Except as otherwise authorized by the commission through regulations under this chapter, no
1598 gaming establishment, nor any person acting on behalf of said gaming establishment shall cash
1599 any check, make any loan, or otherwise provide or allow to any person any credit or advance of
1600 anything of value, or which represents value, to enable any person to place a wager; or release or
1601 discharge any debt, either in whole or in part, or make any loan which represents any losses
1602 incurred by any player in gaming or simulcast wagering activity, without maintaining a written
1603 record of the release or discharge in accordance with the rules of the commission. Nothing in this
1604 section shall prohibit a gaming establishment from accepting credit cards for non-gaming related
1605 purchases or services.

1606 (c) Checks cashed in conformity with the requirements of this section shall be valid instruments
1607 enforceable under the laws of the commonwealth. Any check cashed, transferred, conveyed or
1608 given in violation of this section or regulations promulgated thereunder shall be invalid and
1609 unenforceable.

1610 (d) The commission shall establish procedures and standards for approving promotional gaming
1611 credits, provided, however, that no such credit shall be reported as a promotional gaming credit
1612 by an operator of a gaming establishment unless the operator can establish that the credit was
1613 issued by the gaming establishment and received from a patron as a wager at a slot machine in
1614 the gaming establishment, provided further, that such promotional gaming credit shall not be
1615 taxable for the purposes of determining gross revenue.

1616 (e) No person, other than a gaming licensee, shall issue credit to a patron in a gaming
1617 establishment.

1618 (f) The commission shall, in consultation with the department of transitional assistance, the
1619 department of labor and workforce development, the department of housing and community
1620 development or the applicable administering agency, establish by regulation procedures and
1621 standards to prohibit a gaming establishment or any person acting on behalf of a gaming
1622 establishment from: (i) cashing a government-issued check; (ii) from operating on its premises
1623 any credit card or ATM machine that would allow a patron to obtain cash from a government-
1624 issued Electronic Benefits Transfer Card; and (iii) from extending or issuing credit to a patron of
1625 a gaming establishment who receives any form of income-based public assistance including, but
1626 not limited to, the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy
1627 Families, Emergency Aid to Elders, Disabled and Children, public housing assistance,

1628 MassHealth and unemployment insurance. The procedures and standards established shall
1629 ensure the privacy of all patrons receiving public assistance.

1630 (g) A person may petition the commission to place the person's name on a list of persons to
1631 whom the extension of credit by a gaming establishment shall be prohibited. Any person filing
1632 such petition shall submit to the commission the person's name, address and date of birth. The
1633 person shall not be required to provide a reason for the request. The commission shall provide
1634 this list to the credit department of each gaming establishment; provided, however, that neither
1635 the commission nor the credit department of a gaming establishment shall divulge the names on
1636 this list to any person or entity other than those provided for in this subsection. If such a person
1637 wishes to have their name removed from the list, the person shall petition the commission in
1638 accordance with procedures for removal set forth by the commission. If the commission
1639 approves the request, the commission shall so inform the credit department of the gaming
1640 establishments no later than 7 days after approving the request.

1641 (h) Debt collections under this section and regulations promulgated thereunder shall be limited to
1642 key gaming employees or attorneys acting directly on behalf of gaming licensees; provided,
1643 further, that a key gaming employee shall be prohibited from making any such collections if they
1644 serve as a junket representative for the gaming licensee.

1645 Section 28. (a) No gaming licensee shall offer to provide any complimentary services, gifts, cash
1646 or other items of value to any person unless the complimentary item consists of a room, food,
1647 beverage, transportation or entertainment expenses provided directly to the patron and the
1648 patron's guests by the gaming licensee or indirectly to the patron and the patron's guests on
1649 behalf of a third party or the complimentary item consists of coins, tokens, cash or other

1650 complimentary items or services provided through a complimentary distribution program which
1651 shall be filed and approved by the commission upon the implementation of the program or
1652 maintained under regulation.

1653 (b) Gaming licensees shall submit quarterly reports to the commission covering all
1654 complimentary services offered or engaged in by the gaming licensee during the immediately
1655 preceding quarter. The reports shall identify regulated complimentary services and the costs of
1656 those services, the number of people who received each service or item and such other
1657 information as the commission may require. The report shall also document any services or
1658 items valued in excess of \$2,000 that were provided to patrons, including detailed reasons as to
1659 why they were provided.

1660 (c) Complimentary services or items shall be valued in an amount based upon the retail price
1661 normally charged by the gaming licensee for the service or item. The value of a complimentary
1662 service or item not normally offered for sale by a gaming licensee or provided by a third party on
1663 behalf of a gaming licensee shall be the cost to the gaming licensee of providing the service or
1664 item, as determined under rules adopted by the commission.

1665 Section 29. A gaming establishment offering a cashless wagering system shall allow individuals
1666 to monitor and impose betting limits on their cashless wagering. The gaming establishment shall
1667 allow individuals to set betting limits on their cashless wagering including, but not limited to, per
1668 bet limits, hourly limits, daily limits, weekly limits and monthly limits. An individual may lower
1669 limits and increase limits; provided, that the individual shall not increase betting limits more than
1670 once in a 24 hour period. Upon request by an individual, the gaming establishment shall provide
1671 to that individual a statement of that individual's cashless wagering activity for any given time

1672 period including total bets, wins and losses. Activity under this section shall be monitored by the
1673 commission. Individuals on the list of excluded persons shall not be permitted to participate in a
1674 cashless wagering system.

1675 Section 30. (a) No person shall be employed by a gaming licensee unless such person has been
1676 licensed by or registered with the commission.

1677 (b) Any person seeking a key gaming employee license or a gaming employee license shall file
1678 an application with the bureau. Such application shall be on a form prescribed by the bureau and
1679 shall include, but shall not be limited to, the following: (i) the name of the applicant; (ii) the
1680 address of the applicant; (iii) a detailed employment history of the applicant; (iv) fingerprints; (v)
1681 a criminal and arrest record; and (vi) any civil judgments obtained against the applicant
1682 pertaining to antitrust or security regulation. The bureau may require such other information as it
1683 considers appropriate including, but not limited to, information related to the financial integrity
1684 of the applicant and may require the applicant to submit other documentation it considers
1685 appropriate including, but not limited to, bank accounts and records, bank references, business
1686 and personal income and disbursement schedules, tax returns and other reports filed by
1687 government agencies and business and personal accounting check records and ledgers.

1688 (c) All other employees in a gaming establishment who are not considered to be gaming
1689 employees, key gaming employees or who have restricted access to an area of the gaming
1690 establishment or knowledge of security procedures, shall be required to register with the bureau
1691 as a gaming service employee and shall produce such information as the bureau may require to
1692 become registered under this chapter.

1693 (d) Upon receipt of an application for a key gaming employee license and a gaming employee
1694 license the bureau shall conduct an investigation of each applicant which shall include obtaining
1695 criminal offender record information from the criminal history systems board as well as
1696 exchanging fingerprint data and criminal history with the state police and the United States
1697 Federal Bureau of Investigation.

1698 (e) Upon petition by a gaming licensee, the commission may issue a temporary license to an
1699 applicant for a key gaming employee license or a gaming employee license provided that: (i) the
1700 applicant for a key gaming employee license or gaming employee license has filed a complete
1701 application with the commission; and (ii) the gaming licensee certifies, and the commission
1702 finds, that the issuance of a temporary license is necessary for the operation of the gaming
1703 establishment and is not designed to circumvent the normal licensing procedures.

1704 Unless otherwise stated by the commission, a temporary license issued under this section shall
1705 expire 6 months from the date of its issuance and may be renewed, at the discretion of the
1706 commission, for an additional 6 month period.

1707 (f) The commission may deny any application for a key gaming employee or gaming employee
1708 license or the registration of any other employee of a gaming establishment if the commission
1709 finds that an applicant or registrant is disqualified under section 16 or may be unsuitable for
1710 licensure under any of the criteria set forth in section 12; provided, however, that the
1711 commission, in its discretion, may issue a license to an applicant for a gaming employee license
1712 or register a gaming service employee who has a prior conviction if the applicant or registrant
1713 can affirmatively demonstrate the applicant's rehabilitation. In considering the rehabilitation of
1714 an applicant for a license under this section, the commission shall consider the following: (i) the

1715 nature and duties of the position of the applicant; (ii) the nature and seriousness of the offense or
1716 conduct; (iii) the circumstances under which the offense or conduct occurred; (iv) the date of the
1717 offense or conduct; (v) the age of the applicant when the offense or conduct was committed; (vi)
1718 whether the offense or conduct was an isolated or repeated incident; (vii) any social conditions
1719 which may have contributed to the offense or conduct; and (viii) any evidence of rehabilitation,
1720 including recommendations and references of persons supervising the applicant since the offense
1721 or conduct was committed.

1722 (g) After completing an investigation of an applicant for a key gaming employee or gaming
1723 employee license the bureau shall approve or deny the license. Any orders by the bureau
1724 denying an application under this section shall be accompanied with an explanation of why an
1725 applicant did not meet the qualifications for licensure under this chapter. An applicant for a key
1726 gaming employee or gaming employee license may request a hearing before the bureau to
1727 contest the findings. After the hearing the applicant may appeal the decision of the bureau to the
1728 commission and the commission may hear the appeal on the record. The decision of the
1729 commission shall be final and applicants for a key gaming employee or gaming employee license
1730 shall not be entitled to further review.

1731 (h) The commission shall be authorized to condition, suspend or revoke any license or
1732 registration under this section if the commission finds that a licensee or registrant has: (i) been
1733 arrested or convicted of a crime while employed by a gaming establishment and failed to report
1734 charges or the conviction to the commission; (ii) failed to comply with the requirements of
1735 section 14; or (iii) failed to comply with any of the requirements of this chapter pertaining to
1736 licensees.

1737 (i) The commission shall establish fees for a key gaming employee and a gaming employee
1738 license which shall include costs incurred for conducting a background investigation into an
1739 applicant for a license. The commission shall establish the term of a key gaming employee and a
1740 gaming employee license. It shall be the responsibility of any key gaming employee or gaming
1741 employee to ensure that the employee's license is current.

1742 Section 31. (a) No person shall conduct a business with a gaming licensee unless such person has
1743 been licensed or registered with the commission.

1744 (b) Any person seeking a gaming vendor license shall file an application with the bureau. Such
1745 application shall be on a form prescribed by the commission and shall include, but shall not be
1746 limited to, the following: (i) the name of the applicant; (ii) the post office address and if a
1747 corporation, the name of the state under the laws of which it is incorporated, the location of its
1748 principal place of business and the names and addresses of its directors and stockholders; (iii) a
1749 criminal and arrest record; (iv) any civil judgments obtained against the person pertaining to
1750 antitrust or security regulation; (v) the identity of every person having a direct or indirect interest
1751 in the business, and the nature of such interest; provided further, that if the disclosed entity is a
1752 trust, the application shall disclose the names and addresses of all beneficiaries; provided further,
1753 that if the disclosed entity is a partnership, the names and addresses of all partners, both general
1754 and limited; and provided further, that if the disclosed entity is a limited liability company, the
1755 names and addresses of all members; (vi) an independent audit report of all financial activities
1756 and interests including, but not limited to, the disclosure of all contributions, donations, loans or
1757 any other financial transactions to or from any gaming entity or operator in the past 5 years; and
1758 (vii) clear and convincing evidence of financial stability including, but not limited to, bank
1759 references, business and personal income and disbursement schedules, tax returns and other

1760 reports filed by government agencies and business and personal accounting check records and
1761 ledgers. The commission may require such other information as it considers appropriate
1762 including, but not limited to, information related to the financial integrity of the applicant and
1763 may require the applicant to submit other documentation it considers appropriate including, but
1764 not limited to, bank accounts and records, bank references, business and personal income and
1765 disbursement schedules, tax returns and other reports filed by government agencies and business
1766 and personal accounting check records and ledgers.

1767 (c) No person shall manufacture, sell, distribute, test or repair slot machines, other than antique
1768 slot machines as defined in section 5A of chapter 271, without a valid gaming vendor license
1769 issued by the commission.

1770 (d) All other suppliers or vendors who are not considered to be gaming vendors including, but
1771 not limited to, construction companies, vending machine providers, linen suppliers, garbage
1772 handlers, maintenance companies, limousine services, food purveyors or suppliers of alcoholic
1773 beverages, shall be considered non-gaming vendors and shall be required to register with the
1774 commission and shall produce such information as the commission may require; provided,
1775 however, that the commission may require any vendor regularly conducting over \$250,000 of
1776 business with a gaming licensee within a 12-month period or \$100,000 of business within a 3-
1777 year period to be licensed as a gaming vendor.

1778 (e) Any person owning more than 5 per cent of the common stock of a company required to be
1779 licensed as a gaming vendor, or a holding, intermediary or subsidiary of such company, shall be
1780 required to file for licensure. The commission may waive the licensing requirements for
1781 institutional investors holding up to 15 per cent of the stock of the company, or holding,

1782 intermediary or subsidiary company of the such company, upon a showing by the person seeking
1783 the waiver that the applicant purchased the securities for investment purposes only and does not
1784 have any intention to influence or affect the affairs or operations of the company or a holding,
1785 intermediary or subsidiary of the such company. Any institutional investor granted a waiver
1786 which subsequently determines to influence or affect the affairs or operations of the gaming
1787 vendor, or a holding, intermediary or subsidiary of the gaming vendor, shall provide not less than
1788 30 days notice to the commission of such intent and shall file an application and be subject to the
1789 licensing requirements of this chapter before taking any action that may influence or affect the
1790 affairs of the applicant company or a holding, intermediary or subsidiary of the applicant
1791 company. Any company holding over 15 per cent of a gaming vendor, or a holding,
1792 intermediary or subsidiary of a gaming vendor, shall be licensed under this chapter.

1793 (f) If an applicant for a gaming vendor license or vendor or supplier registration is licensed or
1794 registered in another jurisdiction within the United States with comparable license and
1795 registration requirements and is in good standing in all the jurisdictions in which it holds a
1796 license or registration, the commission may enter into a reciprocal agreement with the applicant
1797 to allow for an abbreviated licensing or registration process and issue a gaming vendor license or
1798 registration under this section; provided, however, that the commission shall reserve its rights to
1799 investigate the qualifications of an applicant at any time and may require the applicant to submit
1800 to a full application for a gaming vendor license or provide further information for registration.

1801 (g) The bureau shall deny any application for a gaming vendor license or the registration of any
1802 other vendor or supplier if the bureau finds that any applicant or registrant is disqualified under
1803 section 16 or may be unsuitable for licensure under any of the criteria set forth in section 12.

1804 (h) After completing an investigation of an applicant for a gaming vendor license, the bureau
1805 shall approve or deny the license. Any orders by the bureau denying an application under this
1806 section shall be accompanied with an explanation of why an applicant did not meet the
1807 qualifications for licensure under this section. An applicant for a gaming vendor license may
1808 request a hearing before the bureau to contest the findings. After the hearing the applicant may
1809 appeal the decision of the bureau to the commission and the commission may hear the appeal on
1810 the record. The decision of the commission shall be the final and applicants for a gaming vendor
1811 license shall not be entitled to further review.

1812 (i) The commission shall be authorized to condition, suspend or revoke any license or
1813 registration under this section if the commission finds that a licensee or registrant has: (i) been
1814 arrested or convicted of a crime; (ii) failed to comply with section 13; or (iii) failed to comply
1815 with any provision of this chapter pertaining to licensees.

1816 (j) The commission shall establish a master gaming or non-gaming vendor list to monitor all
1817 vendor contracts with a gaming establishment. Any gaming or non-gaming vendor doing
1818 business with a gaming establishment who has failed to submit an application for licensure or
1819 registration shall be prohibited from engaging in any future business with a gaming
1820 establishment; provided, however, that the commission may terminate any contract that has been
1821 entered into with an unlicensed or unregistered gaming or non-gaming vendor.

1822 (k) Gaming licensees shall have a continuing duty to inform the commission of all vendor
1823 contracts.

1824 (l) A license or registration issued under this section shall be issued for a term of 3 years. It shall
1825 be the responsibility of the gaming vendor or non-gaming vendor to ensure that the license is
1826 current.

1827 (m) The commission shall establish fees for gaming vendor licenses and non-gaming vendor
1828 registrations which shall include costs incurred for conducting a background investigation into an
1829 applicant for the license.

1830 (n) The commission shall monitor the conduct of all gaming vendors and other persons having a
1831 material involvement, directly or indirectly, with a gaming vendor to ensure that gaming vendor
1832 licenses are not issued to, or held by, and there is no direct or indirect material involvement with,
1833 a gaming vendor by unqualified, disqualified or unsuitable persons.

1834 Section 32. (a) Each labor organization, union or affiliate seeking to represent employees who
1835 are employed at a gaming establishment shall register with the commission.

1836 (b) Neither a labor organization, nor its officers who are not otherwise licensed or registered
1837 under this chapter, may hold any financial interest in a gaming establishment whose employees
1838 are represented by the organization.

1839 Section 33. (a) No junkets may be organized or permitted and no person may act as a junket
1840 representative or junket enterprise except as authorized by the commission under this chapter.

1841 (b) A junket representative employed by a gaming licensee or affiliate of a gaming licensee shall
1842 be licensed as a gaming employee including provisions for the issuance of a temporary license;
1843 provided, however, that the junket representative need not be a resident of the commonwealth. A
1844 person who holds a valid gaming employee license may act as a junket representative while

1845 employed by a gaming licensee or an affiliate. No gaming licensee shall employ or otherwise
1846 engage a junket representative who is not licensed under this chapter.

1847 (c) The commission shall deny an application for a license under this section if the commission
1848 finds that an applicant is disqualified under section 16 or may be unsuitable for licensure under
1849 any of the criteria set forth in section 12.

1850 (d) Each gaming licensee, junket representative or junket enterprise shall file a report with the
1851 bureau with respect to each list of junket patrons or potential junket patrons purchased directly or
1852 indirectly by the gaming licensee, junket representative or enterprise.

1853 (e) No junket enterprise or junket representative or person acting as a junket representative shall:

1854 (i) engage in efforts to collect upon checks that have been returned by banks without full and
1855 final payment; (ii) exercise approval authority with regard to the authorization or issuance of
1856 credit under this chapter; (iii) act on behalf of or under any arrangement with a gaming licensee
1857 or a gaming patron with regard to the redemption, consolidation or substitution of the gaming
1858 patron's checks awaiting deposit; (iv) individually receive or retain any fee from a patron for the
1859 privilege of participating in a junket; or (v) pay for any services, including transportation, or
1860 other items of value provided to, or for the benefit of, any patron participating in a junket.

1861 Section 34. (a) Upon revocation or suspension of a gaming license or upon the failure or refusal
1862 to renew a gaming license the commission may appoint a conservator to temporarily manage and
1863 operate the business of the gaming licensee relating to the gaming establishment. Such
1864 conservator shall be a person of similar experience in the field of gaming management and, in
1865 the case of replacing a gaming licensee, shall have experience operating a gaming establishment
1866 of similar caliber in another jurisdiction, and shall be in good standing in all jurisdictions in

1867 which the conservator operates operate any gaming establishment. Upon appointment, a
1868 conservator shall agree to all licensing provisions of the former gaming licensee.

1869 (b) A conservator shall, before assuming , managerial or operational duties, execute and file a
1870 bond for the faithful performance of such duties payable to the commission with such surety and
1871 in such form and amount as the commission shall approve.

1872 (c) The commission shall require that the former or suspended gaming licensee purchase liability
1873 insurance, in an amount determined by the commission, to protect a conservator from liability for
1874 any acts or omissions of the conservator during the conservator's appointment which are
1875 reasonably related to, and within the scope of the conservator's duties.

1876 (d) During the period of temporary management of the gaming establishment, the commission
1877 shall initiate proceedings under this chapter to award a new gaming license to a qualified
1878 applicant whose gaming establishment shall be located at the site of the preexisting gaming
1879 establishment.

1880 (e) Applicants for a new gaming license shall be qualified for licensure under this chapter;
1881 provided, however, that the commission shall determine an appropriate level of investment by an
1882 applicant into the preexisting gaming establishment.

1883 (f) Upon award of a new gaming license, the new gaming licensee shall pay the original
1884 licensing fee required under this chapter.

1885 Section 35. (a) The bureau shall have the authority to issue orders requiring persons to cease any
1886 activity which violates this chapter, a regulation adopted hereunder or any law related to gaming

1887 in the commonwealth. The bureau may, in its order, require compliance with such terms and
1888 conditions as are reasonably necessary to effectuate the purposes of this chapter.

1889 (b) If the bureau finds that a person is not in compliance with any order issued under this
1890 section, it shall assess a civil administrative penalty. The penalty may be assessed whether or not
1891 the violation was willful. In determining the amount of the civil penalty, the bureau shall
1892 consider: (i) the nature of the violation; (ii) the length of time the violation occurred; (iii) the risk
1893 to the public and to the integrity of gaming operations created by the conduct of the person; (iv)
1894 the seriousness of the conduct of the person; (v) any justification or excuse for such conduct by
1895 the person; (vi) the prior history of the particular person involved with respect to gaming
1896 activity; (vii) any corrective action taken by the person to prevent future misconduct; and (viii)
1897 and other relevant factors.

1898 (c) In addition to collecting any civil penalties recoverable under this chapter or any other
1899 general or special law, the bureau may bring an action in the superior court to restrain, prevent or
1900 enjoin any conduct prohibited by this chapter or to compel action to comply immediately and
1901 fully with any order issued by the bureau. Except in cases of emergency where, in the opinion of
1902 the court, immediate abatement of the unlawful conduct is required to protect the public interest,
1903 the court may in its decree fix a reasonable time during which the person responsible for the
1904 unlawful conduct may abate and correct the violation. The expense of the proceeding shall be
1905 recoverable from the subject of the proceeding.

1906 (d) Upon a recommendation from the bureau, the commission shall issue orders to condition,
1907 suspend or revoke a license or permit issued under this chapter.

1908 (e) The bureau shall issue an order to cease and desist any activity if the bureau finds that a
1909 licensee has engaged in or is about to engage in an act or practice which constitutes a violation of
1910 this chapter or laws of the commonwealth and may take such affirmative action to effectuate the
1911 order. If the bureau finds that the licensee is engaged in an act or practice that would cause
1912 irreparable harm to the security and integrity of the gaming establishment or the interests of the
1913 commonwealth in ensuring the security and integrity of gaming under this chapter, the bureau
1914 may issue a temporary suspension of the license.

1915 (f) Any licensee who has been issued a temporary order of suspension by the bureau shall be
1916 entitled to a hearing before the commission on such suspension within 7 days that the order was
1917 issued. At the conclusion of the hearing, the commission may issue a final order to condition,
1918 suspend or revoke the license in question.

1919 (g) A licensee shall have the right to an adjudicatory hearing on an order issued by the bureau
1920 under chapter 30A.

1921 Section 36. (a) The bureau may assess a civil administrative penalty on a licensee or registrant
1922 who fails to comply with any provision of this chapter or any regulation or order adopted by the
1923 commission; provided, however, that such noncompliance occurred after the bureau had given
1924 such person written notice of such noncompliance and the time stated in the notice for coming
1925 into compliance had elapsed; provided, however, that the bureau may assess such penalty
1926 without providing such written notice if such failure to comply: (i) was part of a pattern of
1927 noncompliance and not an isolated instance; (ii) was willful or neglectful and not the result of
1928 error; (iii) resulted in a significant breach to the integrity of the gaming establishment or gaming
1929 laws of the commonwealth; and (iv) consisted of failure to promptly report to the commission

1930 any knowledge of evidence or circumstances that would cause a reasonable person to believe that
1931 a violation of this chapter had been committed. The civil administrative penalty shall be in
1932 addition to any other civil penalty that may be prescribed by law.

1933 (b) For the purpose of determining whether such noncompliance was part of a pattern of
1934 noncompliance and not an isolated instance, the bureau shall consider without limitation the
1935 following: (i) whether the bureau had previously notified the person of such noncompliance on
1936 more than one occasion during the previous month or of any noncompliance with the same
1937 provision of a law, regulation, order, license or approval as the current noncompliance during the
1938 previous 6 month period; or (ii) whether the current and previous noncompliances, considered
1939 together, indicate a potential threat to the integrity of the gaming establishment and gaming in
1940 the commonwealth or an interference with the commission's ability to efficiently and effectively
1941 regulate gaming in the commonwealth and enforce any regulation, license or order. If a licensee
1942 or registrant who has received a notice of noncompliance fails to come into compliance within
1943 the time period stated in such notice, the civil administrative penalty may be assessed by the
1944 bureau upon such licensee or registrant from the date of receipt of such notice.

1945 (c) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or
1946 registrant, the bureau shall cause to be served upon such licensee or registrant, either by service,
1947 in hand, or by certified mail, return receipt requested, a written notice of its intent to assess a
1948 civil administrative penalty which shall include a concise statement of the alleged act or
1949 omission for which such civil administrative penalty is sought to be assessed, each law,
1950 regulation, order, license or approval which has not been complied with as a result of such
1951 alleged act or omission, the amount which the bureau seeks to assess as a civil administrative
1952 penalty for each such alleged act or omission, a statement of such licensee's or registrant's right

1953 to an adjudicatory hearing on the proposed assessment, the requirements such licensee or
1954 registrant must comply with to avoid being deemed to have waived the right to an adjudicatory
1955 hearing and the manner of payment thereof if such person elects to pay the penalty and waive an
1956 adjudicatory hearing. After written notice of noncompliance or intent to assess a civil
1957 administrative penalty has been given, each such day thereafter during which such
1958 noncompliance occurs or continues shall constitute a separate offense and shall be subject to a
1959 separate civil administrative penalty if reasonable efforts have not been made to promptly come
1960 into compliance.

1961 (d) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or
1962 registrant, such licensee or registrant shall have the right to an adjudicatory hearing under
1963 chapter 30A whose provisions shall apply except when they are inconsistent with the provisions
1964 of this chapter.

1965 (e) Such licensee or registrant shall be deemed to have waived such right to an adjudicatory
1966 hearing unless, within 21 days of the date of the bureau's notice that it seeks to assess a civil
1967 administrative penalty, such licensee or registrant files with the bureau a written statement
1968 denying the occurrence of any of the acts or omissions alleged by the bureau in such notice, or
1969 asserting that the money amount of the proposed civil administrative penalty is excessive. In any
1970 adjudicatory hearing authorized under chapter 30A, the bureau shall, by a preponderance of the
1971 evidence, prove the occurrence of each act or omission alleged by the bureau.

1972 (f) If a licensee or registrant waives the right to an adjudicatory hearing, the proposed civil
1973 administrative penalty shall be final immediately upon such waiver. If a civil administrative
1974 penalty is assessed at the conclusion of an adjudicatory hearing, said civil administrative penalty

1975 shall be final upon the expiration of 30 days if no action for judicial review of such decision is
1976 commenced under chapter 30A.

1977 (g) Any licensee or registrant who institutes proceedings for judicial review of the final
1978 assessment of a civil administrative penalty shall place the full amount of the final assessment in
1979 an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing
1980 court. The establishment of such an interest-bearing escrow account shall be a condition
1981 precedent to the jurisdiction of the reviewing court unless the party seeking judicial review
1982 demonstrates in a preliminary hearing held within 20 days of the filing of the complaint either
1983 the presence of a substantial question for review by the court or an inability to pay. Upon such a
1984 demonstration, the court may grant an extension or waiver of the interest-bearing escrow account
1985 or may require, in lieu of such interest-bearing escrow account, the posting of a bond payable
1986 directly to the commonwealth in the amount of 125 per cent of the assessed penalty. If, after
1987 judicial review, in a case where the requirement for an escrow account has been waived, and in
1988 cases where a bond has been posted in lieu of such requirement, the court affirms, in whole or in
1989 part, the assessment of a civil administrative penalty the commission shall be paid the amount
1990 thereof together with interest at the rate provided in section 6C of chapter 231. If, after such
1991 review in a case where an interest-bearing escrow account has been established, the court affirms
1992 the assessment of such penalty, in whole or in part, the commission shall be paid the amount
1993 thereof together with the accumulated interest in the interest-bearing escrow account. If the court
1994 sets aside the assessment of a civil administrative penalty in a case where the amount of such
1995 penalty has been deposited in an interest-bearing escrow account, the licensee or registrant on
1996 whom the civil administrative penalty was assessed shall be repaid the amount so set aside,
1997 together with the accumulated interest thereon.

1998 (h) Each licensee or registrant who fails to pay a civil administrative penalty on time, and each
1999 person who issues a bond under this section and who fails to pay to the commission on time the
2000 amount required hereunder, shall be liable to the commonwealth for up to 3 times the amount of
2001 the civil administrative penalty, together with costs, plus interest from the time the civil
2002 administrative penalty became final and attorneys' fees, including all costs and attorneys' fees
2003 incurred directly in the collection thereof. The rate of interest shall be the rate provided in section
2004 6C of chapter 231. The bureau shall be authorized to require that the amount of a civil
2005 administrative penalty imposed under this section exceed any economic benefit realized by a
2006 person for noncompliance.

2007 Section 37. (a) Whoever conducts or operates, or permits to be conducted or operated, any game
2008 or gaming device in violation of this chapter or the regulations adopted under this chapter shall
2009 be punished by imprisonment in the state prison for not more than 5 years or imprisonment in the
2010 house of correction for not more than 2½ years, or by a fine not to exceed \$25,000, or both, and
2011 in the case of a person other than a natural person, by a fine not to exceed \$100,000.

2012 (b) Whoever employs, or continues to employ, an individual in a position, the duties of which
2013 require a license or registration under this chapter, who is not so licensed or registered, shall be
2014 punished by imprisonment in the house of correction for not more than 6 months or by a fine not
2015 to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not
2016 to exceed \$100,000.

2017 (c) Whoever works or is employed in a position, the duties of which require licensing or
2018 registration under this chapter, without the required license or registration, shall be punished by

2019 imprisonment in the house of correction for not more than 6 months or a fine not to exceed
2020 \$10,000, or both.

2021 (d) A gaming licensee who, without the permission of the commission: (i) places a game or
2022 gaming device into play or displays a game or gaming device in a gaming establishment; or (ii)
2023 receives, directly or indirectly, any compensation or reward or any percentage or share of the
2024 revenue for keeping, running or carrying on a game, or owning the real property upon, or the
2025 location within which any game occurs, shall be punished by imprisonment in the house of
2026 correction for not more than 2½ years or by a fine not to exceed \$25,000, or both, and in the case
2027 of a person other than a natural person, by a fine not to exceed \$100,000.

2028 (e) Whoever conducts or operates any game or gaming device after the person's gaming license
2029 has expired and prior to the actual renewal of the gaming license shall be punished by
2030 imprisonment in the house of correction for not more than 1½ years or a fine not to exceed
2031 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
2032 \$100,000.

2033 (f) A gaming licensee who knowingly fails to exclude from the licensee's gaming establishment
2034 any person placed by the commission on the list of excluded persons shall be punished by a fine
2035 not to exceed \$5,000 or by imprisonment in the house of correction for not more than 1 year, or
2036 both, and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

2037 (g) Whoever willfully: (i) fails to report, pay or truthfully account for and pay over a license fee
2038 or tax imposed by this chapter or by the regulations adopted under this chapter; or (ii) evades or
2039 defeats, or attempts to evade or defeat, a license fee or tax or payment of a license fee or tax shall
2040 be punished by imprisonment in the state prison for not more than 5 years or in the house of

2041 correction for not more than 2½ years or a fine not to exceed \$100,000, or both, and in the case
2042 of a person other than a natural person, by a fine not to exceed \$5,000,000.

2043 Section 38. Whoever willfully resists, prevents, impedes, interferes with or makes any false,
2044 fictitious or fraudulent statement or representation to the bureau, commission or division or to
2045 agents or employees of the bureau, commission or division in the lawful performance of the
2046 agent's or employee's duties under this chapter shall be punished by imprisonment in the state
2047 prison for not more than 5 years or in the house of correction for not more than 2½ years or by a
2048 fine not to exceed \$25,000, or both.

2049 Section 39. (a) Whoever, during a game in a gaming establishment, knowingly and by any trick
2050 or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other gaming
2051 device, for himself, for another or for a representative of either: (i) wins, or attempts to win,
2052 money or property; or (ii) reduces, or attempts to reduce, a losing wager in a gaming
2053 establishment shall be guilty of cheating and swindling.

2054 (b) Whoever knowingly uses a cheating and swindling device or game in a gaming establishment
2055 shall be guilty of cheating and swindling.

2056 (c) Whoever commits the offense of cheating and swindling shall be punished as follows:

2057 (i) if the value of the money, property or wager cheated and swindled is \$75,000 or more, by
2058 imprisonment in the state prison for not more than 10 years or in the house of correction for not
2059 more than 2½ years or by a fine not to exceed \$1,000,000, or both, and in the case of a person
2060 other than a natural person, by a fine not to exceed \$10,000,000;

2061 (ii) if the value of the money, property or wager cheated and swindled is \$10,000 or more but
2062 less than \$75,000, by imprisonment in the state prison for not more than 5 years or in the house
2063 of correction for not more than 2½ years or by a fine not to exceed \$500,000, or both, and in the
2064 case of a person other than a natural person, by a fine not to exceed \$5,000,000;

2065 (iii) if the value of the money, property or wager cheated and swindled is \$1,000 or more but less
2066 than \$10,000, by imprisonment in the state prison for not more than 3 years or in the house of
2067 correction for not more than 2½ years or by a fine not to exceed \$100,000, or both, and in the
2068 case of a person other than a natural person, by a fine not to exceed \$1,000,000;

2069 (iv) if nothing of value was obtained in violation of this subsection or if the value of the money,
2070 property or wager cheated and swindled is less than \$1,000, by imprisonment in the house of
2071 correction for not more than 2½ years or by a fine not to exceed \$10,000, or both, and in the case
2072 of a person other than a natural person, by a fine not to exceed \$100,000.

2073 (d) Each episode or transaction of swindling and cheating may be the subject of a separate
2074 prosecution and conviction. In the discretion of the commonwealth, multiple episodes or
2075 transactions of swindling and cheating committed as part of a single scheme or course of conduct
2076 may be treated as a single offense and the amounts involved in acts of swindling and cheating
2077 committed according to a scheme or course of conduct, whether by the same person or several
2078 persons, may be aggregated in determining the value of money, property or wager involved in
2079 the offense.

2080 (e) A gaming licensee, or an employee of a gaming licensee, who, in a gaming establishment,
2081 knowingly: (i) conducts or operates any game using a cheating and swindling device or game;
2082 (ii) displays for play a cheating and swindling game; or (iii) permits to be conducted, operated or

2083 displayed, any cheating and swindling device or game shall be punished by imprisonment in the
2084 state prison for not more than 5 years or imprisonment in the house of correction for not more
2085 than 2½ years, or by a fine not to exceed \$25,000, or both, and in the case of a person other than
2086 a natural person, by a fine not to exceed \$100,000.

2087 Section 40. (a) Whoever possesses a cheating and swindling device or game, with the intent to
2088 defraud, cheat or steal, shall be punished by imprisonment in the house of correction for not
2089 more than 2½ years or by a fine not to exceed \$10,000, or both, and in the case of a person other
2090 than a natural person, by a fine not to exceed \$100,000.

2091 (b) Possession of a cheating and swindling device or game within a gaming establishment shall
2092 constitute prima facie evidence of an intent to defraud, cheat or steal, except possession by a
2093 gaming licensee or an employee of a gaming licensee, acting lawfully in furtherance of such
2094 person's employment within the gaming establishment, shall be punished by imprisonment in the
2095 house of correction for not more than 2½ years or a fine not to exceed \$10,000, or both.

2096 Section 41. Whoever manufactures, distributes, sells or services a gaming device, in violation of
2097 this chapter or regulations adopted under this chapter and for the purpose of defrauding, cheating
2098 or stealing from a person playing, operating or conducting a game in a gaming establishment,
2099 shall be punished by imprisonment in the state prison for not more than 5 years or imprisonment
2100 in the house of correction for not more than 2½ years or by a fine not to exceed \$25,000, or both,
2101 and in the case of a person other than a natural person, by a fine not to exceed \$150,000.

2102 Section 42. Any device, game or gaming device possessed, used, manufactured, distributed, sold
2103 or serviced in violation of this chapter shall be subject to seizure and forfeiture by the division or
2104 bureau. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),

2105 inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
2106 chapter 94C, the commission shall be considered a police department, entitled to a police
2107 department's distribution of forfeiture proceedings.

2108 Section 43. (a) Whoever, being under 21 years old, plays, places wagers at or collects winnings
2109 from, whether personally or through an agent, a game in a gaming establishment shall be
2110 punished by imprisonment in the house of correction for not more than 6 months or a fine not to
2111 exceed \$1,000, or both.

2112 (b) Whoever, being a gaming licensee or an employee of a gaming licensee, who knowingly
2113 allows a person under the age of 21 to play, place wagers at, or collect winnings from a game in
2114 a gaming establishment, whether personally or through an agent, shall be punished, for a first
2115 offense, by imprisonment in the house of correction for not more than 1 year or a fine not to
2116 exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine not to
2117 exceed \$500,000 and, for a second or subsequent offense, by imprisonment in the house of
2118 correction for not more than 2 years or a fine not to exceed \$50,000, or both, and in the case of a
2119 person other than a natural person, by a fine not to exceed \$1,000,000.

2120 Section 44. All penalties collected under this chapter shall be deposited into the Gaming
2121 Revenue Fund established under this chapter.

2122 Section 45. (a) The commission, by regulation, shall provide for the establishment of a list of
2123 excluded persons who are to be excluded from a gaming establishment. In determining the list
2124 of excluded persons, the commission may consider, but shall not be limited to: (i) whether a
2125 person has been convicted of a criminal offense under the laws of any state or the United States
2126 that is punishable by more than 6 months in a state prison, a house of correction or any

2127 comparable incarceration, a crime of moral turpitude or a violation of the gaming laws of any
2128 state; (ii) whether a person has violated or conspired to violate this chapter relating to: (A) failure
2129 to disclose an interest in a gaming establishment for which the person is required to obtain a
2130 license; or (B) willful evasion of fees or taxes; (iii) whether a person has a notorious or unsavory
2131 reputation which would adversely affect public confidence and trust that the gaming industry is
2132 free from criminal or corruptive elements; and (iv) the potential of injurious threat to the interests
2133 of the commonwealth in the gaming establishment.

2134 (b) No person shall be placed on the list of excluded persons due to race, color, religion, national
2135 origin, ancestry, sexual orientation, disability or sex.

2136 (c) The commission may revoke, limit, condition, suspend or fine a gaming establishment if such
2137 establishment knowingly or recklessly fails to exclude or eject from its premises any person
2138 placed by the commission on the list of excluded persons.

2139 (d) Whenever the commission places a name on the list of excluded persons, the commission
2140 shall serve written notice upon that person by personal service, registered or certified mail return
2141 receipt requested to the last ascertainable address, or by publication in a daily newspaper of
2142 general circulation for 1 week.

2143 (e)(1) Within 30 days of receipt of service by mail or 60 days after the last publication under
2144 subsection (d), a person placed on the list of excluded persons may request an adjudicatory
2145 hearing before the commission under chapter 30A and show cause as to why the person should
2146 be removed from the list of excluded persons. Failure to demand a hearing within the time
2147 allotted in this section shall preclude the person from having an administrative hearing, but in no
2148 way affect the person's right to petition for judicial review.

2149 (2) Upon receipt of a demand for hearing, the commission shall set a time and place for the
2150 hearing. This hearing shall be held not later than 30 days after receipt of the demand for the
2151 hearing, unless the time of the hearing is changed by agreement of the commission and the
2152 person demanding the hearing.

2153 (3) If, upon completion of the hearing, the commission determines that the person was
2154 wrongfully placed on the list of excluded persons, the commission shall remove the person's
2155 name from the list of excluded persons and notify all gaming licensees. A person aggrieved by a
2156 final decision of the commission in an adjudicatory proceeding under this section may petition
2157 for judicial review under section 14 of chapter 30A.

2158 (f) The commission shall establish a list of self-excluded persons from gaming establishments.
2159 A person may request such person's name to be placed on the list of self-excluded persons by
2160 filing a statement with the commission acknowledging that the person is a problem gambler and
2161 by agreeing that, during any period of voluntary exclusion, the person may not collect any
2162 winnings or recover any losses resulting from any gaming activity at a gaming establishment.
2163 The commission shall adopt further regulations, under section 5, for the self-excluded persons
2164 list including procedures for placement, removal and transmittal of such list to gaming
2165 establishments.

2166 (g) Gaming establishments shall not market to persons on any excluded persons list and shall
2167 deny access to complimentaries, check cashing privileges, club programs and other similar
2168 benefits to persons on the self-excluded persons list.

2169 (h) Notwithstanding any other law to the contrary, the self-excluded persons list shall not be
2170 open to public inspection. Nothing in this section, however, shall prohibit a gaming

2171 establishment from disclosing the identity of persons on the self-excluded persons list under this
2172 section to affiliated gaming establishments in this commonwealth or other jurisdictions for the
2173 limited purpose of assisting in the proper administration of responsible gaming programs
2174 operated by affiliated gaming establishments.

2175 (i) As used in this subsection the following words shall, unless the context clearly requires
2176 otherwise have the following meanings:

2177 (i) “Problem gambler”, a person who chronically or habitually gambles to the extent that: (1)
2178 such gambling substantially interferes with the person’s social or economic functioning; or (2)
2179 the person has lost the power of self control

2180 over that person’s gambling.

2181 (ii) “Immediate family”, the spouse, parent, child, brother or sister of an individual.

2182 An immediate family member or guardian may petition, in writing, a district court for an order
2183 of exclusion from gaming establishments applicable to a person whom the petitioner has reason
2184 to believe is a problem gambler. Upon receipt of a petition for an order of exclusion of a person
2185 and any sworn statements the court may request from the petitioner, the court shall immediately
2186 schedule a hearing on the petition and shall cause a summons and a copy of the petition to be
2187 served upon the person as provided by section 25 of chapter 276. The person may be represented
2188 by legal counsel and may present independent expert or other testimony. The court shall order
2189 examination by a qualified psychologist. If, after a hearing, the court based upon competent
2190 testimony finds that said person is a problem gambler and there is a likelihood of serious harm as
2191 a result of the person’s gambling, the court may order that such person be prohibited from

2192 gaming in gaming establishments. The court shall communicate this order to the commission,
2193 which shall place the person's name on the list of excluded persons.

2194 (j) A person who is prohibited from gaming in a gaming establishment under this section
2195 shall not collect any winnings or recover losses arising as a result of prohibited gaming winnings
2196 obtained by a person who is prohibited from gaming in a gaming establishment shall be forfeited
2197 to the commission and deposited into the Gaming Revenue Fund.

2198 (k) The commission shall pursue an interstate compact for the purposes of sharing
2199 information
2200 regarding the excluded persons list.

2201 Section 46. No applicant for a gaming license, nor any holding, intermediary or subsidiary
2202 company thereof, nor any officer, director, key gaming employee or principal employee of an
2203 applicant for or holder of a gaming license or of any holding, intermediary or subsidiary
2204 company thereof nor any person or agent on behalf of any such applicant, holder, company or
2205 person, shall directly or indirectly, pay or contribute any money or thing of value to any
2206 candidate for nomination or election to any public office in the commonwealth or to any group,
2207 political party, committee or association organized in support of any such candidate or political
2208 party; except that the provisions of this section shall not be construed to prohibit any individual
2209 who is a candidate for public office from contributing to the candidate's own campaign.

2210 Section 47. All political contributions or contributions in kind made by an applicant for a gaming
2211 license to a municipality or a municipal employee, as defined in section 1 of chapter 268A, of the
2212 host community of the applicant's proposed gaming establishment shall be disclosed, by the
2213 applicant, to the commission and the city or town clerk of the host community. Such disclosure

2214 shall be made by the applicant bi-annually, on or before July 15 for the period covering January
2215 1 through June 30 of that year and on or before January 15 for the period covering July 1 through
2216 December 31 of the preceding year. The office of campaign and political finance shall
2217 promulgate regulations to provide for timely and expeditious public reporting, which shall
2218 include electronic means or public posting in a city or town hall and post office, by city and town
2219 clerks of the contribution disclosures they receive from applicants.

2220 Section 48. A gaming licensee shall be subject to chapters 62 through 62E, inclusive, and
2221 chapters 63 through 63B, inclusive.

2222 Section 49. (a) A gaming establishment, including any business located within a gaming
2223 establishment, shall not be a certified project within the meaning of section 3F of chapter 23A.
2224 Gaming establishments shall not be designated as economic opportunity areas within the
2225 meaning of section 3E of chapter 23A. Gaming establishments shall not be eligible for tax
2226 increment financing under section 59 of chapter 40 or special tax assessments set forth in section
2227 3E of chapter 23A. Gaming establishments shall not be classified and taxed as recreational land
2228 under chapter 61B. Gaming establishments shall not be designated as a development district
2229 within the meaning of chapter 40Q.

2230 (b) Unless otherwise provided, a gaming establishment or a business located or to be
2231 located within a gaming establishment shall not be eligible for the following credits or
2232 deductions listed in chapter 62 or chapter 63: the investment tax credit under section 31A of
2233 chapter 63, the employment credit under section 31C of said chapter 63, the van pool credit
2234 under section 31E of said chapter 63, the deduction for expenditures for industrial waste
2235 treatment or air pollution control under section 38D of said chapter 63, the deduction for

2236 compensation paid to an eligible business facility's employees domiciled in a section of
2237 substantial poverty under section 38F of said chapter 63, the film tax credit under subsection (l)
2238 of section 6 of chapter 62 and section 38X of said chapter 63, the alternative energy sources
2239 deduction under section 38H of said chapter 63, the research expense credit under section 38M
2240 of said chapter 63, the economic opportunity area credit under subsection (g) of section 6 of said
2241 chapter 62, and section 38N of said chapter 63, the abandoned building deduction under
2242 subparagraph (10) of subsection (a) of Part B of section 3 of said chapter 62 and section 38O of
2243 said chapter 63, the harbor maintenance tax credit under section 38P of said chapter 63, the
2244 brownfields credit under subsection (j) of section 6 of said chapter 62 and section 38Q of said
2245 chapter 63, the historic rehabilitation tax credit under section 6J of said chapter 62 and section
2246 38R of said chapter 63 and the automatic sprinkler system depreciation deduction under section
2247 38S of said chapter.

2248 Section 50. Any liability to the commonwealth under this chapter shall constitute a debt to the
2249 commonwealth. Once a statement naming a gaming licensee is recorded, registered or filed, any
2250 such debt shall constitute a lien on all commercial property owned by a gaming licensee in the
2251 commonwealth and shall have priority over an encumbrance recorded, registered or filed with
2252 respect to any site.

2253 Section 51. (a) Prior to disbursement of cash or a prize in excess of \$600, a gaming licensee shall
2254 review information made available by the IV-D agency, as set forth in chapter 119A and by the
2255 department of revenue to ascertain whether the winner of the cash or prize owes past-due child
2256 support to the commonwealth or to an individual to whom the IV-D agency is providing services
2257 and to ascertain whether the winner of the cash or prize owes any past-due tax liability to the
2258 commonwealth.

2259 (b) If the winner of the cash or prize owes past-due child support or a past-due tax
2260 liability, the gaming licensee shall notify the IV-D agency or the commonwealth, respectively, of
2261 the winner's name, address and social security number. Subsequent to statutory state and federal
2262 tax withholding, the gaming licensee shall first disburse to the IV-D agency the full amount of
2263 the cash or prize or such portion of the cash or prize that satisfies the winner's past-due child
2264 support obligation.

2265 (c) If funds remain available after the disbursement to the IV-D agency or if no such
2266 obligation to the IV-D agency is owed, the gaming licensee shall disburse to the department of
2267 revenue the full amount of the cash or prize or such portion of the cash prize that satisfies the
2268 winner's past-due tax liability. The licensee shall disburse to the holder only that portion of the
2269 prize, if any, remaining after the holder's past-due child support obligation and the holder's past-
2270 due tax liability have been satisfied.

2271 Section 52. Gaming licensees shall, on a monthly basis, transmit to the department of transitional
2272 assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons who were
2273 awarded cash winning or a prize in excess of \$600 in the prior month. The information shall be
2274 provided in a format which is compatible with the automated data processing systems of the
2275 department and the IV-D agency to ensure the immediate identification of persons who may be
2276 receiving public assistance benefits. The information provided shall include the name, address
2277 and social security number of the person who was awarded the cash or prize valued in excess of
2278 \$600.

2279 Section 53. Unclaimed cash and prizes shall be retained by the gaming licensee for the person
2280 entitled to the cash or prize for 1 year after the game in which the cash or prize was won. If no

2281 claim is made for the cash or prize within 1 year, the cash or equivalent cash value of the prize
2282 shall be deposited in the Gaming Revenue Fund established in section 59.

2283 Section 54. If the person entitled to cash or a prize is under the age of 21 years, the cash or prize
2284 shall be remitted to the commission and deposited into the Gaming Revenue Fund established in
2285 section 59.

2286 Section 55. (a) A category 1 licensee shall pay a daily tax of 25 per cent on gross gaming
2287 revenues.

2288 (b) A category 2 licensee shall pay a daily tax of 40 per cent on gross gaming revenue.

2289 (c) In addition to the tax imposed under subsection (b), a category 2 licensee shall pay a daily
2290 assessment of 9 per cent of their gross gaming revenue to the Massachusetts race horse
2291 development fund established in section 60.

2292 (d) Taxes imposed under this section shall be remitted to the commission by a gaming licensee
2293 the day following each day of wagering.

2294 Section 56. (a) In addition to any other tax or fee imposed by this chapter, there shall be imposed
2295 an annual license fee of \$600 for each slot machine approved by the commission for use by a
2296 gaming licensee at a gaming establishment; provided, however, that not sooner than 5 years after
2297 award of an original gaming license, the commission may annually adjust the fee for inflation.
2298 The fee shall be imposed as of July 1 of each year for all approved slot machines on that date and
2299 shall be assessed on a pro rata basis for any slot machine approved for use thereafter.

2300 (b) The commission shall establish fees for any investigation into a violation of this chapter or
2301 regulation promulgated thereunder by a gaming licensee to be paid by the gaming licensee,

2302 including, but not limited to, billable hours by commission staff involved in the investigation and
2303 the costs of services, equipment or other expenses that are incurred by the commission during the
2304 investigation.

2305 (c) Any remaining costs of the commission necessary to maintain regulatory control over gaming
2306 establishments that are not covered by: (i) the fees set forth in subsections (a) and (b); (ii) any
2307 other fees assessed under this chapter; or (iii) any other designated source of funding, shall be
2308 assessed annually on gaming licensees under this chapter in proportion to the number of gaming
2309 positions at each gaming establishment. Each gaming licensee shall pay the amount assessed
2310 against it within 30 days after the date of the notice of assessment from the commission.

2311 (d) If the fees collected in subsections (a) and (b) exceed the cost required to maintain regulatory
2312 control, the surplus funds shall be credited in proportional shares against each gaming licensee's
2313 next assessment.

2314 (e) In addition to the fees collected under this section and any additional costs of the
2315 commission, the commission shall assess an annual fee of not less than \$5,000,000 in
2316 proportional shares against each gaming licensee in proportion to the number of gaming
2317 positions at each gaming establishment for the costs of service and public health programs
2318 dedicated to addressing problems associated with compulsive gambling. Such assessed fees shall
2319 be deposited into the Public Health Trust Fund established in section 58.

2320 (f) All fees and assessments collected under this section, except those collected under subsection
2321 (e), shall be deposited into the Gaming Control Fund established in section 57.

2322 Section 57. (a) There shall be established and set up on the books of the commonwealth a
2323 separate fund to be known as the Massachusetts Gaming Control Fund. The commission shall be

2324 the trustee of the fund and shall expend monies to finance operational activities of the
2325 commission. The fund shall be credited any appropriations, bond proceeds or other monies
2326 authorized by the general court and specifically designated to be credited thereto, the proceeds of
2327 the assessments levied under section 56, application fees for licenses issued under this chapter
2328 and such additional funds as are subject to the direction and control of the commission. All
2329 available monies in the fund that are unexpended at the end of each fiscal year shall not revert to
2330 the General Fund and shall be available for expenditure in the subsequent fiscal year. Any funds
2331 unexpended in any fiscal year for the purposes of which such assessments were made shall be
2332 credited against the assessment to be made in the following fiscal year and the assessment in the
2333 following fiscal year shall be reduced by any such unexpended amount. The commission shall
2334 record all expenditures made by subsidiary on the Massachusetts management and accounting
2335 reporting system, so-called, according to regulations established by the state comptroller.

2336 (b) The commission shall, for the purposes of compliance with state finance law, operate as a
2337 state agency as defined in section 1 of chapter 29 and shall be subject to the provisions
2338 applicable to agencies under the control of the governor including, but not limited to, chapters 7,
2339 7A, 10 and 29; provided, however, that the comptroller may identify any additional instructions
2340 or actions necessary for the commission to manage fiscal operations in the state accounting
2341 system and meet statewide and other governmental accounting and audit standards. Unless
2342 otherwise exempted by law or the applicable central service agency, the commission shall
2343 participate in any other available commonwealth central services including, but not limited, to
2344 the state payroll system under section 31 of said chapter 29, and may purchase other goods and
2345 services provided by state agencies in accordance with comptroller provisions. The comptroller
2346 may chargeback the commission for the transition and ongoing costs for participation in the state

2347 accounting and payroll systems and may retain and expend such costs without further
2348 appropriation for the purposes of this section. The commission shall be subject to section 5D of
2349 chapter 29 and subsection (f) of section 6B of chapter 29.

2350 The commission shall annually submit a finance plan to the secretary of administration and
2351 finance, the chairs of the house and senate committees on ways and means and the chairs of the
2352 joint committee on economic development and emerging technologies.

2353 Section 58. There is hereby established and set up on the books of the commonwealth a separate
2354 fund to be known as the Public Health Trust Fund. The public health trust fund shall consist of
2355 fees assessed under section 56 and all other monies credited or transferred to the fund from any
2356 other source under law. The secretary of health and human services shall be the trustee of the
2357 public health trust fund and may only expend monies in the fund, without further appropriation,
2358 to assist social service and public health programs dedicated to addressing problems associated
2359 with compulsive gambling, including, but not limited to, gambling prevention and addiction
2360 services, educational campaigns to mitigate the potential addictive nature of gambling and any
2361 studies and evaluations necessary, including the annual research agenda under section 71, to
2362 ensure the proper and most effective strategies.

2363 Section 59. There shall be established and set up on the books of the commonwealth a Gaming
2364 Revenue Fund, hereinafter the fund, which shall receive revenues collected from the tax on gross
2365 gaming revenue received from gaming licensees. The commission shall be the trustee of the fund
2366 and shall transfer monies in the fund as follows:

2367 (1) 100 per cent of the revenue received from a category 2 licensee shall be transferred to the
2368 Gaming Local Aid Fund; and

2369 (2) 100 per cent of the revenue received from a category 1 licensee shall be transferred as
2370 follows:

2371 (a) 2 per cent of revenues to the Massachusetts cultural council of which one-quarter of the
2372 revenues received shall be dedicated to the organization support program of the Massachusetts
2373 cultural council and three-quarters of revenues shall be dedicated to support not-for-profit or
2374 municipally-owned performing arts centers impacted as a result of the operation of gaming
2375 facilities; provided, however, that funds dedicated to such performing arts centers shall be to
2376 subsidize fees paid to touring shows or artists; provided further, that funding shall be
2377 appropriated through a competitive grant process to be developed and administered by the
2378 Massachusetts cultural council;

2379 (b) 1/2 per cent to the Massachusetts Tourism Fund to fund tourist promotion agencies under
2380 clause (c) of section 35J of chapter 10.

2381 (c) 6.5 per cent to the Community Mitigation Fund established in section 61;

2382 (d) 2 per cent to the Local Capital Projects Fund, established in section 2EEEE of chapter 29;

2383 (e) 25 per cent to the Gaming Local Aid Fund, established in section 63;

2384 (f) 10 per cent to the Commonwealth Stabilization Fund established in section 2H of chapter 29;
2385 provided, however, that in any fiscal year in which the amount appropriated in item 7061-0008
2386 of the general appropriation act, paid from the General Fund, or the amount of unrestricted
2387 general government aid paid from the General Fund, including lottery aid distribution to cities
2388 and towns as paid from the General Fund under clause (c) of the second paragraph of section 35
2389 of said chapter 10 and the amount of additional funds distributed to cities and towns as additional

2390 assistance paid from the General Fund, is less than that of the previous fiscal year, up to 1/2 of
2391 the funds otherwise directed to the Commonwealth Stabilization Fund under this section, up to
2392 an amount equal to the deficiency between said appropriations for the current and previous fiscal
2393 years, shall be transferred to the Gaming Local Aid Fund in addition to the 25 per cent under
2394 clause (e);

2395 (g) 14 per cent to the Education Fund, established in section 64;

2396 (h) 10 per cent shall be transferred to the Economic Development Fund, established in section
2397 2DDDD of chapter 29;

2398 (i) 10 per cent shall be used for debt reduction through a program of debt defeasance and
2399 accelerated debt payments; provided, however, that this program shall be developed jointly by
2400 the state treasurer and the secretary of administration and finance and shall be implemented in
2401 compliance with state finance law; provided further, that this program shall prioritize the
2402 reduction of risk in the commonwealth's debt portfolio; and provided further, that the state
2403 secretary and state treasurer shall provide a written description of the program to the finance
2404 advisory board established in section 97 of chapter 6 for the board's review and comment before
2405 the program is implemented and shall file a copy of that description with the house and senate
2406 committees on ways and means and the house and senate committees on bonding, capital
2407 expenditures and state assets when it is submitted to the finance advisory board;

2408 (j) 15 per cent shall be transferred to the Transportation Infrastructure and Development Fund,
2409 established in section 62; and

2410 (k) 5 per cent to the Public Health Trust Fund.

2411 Section 60. (a) There shall be established and set up on the books of the commonwealth a Race
2412 Horse Development Fund to be administered by the commission. The fund shall consist of
2413 monies deposited under subsection (c) of section 55. The commission shall make distributions
2414 from the Race Horse Development Fund to each licensee under chapter 128A.

2415 (b) Funds received from subsection (a) shall be allocated by the commission as follows:

2416 (i) 80 per cent shall be deposited weekly into a separate, interest-bearing purse account to be
2417 established by and for the benefit of the horsemen; provided, however, that the earned interest on
2418 the account shall be credited to the purse account; and provided further, that licensees shall
2419 combine these funds with revenues from existing purse agreements to fund purses for live races
2420 consistent with those agreements with the advice and consent of the horsemen;

2421 (ii) for a thoroughbred track, 8 per cent shall be deposited on a monthly basis into the
2422 Massachusetts Thoroughbred Breeding Program authorized by the commission in section 2 of
2423 chapter 128;

2424 (iii) for a harness track, 8 per cent shall be deposited on a monthly basis into the Massachusetts
2425 Standardbred Breeding Program authorized by the commission in section 2 of chapter 128 and an
2426 additional 8 per cent shall be deposited on a monthly basis into a Standardbred Breeder
2427 Development Program authorized by the commission; and

2428 (iv) 4 per cent shall be used to fund health and pension benefits for the members of the
2429 horsemen's organizations representing the owners and trainers at the racetrack at which the
2430 category 2 licensee operates for the benefit of the organization's members, their families,
2431 employees and others under the rule and eligibility requirements of the organization, as approved
2432 by the commission; provided, however, that this amount shall be deposited within 5 business

2433 days of the end of each month into a separate account to be established by each respective
2434 horsemen's organization at a banking institution of its choice; and provided further, that of this
2435 amount, the commission shall determine how much shall be paid annually by the horsemen's
2436 organization to the thoroughbred jockeys or standardbred drivers organization at the racetrack at
2437 which the licensed racing entity operates for health insurance, life insurance or other benefits to
2438 active and disabled thoroughbred jockeys or standardbred drivers under the rules and eligibility
2439 requirements of that organization.

2440 Section 61. (a) There shall be established and set up on the books of the commonwealth a
2441 separate fund to be known as the Community Mitigation Fund. The fund shall consist of monies
2442 transferred under section 59 and all other monies credited or transferred to the fund from any
2443 other fund or source.

2444 (b) The commission shall administer the fund and, without further appropriation, shall expend
2445 monies in the fund to assist the host community and surrounding communities in offsetting costs
2446 related to the construction and operation of a gaming establishment including, but not limited to,
2447 communities and water and sewer districts in the vicinity of a gaming establishment, local and
2448 regional education, transportation, infrastructure, housing, environmental issues and public
2449 safety, including the office of the county district attorney, police, fire and emergency services.

2450 (c) Parties requesting appropriations from the fund shall submit a written request for funding to
2451 the commission before February 1 of each year. The commission may hold a public hearing in
2452 the region of a gaming establishment to provide parties with the opportunity to provide further
2453 information about their request for funds and shall distribute funds to requesting parties based on
2454 demonstrated need.

2455 Section 62. There shall be established and set up on the books of the commonwealth a fund to be
2456 known as the Transportation Infrastructure and Development Fund. The fund shall consist of
2457 monies transferred from the Gaming Revenue Fund and all other monies credited or transferred
2458 to the fund from any other fund or source and proceeds from the investment of such funds. The
2459 secretary of transportation shall be the trustee of this fund, provided that no funds shall be
2460 expended until the secretary of administration and finance has provided written approval
2461 annually of a proposed spending plan. Any expenditures from this fund shall be solely for the
2462 purpose of transportation and related infrastructure projects, including but not limited to transit
2463 expansion and maintenance.

2464 Section 63. There shall be established and set up on the books of the commonwealth a fund to be
2465 known as the Gaming Local Aid Fund. The fund shall consist of monies transferred under
2466 section 59 and all monies credited or transferred to the fund from any other fund or source.

2467 Section 64. There shall be established and set up on the books of the commonwealth a fund to be
2468 known as the Education Fund. The fund shall be credited any monies transferred under section
2469 59 and all monies credited to or transferred to the fund from any other fund or source.

2470 Expenditures from said fund for K-12 education shall be used to supplement, and not offset, any
2471 reduction in item 7061-0008 of the general appropriation act from the previous fiscal year's
2472 general appropriation act.

2473 Section 65. The commission shall audit as often as the commission determines necessary, but not
2474 less than annually, the accounts, programs, activities, and functions of all gaming licensees. To
2475 conduct the audit, authorized officers and employees of the commission shall have access to such
2476 accounts at reasonable times and the commission may require the production of books,

2477 documents, vouchers and other records relating to any matter within the scope of the audit,
2478 except tax returns. The superior court shall have jurisdiction to enforce the production of records
2479 that the commission requires to be produced under this section and the court shall order the
2480 production of all such records within the scope of any such audit. All audits shall be conducted in
2481 accordance with generally accepted auditing standards established by the American Institute of
2482 Certified Public Accountants. In any audit report of the accounts, funds, programs, activities and
2483 functions of a gaming licensee issued by the commission, containing adverse or critical audit
2484 results, the commission may require a response, in writing, to the audit results. The response
2485 shall be forwarded to the commission within 15 days of notification by the commission.

2486 On or before April 1 of each year, the commission shall submit a report to the clerks of the house
2487 of representatives and the senate who shall forward the report to the house and senate
2488 committees on ways and means which shall include, but not be limited to: (i) the number of
2489 audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost
2490 of each audit.

2491 Section 66. Unless the commission otherwise determines it to be in the best fiscal interests of the
2492 commonwealth, the commission shall utilize the services of a independent testing laboratory that
2493 has obtained a license as a gaming vendor to perform the testing of slot machines and other
2494 gaming equipment, and may also utilize applicable data from any such independent testing
2495 laboratory, or from a governmental agency of a state other than the Massachusetts, authorized to
2496 regulate slot machines and other gaming equipment.

2497 Section 67. The commission shall continue to evaluate the status of Indian tribes in the
2498 commonwealth, including, without limitation, gaining federal recognition or taking land into

2499 trust for tribal economic development. The commission shall evaluate and make a
2500 recommendation to the governor and the chairs of the joint committee on economic development
2501 and emerging technologies as to whether it would be in the best interest of the commonwealth to
2502 enter into any negotiations with said tribes for the purposes of establishing Class III gaming on
2503 tribal land.

2504 Section 68. (a) There shall be a gaming policy advisory committee to consist of the governor or
2505 the governor's designee, who shall serve as chair; the commission chair; the senate president or
2506 the president's designee; the speaker of the house of representatives or the speaker's designee;
2507 the commissioner of public health or the commissioner's designee; and 8 persons to be appointed
2508 by the governor, 3 of whom shall be representatives of gaming licensees, 1 of whom shall be a
2509 representative of a federally recognized Indian tribe in the commonwealth, 1 of whom shall be a
2510 representative of organized labor and 3 of whom shall be appointed from the vicinity of each
2511 gaming establishment, as defined by host community and surrounding community, upon
2512 determination of the licensee and site location by the commission. The committee shall designate
2513 subcommittees to examine community mitigation, compulsive gambling and gaming impacts on
2514 cultural and tourism. Members of the committee shall serve for 2 year terms. The committee
2515 shall meet at least once annually for the purpose of discussing matters of gaming policy. The
2516 recommendations of the committee concerning gaming policy made under this section are
2517 advisory and shall not be binding on the commission and board.

2518 (b) There shall be a subcommittee on community mitigation under the gaming policy
2519 advisory committee consisting of 7 members: 1 of whom shall be appointed from the host
2520 community in region 1; 1 of whom shall be appointed from the host community in region 2; 1 of
2521 whom shall be appointed from the host community in region 3; 1 of whom shall be a

2522 representative from the department of revenue's division of local services; 1 of whom shall be a
2523 representative of the commission; 1 of whom shall be appointed by the governor and have
2524 professional experience in community mitigation related to gaming; and 1 of whom shall be a
2525 representative from the Massachusetts municipal association. The subcommittee shall develop
2526 recommendations to be considered by the commission to address issues of community mitigation
2527 as a result of the development of gaming establishments in the commonwealth, including, but not
2528 limited to: how funds may be expended from the Community Mitigation Fund, the impact of
2529 gaming establishments on the host community as well as surrounding communities including,
2530 but not limited to, the impact on local resources as a result of new housing construction and
2531 potential necessary changes to affordable housing laws, increased education costs and curriculum
2532 changes due to population changes in the region, development and maintenance of infrastructure
2533 related to increased population and utilization in the region and public safety impacts resulting
2534 from the facility and how to address that impact. The subcommittee shall receive input from
2535 local community mitigation advisory committees. The subcommittee shall review annually the
2536 expenditure of funds from the Community Mitigation Fund and make recommendations to the
2537 commission relative to appropriate and necessary use of community mitigation funds. The
2538 commission may promulgate such regulations as advised by the subcommittee.

2539 (c) There shall be a subcommittee on addiction services under the gaming policy advisory
2540 committee consisting of 5 members: 1 of whom shall be a representative from the department of
2541 public health's bureau of substance abuse services; 1 of whom shall be a representative from the
2542 Massachusetts Council on Compulsive Gambling, Inc.; 1 of whom shall be a representative of
2543 the commission; and 2 of whom shall be appointed by the governor with professional experience
2544 in the area of gambling addictions. The subcommittee shall develop recommendations for

2545 regulations to be considered by the commission in addressing issues related to addiction services
2546 as a result of the development of gaming establishments in the commonwealth, including by not
2547 limited to, prevention and intervention strategies.

2548 (d) There shall be a subcommittee on public safety under the gaming policy advisory
2549 committee consisting of 7 members: 1 of whom shall be a member of the commission; 1 of
2550 whom shall be the secretary of the executive office of public safety or the secretary's designee; 1
2551 of whom shall be the attorney general or the attorney general's designee; 1 of whom shall be a
2552 representative from the Massachusetts District Attorneys Association; 1 of whom shall be the
2553 colonel of the state police or the colonel's designee; 1 of whom shall be a representative from the
2554 Massachusetts Chiefs of Police Association; and 1 of whom shall be a representative of a public
2555 safety labor union. The subcommittee shall develop recommendations for regulations to be
2556 considered by the commission to address public safety issues as a result of the development of
2557 gaming establishments in the commonwealth, including but not limited to, how to mitigate the
2558 impact of gaming establishments on crimes committed in the commonwealth. The subcommittee
2559 shall also study the impact of gaming establishments on all aspects of public safety in the
2560 commonwealth.

2561 (e) Each region, as defined in section 19, may establish a local community mitigation
2562 advisory committee, which shall include not fewer than 6 members: 1 of whom shall be
2563 appointed by each of the host and surrounding communities; 1 of whom shall be appointed by
2564 each regional planning agency to which at least 1 of the host or surrounding communities
2565 belongs; and 4 of whom shall be appointed by the commission, of whom at least 1 shall
2566 represent a chamber of commerce in the region, 1 shall represent a regional economic
2567 development organization in the region, and 2 shall represent human service providers in the

2568 region. Each local committee shall annually elect a chair and such other officers as it deems
2569 necessary to carry out its duties.

2570 Each local community mitigation advisory committee may provide information and
2571 develop recommendations for the subcommittee on community mitigation on any issues related
2572 to the gaming establishment located in its region including, but not limited to: (i) issues of
2573 community mitigation; (ii) how funds may be expended from the Community Mitigation Fund;
2574 and (iii) the impact of the gaming establishments on the host and surrounding communities.
2575 Additionally, each local community mitigation advisory committee may present information to
2576 the commission consistent with the rules of the commission on any issues related to the gaming
2577 establishment located in its region.

2578 Section 69. The commission shall report monthly to the governor, the attorney general, the
2579 senate and house committees on ways and means, the chairs of the joint committee on revenue
2580 and the chairs of the joint committee on economic development and emerging technologies the
2581 total gaming revenues, prize disbursements and other expenses for the preceding month and shall
2582 make an annual report to the same recipients which shall include a full and complete statement of
2583 gaming revenues, prize disbursements and other expenses, including such recommendations as
2584 the commission considers necessary or advisable. The commission shall report immediately to
2585 the governor, the attorney general, the senate and house committees on ways and means, the
2586 senate and house chairs of the joint committee on revenue and the senate and house chairs of the
2587 joint committee on economic development and emerging technologies any matter which requires
2588 immediate changes in the laws of the commonwealth in order to prevent abuses or evasions of
2589 the laws, rules or regulations related to gaming or to rectify undesirable conditions in connection
2590 with the administration or operation of gaming in the commonwealth.

2591 Section 70. The commission shall annually submit a complete and detailed report of the
2592 commission's activities, including a review of the implementation and enforcement of this
2593 chapter and the governance structure established in this chapter, within 90 days after the end of
2594 the fiscal year to the governor, the attorney general, the treasurer and receiver general, the clerk
2595 of the house of representatives, the clerk of the senate, the chairs of the joint committee on
2596 economic development and emerging technologies and the chairs of the house and senate
2597 committees on ways and means.

2598 Section 71. The Massachusetts gaming commission, with the advice of the gaming policy
2599 advisory committee, shall develop an annual research agenda in order to understand the social
2600 and economic effects of expanding gaming in the commonwealth and to obtain scientific
2601 information relative to the neuroscience, psychology, sociology, epidemiology and etiology of
2602 gambling. The secretary of health and human services, with the advice and consent of the
2603 commission may expend funds from the Public Health Trust Fund, established in section 58, to
2604 implement the objectives of the research agenda which shall include, but not be limited to, the
2605 following:

2606 (1) a baseline study of the existing occurrence of problem gambling in the
2607 commonwealth; provided, however, that the study shall examine and describe the existing levels
2608 of problem gambling and the existing programs available that prevent and address the harmful
2609 consequences of problem gambling; provided further, that the commission shall contract with
2610 scientists and physicians to examine the current research as to the causes for problem gambling
2611 and the health effects of problem gambling and the treatment methods currently available in the
2612 commonwealth; provided further, that the commission shall report on the findings of the baseline
2613 study and provide recommendations to the house and senate committees on ways and means, the

2614 joint committee on economic development and emerging technologies, the joint committee on
2615 mental health and substance abuse and the joint committee on public health relative to methods
2616 to supplement or improve problem gambling prevention and treatment services;

2617 (2) comprehensive legal and factual studies of the social and economic impacts of
2618 gambling in the commonwealth on: (a) state, local and Indian tribal governments; and (b)
2619 communities and social institutions generally, including individuals, families and businesses
2620 within such communities and institutions; provided, however, that the matters to be examined in
2621 such studies shall include, but not be limited to:

2622 (i) a review of existing federal, state, local and Indian tribal government policies and
2623 practices with respect to the legalization or prohibition of gambling, including a review of the
2624 costs of such policies and practices;

2625 (ii) an assessment of the relationship between gambling and levels of crime and of
2626 existing enforcement and regulatory practices intended to address any such relationship;

2627 (iii) an assessment of pathological or problem gambling, including its impact on
2628 individuals, families, businesses, social institutions and the economy;

2629 (iv) an assessment of the impact of gambling on individuals, families, businesses, social
2630 institutions and the economy generally, including the role of advertising in promoting gambling
2631 and the impact of gambling on depressed economic areas;

2632 (v) an assessment of the extent to which gaming has provided revenues to other state,
2633 local and Indian tribal governments;

2634 (vi) an assessment of the costs of added infrastructure, police force, increased
2635 unemployment, increased health care and dependency on public assistance; and

2636 (vii) the costs of implementing chapter 23K of the General Laws; and

2637 (3) individual studies conducted by academic institutions in the commonwealth and
2638 individual researchers located in the commonwealth to study topics which shall include, but not
2639 be limited to: (i) reward and aversion, neuroimaging and neuroscience in humans, addiction
2640 phenotype genotype research, gambling-based experimental psychology and mathematical
2641 modeling of reward-based decision-making; (ii) the sociology and psychology of gambling
2642 behavior, gambling technology and marketing; and (iii) the epidemiology and etiology of
2643 gambling and problem gambling in the general population; provided, however, that when
2644 contracting with researchers to study such issues, the commission shall encourage the
2645 collaboration among researchers in the commonwealth and other states and jurisdictions.

2646 The commission and the committee shall annually make scientifically-based
2647 recommendations which reflect the results of this research to the house and senate committees on
2648 ways and means, the joint committee on economic development and emerging technologies, the
2649 joint committee on mental health and substance abuse and the joint committee on public health.
2650 The commission shall consider any such recommendations, research and findings in all decisions
2651 related to enhancing responsible gambling and mitigating problem gambling.

2652 SECTION 17. Chapter 23K of the General Laws is hereby amended by striking out section 7, as
2653 appearing in section 12, and inserting in place thereof the following section:-

2654 Section 7. The commission shall administer and enforce any general and special law
2655 related to pari-mutuel wagering and simulcasting. The commission shall serve as a host racing
2656 commission and an off-track betting commission for purposes of 15 U.S.C. 30001, et seq.

2657 SECTION 18. Chapter 29 of the General Laws is hereby amended by inserting after section
2658 2BBBB the following 3 sections:

2659 Section 2CCCC. There shall be established and set up on the books of the commonwealth a
2660 separate fund to be known as the Local Aid Stabilization Fund. The fund shall consist of monies
2661 transferred to it from the Gaming Revenue Fund established in section 59 of chapter 23K, all
2662 other monies credited or transferred to it from any other fund or source and proceeds from the
2663 investment of such funds. Subject to appropriation, the fund shall be distributed to cities and
2664 towns as a supplement to other sources of local aid distributions, but shall not be subject to
2665 section 5C.

2666 Section 2DDDD. There shall be established and set up on the books of the commonwealth a
2667 separate fund to be known as the Gaming Economic Development Fund. The fund shall be
2668 credited with revenues transferred to it from the Gaming Revenue Fund established in section 59
2669 of chapter 23K. Amounts credited to the fund shall be expended, subject to appropriation, to
2670 support economic development and job growth including, but not limited to: (1) workforce
2671 training, including transfers to the Workforce Competitiveness Trust Fund; (2) tourism
2672 promotion, including regional tourism promotion agencies and cultural and recreational
2673 attraction promotion; (3) summer jobs; (4) the Massachusetts Marketing Partnership; (5) higher
2674 education scholarships; (6) regional economic development initiatives; (7) support for small
2675 businesses, including small business lending; (8) green jobs promotion; (9) science, technology,

2676 engineering and mathematics career pipeline initiatives; and (10) agricultural development
2677 programs, including youth agricultural education.

2678 Section 2EEEE. There shall be established and set up on the books of the commonwealth a Local
2679 Capital Projects Fund. The fund shall be credited with any monies transferred from licensing fees
2680 of gaming establishments or funds transferred from the Gaming Revenue Fund under chapter
2681 23K and any monies credited to or transferred to the fund from any other fund or source.

2682 SECTION 19. Section 38 of said chapter 29, as appearing in the 2008 Official Edition, is hereby
2683 amended by striking out, in lines 115 and 116, the words “Fund, as established and defined in
2684 section thirty-five of chapter ten,” and inserting in place thereof the following words:- and
2685 Gaming Fund established in section 35 of chapter 10.

2686 SECTION 20. Said section 38 of said chapter 29, as so appearing, is hereby further amended by
2687 striking out, in lines 127 and 128, the words “the said State Lottery” and inserting in place
2688 thereof the following words:- the State Lottery and Gaming.

2689 SECTION 21. Section 1 of chapter 32 of the General Laws is hereby amended by inserting after
2690 the word “connector”, in line 211, as amended by section 47 of chapter 25 of the acts of 2009,
2691 the following words:- , the Massachusetts gaming commission,.

2692 SECTION 22. Section 2 of chapter 32A of the General Laws is hereby amended by inserting
2693 after the word “authority”, in line 12, as appearing in the 2008 Official Edition, the following
2694 words:- , the Massachusetts gaming commission.

2695 SECTION 23. Section 94 of chapter 41 of the General Laws, as so appearing, is hereby amended
2696 by inserting after the word “and”, in line 7, the first time it appears, the following word:- illegal.

2697 SECTION 24. Section 7A of chapter 55 of the General Laws, as so appearing, is hereby
2698 amended by adding the following subsection:-

2699 (c) The aggregate of all contributions by a person who holds a license issued by the
2700 Massachusetts gaming commission, who was required to apply for that license under section 14
2701 of chapter 23K, for the benefit of any 1 candidate and such candidate's committee shall not
2702 exceed \$200 in a calendar year. The aggregate of all contributions by a person who holds a
2703 license issued by the Massachusetts gaming commission, who was required to apply for that
2704 license under section 14 of chapter 23K, for the benefit of any other political committee, other
2705 than a ballot question committee, shall not exceed \$200 in a calendar year.

2706 SECTION 25. Section 18C of chapter 58 of the General Laws, as so appearing, is hereby
2707 amended by inserting after the word "Lottery", in line 6, the following words:- and Gaming.

2708 SECTION 26. Section 18D of said chapter 58 is hereby repealed.

2709 SECTION 27. Section 5A of chapter 62 of the General Laws, as so appearing, is hereby
2710 amended by inserting after the word "commonwealth", in line 24, the following words:- ,
2711 including gaming winnings acquired at or through a gaming establishment under chapter 23K.

2712 SECTION 28. The seventh paragraph of section 2 of chapter 62B of the General Laws, as so
2713 appearing, is hereby amended by striking out the first 2 sentences and inserting in place thereof
2714 the following 2 sentences:- Every person, including the United States, the commonwealth or any
2715 other state, or any political subdivision or instrumentality of the foregoing, making any payment
2716 of lottery or wagering winnings, which are subject to tax under chapter 62 and which are subject
2717 to withholding under section 3402(q) of the Internal Revenue Code, without the exception for
2718 slot machines, keno and bingo played at licensed casinos in subsections (q)(5) and (r) of the

2719 Internal Revenue Code, shall deduct and withhold from such payment an amount equal to 5 per
2720 cent of such payment, except that such withholding for purposes of this chapter shall apply to
2721 payments of winnings of \$600 or greater notwithstanding any contrary provision of the Internal
2722 Revenue Code. For the purposes of this chapter and chapter 62C, such payment of winnings
2723 shall be treated as if it were wages paid by an employer to an employee.

2724 SECTION 29. Said chapter 62B is hereby further amended by striking out section 5, as so
2725 appearing, and inserting in place thereof the following section:-

2726 Section 5. Every employer required to deduct and withhold from an employee or payee a tax
2727 under section 2 or who would have been required under said section 2 in the case of an employee
2728 to deduct and withhold a tax if the employee had not claimed any personal exemption or
2729 dependency exemptions, shall furnish to each such employee or payee in respect of the wages or
2730 other payments paid by such employer to such employee or payee during the calendar year, on or
2731 before January 31 of the succeeding year, or, if an employee's employment is terminated before
2732 the close of such calendar year, within 30 days from the day on which the last payment of wages
2733 shall be made, a written statement in duplicate showing the name of the employer, the name of
2734 the employee or payee and the social security number of such employee or payee, if any, the
2735 total amount of wages or other amounts subject to taxation under chapter 62 and the total amount
2736 deducted and withheld as tax. The statement shall contain such other information as the
2737 commissioner may prescribe. The commissioner may grant reasonable extensions of time, not
2738 exceeding 60 days, for the furnishing of the statement.

2739 An employer who fails to withhold or pay to the commissioner any sum required by this chapter
2740 to be withheld or paid shall be personally and individually liable therefor to the commonwealth.

2741 The term “employer,” as used in this section and in section 11, shall include a person or entity
2742 required to withhold tax from a payee, an officer or employee of a corporation or a member or
2743 employee of a partnership or limited liability company who, as such officer, employee or
2744 member is under a duty to withhold and pay over taxes in accordance with this section and
2745 section 2. Any sum withheld in accordance with said section 2 shall be considered to be held in
2746 trust for the commonwealth.

2747 If an employer in violation of this chapter fails to withhold the tax in accordance with section 2
2748 and thereafter the tax against which such tax may be credited pursuant to section 9 is paid, the
2749 tax so required to be withheld shall not be collected from the employer; but this paragraph shall
2750 not relieve the employer from liability for any penalties or additions to the tax otherwise
2751 applicable in respect of such failure to withhold.

2752 SECTION 30. The first paragraph of section 8 of chapter 62C of the General Laws, as so
2753 appearing, is hereby amended by striking out the last sentence and inserting in place thereof the
2754 following sentence:-The same basis of reporting shall be utilized for income that is subject to
2755 taxation or withholding under chapter 62 or 62B but is not subject to taxation or withholding
2756 under the Code.

2757 SECTION 31. The third paragraph of subsection (f) of section 38 of chapter 63 of the General
2758 Laws, as so appearing, is hereby amended by adding the following clause:- (8) in the case of a
2759 business deriving receipts from operating a gaming establishment or otherwise deriving receipts
2760 from conducting a wagering business or activity, income-producing activity shall be considered
2761 to be performed in this commonwealth to the extent that the location of wagering transactions or
2762 activities that generated the receipts is in this commonwealth.

2763 SECTION 32. Said subsection (f) of said section 38 of said chapter 63, as so appearing, is
2764 hereby amended by inserting after the word “place”, in line 200, the following clause:- (7) in the
2765 case of a business deriving receipts from operating a gaming establishment or otherwise deriving
2766 receipts from conducting a wagering business or activity, income-producing activity shall be
2767 considered to be performed in this commonwealth to the extent that the location of wagering
2768 transactions or activities that generated the receipts is in this commonwealth.

2769 SECTION 33. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby amended
2770 by inserting after the word “Lottery”, in line 355, the following words:- and Gaming.

2771 SECTION 34. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby
2772 amended by striking out, in line 99, the words “or dog”.

2773 SECTION 35. Said section 2 of said chapter 128, as so appearing, is hereby further amended by
2774 striking out subsection (i).

2775 SECTION 36. Said subsection 2 of said chapter 128, as so appearing, is hereby further amended
2776 by striking out, in lines 152 and 153, the words “the provisions of paragraphs (b), (f), (g), and
2777 (i)” and inserting in place thereof the following words:- subsections (b), (f) and (g).

2778 SECTION 37. Section 1 of chapter 128A of the General Laws, as so appearing, is hereby
2779 amended by striking out, in line 6, the words “state racing commission” and inserting in place
2780 thereof the following words:- Massachusetts gaming commission established in chapter 23K.

2781 SECTION 38. Said chapter 128A is hereby repealed.

2782 SECTION 39. Section 1 of chapter 128C of the General Laws, as appearing in the 2008 Official
2783 Edition, is hereby amended by striking out, in line 12, the words “state racing commission” and

2784 inserting in place thereof the following words:- Massachusetts gaming commission established in
2785 chapter 23K.

2786 SECTION 40. Said chapter 128C of the General Laws is hereby repealed.

2787 SECTION 41. Section 1 of chapter 137 of the General Laws, as appearing in the 2008 Official
2788 Edition, is hereby amended by inserting after the word “gaming”, in line 2, the following words:-
2789 , except for gaming conducted in licensed gaming establishments pursuant to chapter 23K.

2790 SECTION 42. Section 2 of said chapter 137, as so appearing, is hereby amended by striking out,
2791 in line 2, the word “where” and inserting in place thereof the following words:- , but not
2792 including an owner or operator of a licensed gaming establishment pursuant to chapter 23K,
2793 where.

2794 SECTION 43. Section 3 of said chapter 137, as so appearing, is hereby amended by inserting
2795 after the word “betting,”, in line 5, the following words:- ,but not including gaming conducted
2796 pursuant to chapter 23K.

2797 SECTION 44. Section 18 of chapter 139 of the General Laws, as so appearing, is hereby
2798 amended by inserting after the word “of”, in line 6, the word:- illegal.

2799 SECTION 45. Section 177A of chapter 140 of the General Laws, as so appearing, is hereby
2800 amended by inserting after the word “machines”, in line 12, the following words:- , but not
2801 including slot machines as defined in chapter 23K.

2802 SECTION 46. Section 26A of chapter 180 of the General Laws, as so appearing, is hereby
2803 amended by striking out, in lines 4 and 16, each time it appears, the words “or dog”.

2804 SECTION 47. The General Laws are hereby amended by inserting after chapter 267 the
2805 following chapter:-

2806 Chapter 267A

2807 Money Laundering.

2808 Section 1. As used in this chapter, the following words shall, unless the context clearly requires
2809 otherwise have the following meanings:

2810 “Criminal activity”, activity which constitutes a criminal offense punishable under the
2811 laws of the commonwealth by imprisonment in a state prison or a criminal offense committed in
2812 another jurisdiction punishable under the laws of that jurisdiction as a felony.

2813 “Financial institution”, (1) a bank as defined in section 1 of chapter 167; (2) a national
2814 banking association, bank, savings and loan, savings bank, cooperative bank, building and loan
2815 or credit union organized under the laws of the United States; (3) a banking association, bank,
2816 savings and loan, savings bank, cooperative bank, building and loan or credit union organized
2817 under the laws of any state; (4) an agency, agent or branch of a foreign bank; (5) a currency
2818 dealer or exchange; (6) a person or business engaged primarily in the cashing of checks; (7) a
2819 person or business regularly engaged in the issuing, selling or redeeming of traveler's checks,
2820 money orders or similar instruments; (8) a broker or dealer in securities or commodities; (9) a
2821 licensed transmitter of funds or other person or business regularly engaged in the transmission of
2822 funds to a foreign nation for others; (10) an investment banker or investment company; (11) an
2823 insurer; (12) a dealer in precious metals, stones or jewels; (13) a pawnbroker or scrap metal
2824 dealer; (14) a telegraph or other communications company; (15) a personal property or real estate
2825 broker; (16) a dealer in vehicles including, but not limited to, automobiles, aircraft and vessels;

2826 (17) an operator of a betting or gaming establishment; (18) a travel agent; (19) a thrift institution,
2827 as defined by section 1 of chapter 167F; (20) an operator of a credit card system; or (21) a loan
2828 or finance company.

2829 “Monetary instrument”, the currency and coin of the United States or any foreign
2830 country; any bank check, money order, stock, investment security, or negotiable instrument in
2831 bearer form or otherwise in such form that title passes upon delivery; gold, silver or platinum
2832 bullion or coins; diamonds, emeralds, rubies or sapphires; any negotiable instrument including:
2833 bank checks, cashier's checks, traveler's checks, or monetary orders made payable to the order of
2834 a named party that have not been endorsed or which bear restrictive endorsements; poker chips,
2835 vouchers or other tokens exchangeable for cash by gaming entities; and credit cards, debit cards,
2836 gift cards, gift certificates or scrips.

2837 “Transaction”, a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition
2838 and, with respect to a financial institution, including, but not limited to, a deposit, withdrawal,
2839 bailment, transfer between accounts, exchange of currency, loan, extension of credit, purchase or
2840 sale of any stock, bond, certificate of deposit or other monetary instrument, use of a safe deposit
2841 box or any other payment, transfer or delivery by, through, or to a financial institution, by
2842 whatever means effected.

2843 Section 2. Whoever knowingly:

2844 (1) transports or possesses a monetary instrument or other property that was derived from
2845 criminal activity with the intent to promote, carry on or facilitate criminal activity;

2846 (2) engages in a transaction involving a monetary instrument or other property known to be
2847 derived from criminal activity:

2848 (i) with the intent to promote, carry on or facilitate criminal activity; or

2849 (ii) knowing that the transaction is designed in whole or in part either to: (A) conceal or

2850 disguise the nature, location, source, ownership or control of the property derived from criminal

2851 activity; or (B) avoid a transaction reporting requirement of this chapter, of the United States, or

2852 of any other state; or

2853 (3) directs, organizes, finances, plans, manages, supervises or controls the transportation of, or

2854 transactions in, monetary instruments or other property known to be derived from criminal

2855 activity or which a reasonable person would believe to be derived from criminal activity shall be

2856 guilty of the crime of money laundering and shall be punished by imprisonment in the state

2857 prison for not more than 6 years or by a fine of not more than \$250,000 or twice the value of the

2858 property transacted, whichever is greater, or by both such imprisonment and fine. Whoever

2859 commits a second or subsequent such offense shall be punished by imprisonment in the state

2860 prison for not less than 2 years, but not more than 8 years or by a fine of not more than \$500,000

2861 or 3 times the value of the property transacted, whichever is greater, or by both such

2862 imprisonment and fine.

2863 Section 3. (a) A financial institution shall file with the attorney general a copy of any and

2864 all reports required by the Currency and Foreign Transactions Act, set forth in 31 U.S.C.,

2865 sections 5311 through 5315, 31 C.F.R. 103.

2866 (b) A financial institution, or any officer, employee, or agent of a financial institution that

2867 maintains and files a record or report under this section shall not be liable to its customer, to a

2868 state or local agency, or to any person for any loss or damage caused in whole or in part by the

2869 making, filing or governmental use of the record or report, or any information contained in the

2870 record or report. Nothing in this chapter shall be construed to give rise to a private cause of
2871 action for relief or damages. This subsection shall not preclude a financial institution, in its
2872 discretion, from instituting contact with, and then communicating with and disclosing customer
2873 financial records to appropriate federal, state or local law enforcement agencies if the financial
2874 institution has reason to suspect that the records or information demonstrate that the customer
2875 has violated this chapter.

2876 (c) Any report, record or information obtained by the attorney general under this section
2877 shall not be a public record under clause Twenty-sixth of section 7 of chapter 4 or section 10 of
2878 chapter 66 and shall not be subject to disclosure, except to other state and federal law
2879 enforcement agencies.

2880 (d) Any violation of this section shall be punished by a fine of \$100 for each report not
2881 filed.

2882 (e) The timely filing of complete and accurate reports required under subsection (a) with
2883 the appropriate federal agency shall constitute compliance with the requirements of subsection
2884 (a).

2885 Section 4. All monetary instruments or other property, real, intellectual or personal,
2886 obtained directly as a result of a violation of section 2, shall be subject to forfeiture to the
2887 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
2888 inclusive, of section 47 of chapter 94C. For the purposes of subsection (d) of said section 47 of
2889 said chapter 94C, the investigations and enforcement bureau of the Massachusetts gaming
2890 commission established in chapter 23K shall be considered a police department and shall be
2891 entitled to a police department's distribution of forfeiture proceedings.

2892 SECTION 48. Section 6 of chapter 268B of the General Laws, as appearing in section 95 of
2893 chapter 28 of the acts of 2009, is hereby amended by adding the following paragraph:-

2894 For the purposes of this section, a person who holds a license issued by the Massachusetts
2895 gaming commission, who was required to apply for that license pursuant to section 14 of chapter
2896 23K, shall be considered a legislative agent.

2897 SECTION 49. Section 1 of chapter 271 of the General Laws, as appearing in the 2008 Official
2898 Edition, is hereby amended by inserting after the word “gaming”, in lines 3 and 4, the following
2899 words:- , except as permitted under chapter 23K.

2900 SECTION 50. Section 2 of said chapter 271, as so appearing, is hereby amended by striking out
2901 the words “in any”, in line 14, and inserting in place thereof the following words:- , except as
2902 permitted under chapter 23K, in any.

2903 SECTION 51. Section 3 of said chapter 271, as so appearing, is hereby amended by striking out,
2904 in line 1, the word “Every” and inserting in place thereof the following words:- Except as
2905 permitted under chapter 23K, every.

2906 SECTION 52. Section 5 of said chapter 271, as so appearing, is hereby amended by striking out,
2907 in line 1, the word “keeps”, and inserting in place thereof the following words:- , except as
2908 permitted under chapter 23K, keeps.

2909 SECTION 53. The second paragraph of section 5A of said chapter 271, as so appearing, is
2910 hereby amended by adding the following paragraph:-

2911 This section shall not apply to persons who manufacture, transport, sell, offer for sale, store,
2912 display, repair, recondition, possess or use any gambling device or parts for use in such a device
2913 for licensed gaming conducted under chapter 23K.

2914 SECTION 54. Section 6 of said chapter 271, as so appearing, is hereby amended by striking out,
2915 in lines 3 and 4, the words “gambling or unlawful game” and inserting in place thereof the
2916 words:- illegal gaming.

2917 SECTION 55. Section 7 of said chapter 271, as so appearing, is hereby amended by inserting
2918 after the word “device”, in line 7, the first time it appears, the following words:- that is not
2919 taking place in a gaming establishment licensed pursuant to chapter 23K.

2920 SECTION 56. Said chapter 271 is hereby further amended by striking out section 8, as so
2921 appearing, and inserting in place thereof the following section:

2922 Section 8. Whoever owns, occupies or is in control of a house, shop or building and knowingly
2923 permits the establishing, managing or drawing of a lottery, or the disposal or attempt to dispose
2924 of property, or the sale of a lottery ticket or share of a ticket, or any other writing, certificate, bill,
2925 token or other device purporting or intended to entitle the holder, bearer or any other person to a
2926 prize or to a share of or interest in a prize to be drawn in a lottery, or in the disposal of property,
2927 and whoever knowingly allows money or other property to be raffled for or won by throwing or
2928 using dice or by any other game of chance that is not being conducted in a gaming establishment
2929 licensed under chapter 23K, shall be punished by a fine of not more than \$2,000 or by
2930 imprisonment in the house of correction for not more than 1 year.

2931 SECTION 57. Section 14 of said chapter 271, as so appearing, is hereby amended by inserting
2932 after the word “by”, in line 3, the first time it appears, the following words:- illegal gaming,
2933 including games of.

2934 SECTION 58. Section 16A of said chapter 271, as so appearing, is hereby amended by inserting
2935 after the word “wagerers”, in line 14, the following words:- or persons who organize, supervise,
2936 manage or finance persons for the purpose of legal gaming conducted under chapter 23K.

2937 SECTION 59. Section 17 of said chapter 271, as so appearing, is hereby amended by adding the
2938 following sentence: - This section shall not apply to a person who organizes, supervises,
2939 manages or finances another person for the purpose of gaming conducted in accordance with
2940 chapter 23K.

2941 SECTION 60. Section 19 of said chapter 271, as so appearing, is hereby amended by inserting
2942 after the word “hazard”, in line 16, the following sentence:- This section shall not apply to
2943 advertising of gaming conducted pursuant to chapter 23K.

2944 SECTION 61. Section 20 of said chapter 271, as so appearing, is hereby amended by adding the
2945 following sentence:- Nothing in this section shall prohibit a gaming establishment licensed
2946 under chapter 23K from posting, advertising or displaying materials relevant to its gaming
2947 operations.

2948 SECTION 62. Section 22 of said chapter 271, as so appearing, is hereby amended by inserting
2949 after the word “ of”, in line 6, the third time it appears, the following word:- illegal.

2950 SECTION 63. Section 23 of said chapter 271, as so appearing, is hereby amended by inserting
2951 after the word “for”, in line 28, the following words:-; provided, however, that such provisions
2952 shall not apply to gaming conducted pursuant chapter 23K.

2953 SECTION 64. Section 28 of said chapter 271, as so appearing, is hereby amended by inserting
2954 after the word “of”, in line 3, the third time it appears, the following word:- illegal.

2955 SECTION 65. Section 31 of said chapter 271, as so appearing, is hereby amended by inserting
2956 after the word “both”, in line 8, the following sentence: - This section shall not apply to racing
2957 conducted pursuant to chapter 23K.

2958 SECTION 66. The General Laws are hereby amended by inserting after chapter 271 the
2959 following chapter:-

2960 Chapter 271A

2961 Enterprise Crime.

2962 Section 1. As used in this chapter, the following words shall, unless the context clearly requires
2963 otherwise, have the following meanings:

2964 “Criminal enterprise activity”, the commission, attempt to commit or conspiracy to commit or
2965 the solicitation, coercion, aiding, abetting or intimidation of another to commit any of the
2966 following criminal activity under the laws of the commonwealth or equivalent crimes under the
2967 laws of any other jurisdiction: a violation of any criminal provision of chapter 23K; a felony
2968 offense under chapter 271; distributing, dispensing, manufacturing, or possession with intent to
2969 distribute, dispense or manufacture a controlled substance in violation of chapter 94C; murder;
2970 rape; manslaughter, not including motor vehicle homicide; assault; assault and battery; assault

2971 and battery in order to collect a loan; assault with intent to rob or murder; poisoning; mayhem;
2972 robbery; extortion; stalking; criminal harassment; kidnapping; arson; burglary; malicious
2973 destruction of property; commission of a felony for hire; breaking and entering; child
2974 exploitation; assault and battery on a child; rape of a child; rape and abuse of a child; enticement
2975 of a child under 16; human trafficking; violation of constitutional rights under section 37 of
2976 chapter 265; usury; uttering; misuse or fraudulent use of credit cards under section 37C of
2977 chapter 266; identity fraud; misappropriation of funds; gross fraud under section 76 of chapter
2978 276; insurance fraud; unlawful prize fighting or boxing matches; counterfeiting; perjury;
2979 subornation of perjury; obstruction of justice; money laundering; witness intimidation; bribery;
2980 electronic eavesdropping; prostitution under sections 2, 3, 4A, 4B, 6, 7, 12 and 13 of chapter
2981 272; receiving stolen property; larceny over \$250; larceny by false pretenses or embezzlement;
2982 forgery; procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct
2983 defined as a racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

2984 “Enterprise”, an entity including any individual, sole proprietorship, partnership, corporation,
2985 association, trust or other legal entity and any unchartered union or group of persons associated
2986 in fact although not a legally recognized entity.

2987 “Gaming establishment”, an establishment licensed under chapter 23K.

2988 “Pattern of criminal enterprise activity”, engaging in at least 3 incidents of criminal enterprise
2989 activity that have the same or similar pattern, intents, results, accomplices, victims or methods of
2990 commission, or are otherwise interrelated by distinguishing characteristics and are not isolated
2991 incidents; provided, however, that at least 1 of the incidents occurred after the effective date of

2992 this chapter, and the last incident occurred within 5 years of another incident of criminal
2993 enterprise activity.

2994 “Unlawful debt”, a debt which was incurred or contracted in an illegal gambling activity or
2995 business; or which is unenforceable under state or federal law, in whole or in part, as to principal
2996 or interest under the law relating to usury.

2997 Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or through
2998 the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest in or
2999 control of an enterprise which is engaged in, or the activities of which affect, licensed gaming
3000 under chapter 23K or ancillary industries which do business with a gaming establishment; (2)
3001 having received proceeds derived, directly or indirectly, from a pattern of criminal enterprise
3002 activity or through the collection of an unlawful debt, uses or invests, directly or indirectly, part
3003 of the proceeds including proceeds derived from the investment, in the acquisition of an interest
3004 in real property to be used in connection with licensed gaming, or in the establishment or
3005 operation of, an enterprise which is engaged in, or the activities of which affect, licensed gaming
3006 operations or ancillary industries which do business with a gaming establishment; (3) is
3007 employed by or associated with an enterprise to conduct or participate, directly or indirectly, in
3008 the conduct of the enterprise's affairs or activities which affect licensed gaming operations or
3009 ancillary industries which do business with a gaming establishment by engaging in a pattern of
3010 criminal enterprise activity or through the collection of an unlawful debt; or (4) conspires or
3011 attempts to violate subsections (1), (2), or (3) of this section or attempts to so conspire; shall be
3012 guilty of enterprise crime and shall be punished by imprisonment in the state prison for not more
3013 than 15 years or by a fine of not more than \$25,000, or by both such imprisonment and fine.

3014 Nothing in this chapter shall prohibit the purchase of securities on the open market for
3015 purposes of investment made without the intention of controlling or participating in the control
3016 of the issuer, or of assisting another to do so, if the securities of the issuer held by the: (i)
3017 purchaser; (ii) members of the purchaser's immediate family; or (iii) the purchaser's accomplices
3018 in any pattern of criminal activity for the collection of an unlawful debt after such purchase do
3019 not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1 class and do not
3020 confer, either in law or in fact, the power to elect 1 or more directors of the issuer.

3021 Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained
3022 directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the
3023 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
3024 inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
3025 chapter 94C, the investigation and enforcement bureau of the Massachusetts gaming commission
3026 established under chapter 23K shall be considered a police department, entitled to a police
3027 department's distribution of forfeiture proceedings.

3028 SECTION 67. Section 39 of chapter 272 of the General Laws, as appearing in the 2008 Official
3029 Edition, is hereby amended by inserting after the word "in", in line 7, the following word:-
3030 illegal.

3031 SECTION 68. The first paragraph of section 12A of chapter 494 of the acts of 1978 is hereby
3032 amended by striking out the words "and until January 31, 2012", inserted by section 1 of chapter
3033 77 of the acts of 2011, and inserting in place thereof the following words:- and until July 31,
3034 2014.

3035 SECTION 69. The last paragraph of said section 12A of said chapter 494 is hereby amended by
3036 striking out the words “January 31, 2012”, inserted by section 2 of said chapter 77, and inserting
3037 in place thereof the following words:- July 31, 2014.

3038 SECTION 70. The introductory paragraph of section 13 of said chapter 494 is hereby amended
3039 by striking out the words “and until January 31, 2012”, inserted by section 3 of said chapter 77,
3040 and inserting in place thereof the following words:- and until July 31, 2014.

3041 SECTION 71. Said section 13 of said chapter 494 is hereby further amended by striking out
3042 clause (c), as appearing in section 2 of chapter 114 of the acts of 1991.

3043 SECTION 72. Clause (d) of said section 13 of said chapter 494, as so appearing, is hereby
3044 amended by striking out, in line 21, the words “, (b) or (c)” and inserting in place thereof the
3045 following words:- or (b).

3046 SECTION 73. Said section 13 of said chapter 494 is hereby further amended by striking out
3047 subsection (f), as so appearing.

3048 SECTION 74. Section 15 of said chapter 494 is hereby amended by striking out the words “and
3049 until January 31, 2012”, inserted by section 4 of said chapter 77, and inserting in place thereof
3050 the following words:- and until July 31, 2014.

3051 SECTION 75. The first paragraph of section 9 of chapter 277 of the acts of 1986 is hereby
3052 amended by striking out the words “and until January 31, 2012”, inserted by section 5 of said
3053 chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.

3054 SECTION 76. The first sentence of the first paragraph of section 3 of chapter 114 of the acts of
3055 1991 is hereby amended by striking out the words “and until January 31, 2012”, inserted by

3056 section 6 of said chapter 77, and inserting in place thereof the following words:- and until July
3057 31, 2014.

3058 SECTION 77. The last paragraph of said section 3 of said chapter 114 is hereby amended by
3059 striking out the words “January 31, 2012”, inserted by section 7 of said chapter 77, and inserting
3060 in place thereof the following words:- July 31, 2014.

3061 SECTION 78. The first paragraph of section 4 of said chapter 114 is hereby amended by striking
3062 out the words “and until January 31, 2012”, inserted by section 8 of said chapter 77, and
3063 inserting in place thereof the following words:- and until July 31, 2014.

3064 SECTION 79. The last paragraph of said section 4 of said chapter 114 is hereby amended by
3065 striking out the words “January 31, 2012”, inserted by section 9 of said chapter 77, and inserting
3066 in place thereof the following words:- July 31, 2014.

3067 SECTION 80. The first paragraph of section 5 of said chapter 114 is hereby amended by striking
3068 out the words “and until January 31, 2012”, inserted by section 10 of said chapter 77, and
3069 inserting in place thereof the following words:- and until July 31, 2014.

3070 SECTION 81. Section 13 of chapter 101 of the acts of 1992 is hereby repealed.

3071 SECTION 82. Section 45 of chapter 139 of the acts of 2001 is hereby amended by striking out
3072 the words “January 31, 2012”, inserted by section 12 of said chapter 77, and inserting in place
3073 thereof the following words:- July 31, 2014.

3074 SECTION 83. Section 20 of chapter 449 of the acts of 2006 is hereby amended by striking out
3075 the words “January 31, 2012”, inserted by section 13 of said chapter 77, and inserting in place
3076 thereof the following words:- July 31, 2014.

3077 SECTION 84. (a) Notwithstanding section 5 of chapter 128A of the General Laws or any other
3078 general or special law or rule or regulation to the contrary, the greyhound meeting licensee
3079 located in Bristol county and the greyhound meeting licensee located in Suffolk county shall not
3080 be eligible for purse assistance pursuant to clause (6) of subsection (h) of said section 5.

3081 (b) Notwithstanding chapters 128A and 128C of the General Laws or any other general or special
3082 law or rule or regulation to the contrary, amounts from unclaimed winnings and breaks generated
3083 by the greyhound meeting licensee located in Bristol county and the greyhound meeting licensee
3084 located in Suffolk county shall be dedicated to the Racing Stabilization Fund established in
3085 subsection (a) of section 85.

3086 (c) Notwithstanding section 14 of chapter 77 of the acts of 2011 or any other general or special
3087 law, rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county
3088 and the greyhound meeting licensee located in Suffolk county shall, unless otherwise provided in
3089 this act, be subject to chapter 128A and 128C of the General Laws and chapter 139 of the acts of
3090 2001.

3091 SECTION 85. (a) Notwithstanding any general or special law or rule or regulation to the
3092 contrary, there shall be a Racing Stabilization Fund that shall be administered by the
3093 Massachusetts Gaming Commission, hereinafter known as the commission, established pursuant
3094 to chapter 23K of the General Laws. The fund shall consist of all revenues dedicated pursuant to
3095 this act. Any balance in the fund at the end of the fiscal year shall not revert to the General
3096 Fund; provided, however, that the commission shall distribute to owners and lessees of
3097 greyhound dogs who have raced in calendar year 2009 for the humane care, maintenance and
3098 adoption of those greyhound dogs, a sum equal to 1 per cent of the total amount wagered at each

3099 racing meeting licensee within the commonwealth acting as a guest track and simulcasting a live
3100 greyhound race from a host track from outside the commonwealth provided, however, that
3101 before any such amount is distributed, the commission shall develop a method and criteria by
3102 which to distribute such funds in an equitable manner among dog owners. The commission shall
3103 distribute to kennel owners who housed greyhound dogs who have raced in calendar year 2009
3104 for the humane care, maintenance and adoption of those greyhound dogs, a sum equal to 1.5 per
3105 cent of the total amount wagered at each racing meeting licensee within the commonwealth
3106 acting as a guest track and simulcasting a live greyhound race from a host track from outside
3107 commonwealth; provided, however, that before any amount is distributed, the commission shall
3108 develop a method and criteria by which to distribute such funds in an equitable manner among
3109 kennel owners; and provided further, the commission shall begin payments to kennel owners in
3110 April 2012. Such payments shall be paid on a biweekly basis beginning on April 12, 2012.

3111 (b) Notwithstanding section 12A of chapter 494 of the acts of 1978 or any other general or
3112 special law or rule or regulation to the contrary, after July 31, 2011, the comptroller shall transfer
3113 all monies deposited in the Greyhound Capital Improvements Trust Fund and the Greyhound
3114 Promotional Trust Fund, each established under said section 12A of said chapter 494, to the
3115 Racing Stabilization Fund established in subsection (a). After July 31, 2011, the comptroller
3116 shall transfer any revenues deposited into the Greyhound Capital Improvements Trust Fund and
3117 the Greyhound Promotional Trust Fund into the Racing Stabilization Fund within 10 days after
3118 receipt of those revenues.

3119 (c) Notwithstanding any general or special law to the contrary, the greyhound meeting licensee
3120 located in Bristol county and the greyhound meeting licensee located in Suffolk county shall
3121 report monthly to Massachusetts gaming commission established under chapter 23K of the

3122 General Laws on their net and gross revenue, including an itemization of premiums received,
3123 fees received and any amounts dedicated to purse accounts, the Greyhound Capital
3124 Improvements Trust Fund and the Greyhound Promotional Trust Fund. The report shall include
3125 the number of part-time and full-time staff employed by the licensees at the close of the previous
3126 month. The report shall also include the total amount of premiums paid to the harness horse
3127 meeting licensees located in Norfolk county and the running horse meeting licensee located in
3128 Suffolk county. Failure to file the report on the tenth day of each month shall be cause for
3129 suspension of the greyhound meeting license. The commission shall forward all such reports to
3130 the house and senate committees on ways and means, the joint committee on economic
3131 development and emerging technologies and the joint committee on labor and workforce
3132 development. The greyhound meeting licensee located in Bristol county and the greyhound
3133 meeting licensee located in Suffolk county shall also prepare a report of all funds received and
3134 disbursed for calendar years 2010 and 2011. The report shall also be filed with the commission
3135 not later than January 31, 2012, and the commission shall forward the reports to the house and
3136 senate committees on ways and means, the joint committee on economic development and
3137 emerging technologies and the joint committee on labor and workforce development.

3138 (d) Notwithstanding any general or special law, rule or regulation to the contrary, monies in the
3139 Racing Stabilization Fund established in subsection (a) may be used to assist efforts to secure
3140 alternative employment and retraining opportunities for displaced workers impacted by the
3141 enactment of chapter 388 of the acts of 2008 including, but not limited to, coordinating the
3142 delivery of available state and federal resources and services; provided, however, that such funds
3143 from the fund shall only be expended after all federal funds from the Workforce Investment Act

3144 and the American Reinvestment and Recovery Act have been exhausted; provided further, that
3145 state funds shall be distributed in accordance with subsection (a).

3146 (e) Notwithstanding any general or special law to the contrary, upon the effective date of this act,
3147 the comptroller shall transfer all monies from the Racing Stabilization Fund established pursuant
3148 to chapter 167 of the acts of 2009, as amended by section 14 of chapter 86 of the acts of 2010, to
3149 the Racing Stabilization Fund established herein.

3150 SECTION 86. Notwithstanding any general or special law to the contrary, in making initial
3151 appointments to the Massachusetts gaming commission established in chapter 23K of the
3152 General Laws, of the members to be appointed by majority agreement of the governor, the
3153 attorney general and the treasurer and receiver general, 1 commissioner shall be appointed for a
3154 term of 3 years and 1 shall be appointed for a term of 4 years. The commissioner to be appointed
3155 by the treasurer and receiver general shall serve for a term of 5 years, the commissioner to be
3156 appointed by the attorney general shall serve for a term of 6 years and the commissioner
3157 appointed by the governor shall serve for a term of 7 years.

3158 SECTION 87. The chair of the Massachusetts gaming commission shall consider current
3159 employees of the state racing commission as eligible for employment with the commission and
3160 shall, subject to all other requirements and conditions of employment under chapter 23K of the
3161 General Laws, give preference to such individuals when making such employment decisions.

3162 SECTION 88. A gaming licensee awarded a gaming license under chapter 23K of the General
3163 Laws shall show preference in hiring to qualified persons permanently employed as of June 1,
3164 2010 at a facility authorized to conduct simulcasting under chapter 128C of the General Laws
3165 that was in operation on June 1, 2010 within the region for which the gaming license was granted

3166 if that facility terminates operation within 1 year of the Massachusetts gaming commission
3167 awarding the gaming license, subject to all other requirements and conditions of employment
3168 under said chapter 23K; provided, however, that a facility authorized to conduct simulcasting
3169 shall provide employment data on the number, names and addresses of employees in permanent
3170 employment with that facility as of June 1, 2010 to the commission to assist the gaming licensee
3171 in meeting this obligation.

3172 SECTION 89. (a) Notwithstanding any general or special law or rule or regulation to the
3173 contrary, the governor may enter into a compact with a federally recognized Indian tribe in the
3174 commonwealth.

3175 (b) The Massachusetts gaming commission shall, upon request of the governor, provide
3176 assistance to the governor in negotiating such compact.

3177 (c) The governor shall only enter into negotiations under this section with a tribe that has
3178 purchased, or entered into an agreement to purchase, a parcel of land for the proposed tribal
3179 gaming development and scheduled a vote in the host communities for approval of the proposed
3180 tribal gaming development.

3181 (d) A compact negotiated and agreed to by the governor and tribe shall be submitted to the
3182 general court for approval.

3183 (e) Notwithstanding any general or special law or rule or regulation to the contrary, if a mutually
3184 agreed-upon compact has not been negotiated by the governor and Indian tribe or if such
3185 compact has not been approved by the general court before July 31, 2012, the commission shall
3186 issue a request for applications for a category 1 license in Region C pursuant to chapter 23K of
3187 the General Laws not later than October 31, 2012; provided, however, that if, at any time on or

3188 after August 1, 2012 the commission determines that the tribe will not be granted land-in-trust by
3189 the Bureau of Indian Affairs at the United States Department of the Interior, the commission
3190 shall consider bids for a category 1 license in Region C under said chapter 23K.

3191 SECTION 90. Notwithstanding section 2 of chapter 128A of the General Laws and sections 1, 2
3192 and 2A of chapter 128C of the General Laws or any other general or special law, rule or
3193 regulation to the contrary, the greyhound meeting licensee located in Bristol county and the
3194 greyhound meeting licensee located in Suffolk county licensed to conduct live racing pursuant to
3195 said chapter 128A and simulcast wagering pursuant to said chapter 128C in calendar year 2011,
3196 shall remain licensed as greyhound racing meeting licensees until July 31, 2014; provided,
3197 however, that the days between January 1 and July 31 of each year shall be dark days pursuant to
3198 said chapter 128C and the licensees shall continue to be precluded from conducting live racing
3199 during that period and as provided in chapter 388 of the acts of 2008; provided further, that all
3200 simulcasts shall comply with the Interstate Horse Racing Act of 1978, 15 U.S.C. Sec. 3001 et
3201 seq. or other applicable federal law; provided further, that all simulcasts from states which have
3202 racing associations that do not require approval in compliance with the Interstate Horse Racing
3203 Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during the month of August,
3204 shall require the approval of the New England Horsemen's Benevolent and Protective
3205 Association prior to being simulcast to a racing meeting licensee within the commonwealth; and
3206 provided further, that if the association agrees to approve the simulcast for 1 racing meeting
3207 licensee, it shall approve the simulcast for all otherwise eligible racing meeting licensees.

3208 SECTION 91. (a) There shall be established and set up on the books of the commonwealth a
3209 Gaming Licensing Fund which shall receive all licensing fees collected from applicants in
3210 receipt of a category 1 or category 2 license under chapter 23K of the General Laws. The fund

3211 shall expire on December 31, 2015. The commission shall be the trustee of the fund and shall
3212 transfer monies in the fund as follows;;

3213 (1) 10 per cent to the Community Mitigation Fund established in section 61 of chapter 23K
3214 of the General Laws.

3215 (2) 14.5 per cent to the Transportation Infrastructure and Development Fund established in
3216 section 62 of chapter 23K of the General Laws.

3217 (3) 11 per cent to the Local Capital Projects Fund established in section 2EEEE of chapter 29
3218 of the General Laws.

3219 (4) 15.5 per cent to the Manufacturing Fund established in section 96.

3220 (5) 19.5 per cent to the Community College Fund established in section 97.

3221 (6) 1.5 per cent to the Tourism Fund established in section 35J of chapter 10 of the General
3222 Laws.

3223 (7) 23 per cent to the Healthcare Payment Reform Fund established in section 99.

3224 (8) 5 per cent shall be remitted to the comptroller for deposit into the Local Aid Stabilization
3225 Fund, established in section 2CCCC of chapter 29 of the General Laws;

3226 (b) Upon receipt by the Massachusetts gaming commission of license fees from licensees,
3227 interim transfers and payments shall be made on a pro rata basis from the Gaming Licensing
3228 Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no transfer or
3229 payment under said clauses (1) and (2) of said subsection (a) shall occur until the fund

3230 reimburses \$20,000,000 to the Commonwealth Stabilization Fund as required by subsection (c)
3231 of section 92 of this act.

3232 SECTION 92. (a) Within 30 days after the effective date of this act, the comptroller shall transfer
3233 \$15,000,000 from the Commonwealth Stabilization Fund established in section 2H of chapter 29
3234 of the General Laws to the Massachusetts gaming commission for the start-up and operational
3235 costs of implementing chapter 23K of the General Laws.

3236 (b) Within 10 days after the effective date of this act, the comptroller shall transfer
3237 \$5,000,000, from the Commonwealth Stabilization Fund established in section 2H of chapter 29
3238 of the General Laws to the General Fund.

3239 (c) Upon receipt by the Massachusetts gaming commission of sufficient license fees from
3240 licensees under chapter 23K of the General Laws, the commission shall transfer \$20,000,000 to
3241 the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General
3242 Laws.

3243 SECTION 93. Notwithstanding any general or special law to the contrary, in the second fiscal
3244 year in which a deposit is made into the Gaming Local Aid Fund under clause (e) of paragraph
3245 (2) of section 59 of chapter 23K the General Laws, the commission shall transfer from the
3246 Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 3.125 per cent
3247 of the gross gaming revenue received from a category 1 establishment. In the third fiscal year in
3248 which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said paragraph
3249 (2) of said section 59 of said chapter 23K, the commission shall transfer from the Gaming Local
3250 Aid Fund into the Local Aid Stabilization Fund an amount equal to 6.25 per cent of the gross
3251 gaming revenue received from a category 1 establishment. In the fourth fiscal year in which a

3252 deposit is made into the Gaming Local Aid Fund under said clause (e) of said paragraph (2) of
3253 said section 59 of said chapter 23K, the commissioner shall transfer from Gaming Local Aid
3254 Fund into the Local Aid Stabilization Fund an amount equal to 9.375 per cent of the gross
3255 gaming revenue received from a category 1 establishment. In the fifth fiscal year in which a
3256 deposit is made into the Gaming Local Aid Fund under said clause (e) of said paragraph (2) of
3257 said section 59 of said chapter 23K and in all subsequent fiscal years, the commission shall
3258 transfer from the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal
3259 to 12.5 per cent of the gross gaming revenue received from a category 1 establishment.

3260 SECTION 94. The governing body of a host community which has accepted chapter 43D of the
3261 General Laws shall file a proposal with the interagency permitting board to designate the site
3262 proposed for a category 1 establishment as a priority development site. In a community which
3263 has not accepted said chapter 43D, the planning board shall designate a local permitting
3264 ombudsman, who shall be a planning board member of the host community or a member of the
3265 host community planning board's professional staff, to help coordinate and expedite local
3266 permitting of the category 1 establishment.

3267 SECTION 95. Notwithstanding any general or special law or rule or regulation to the contrary, a
3268 gaming establishment shall supply the Massachusetts gaming commission, hereinafter the
3269 commission, with customer tracking data collected or generated by loyalty programs, player
3270 tracking software, player card systems, online gambling transactions or any other information
3271 system. The commission shall contract with an experienced nonprofit research entity to develop
3272 an anonymizing system that automatically removes from the data: (a) personally identifying
3273 information, including player name, street address, bank or credit information and the last 4
3274 digits of a player's zip code, in compliance with section 2 of chapter 93H of the General Laws;

3275 and (b) game identifying information, including game name and device manufacturing company,
3276 in protection of corporate intellectual property. The data shall retain information on player
3277 characteristics including, but not limited to, gender, age and region of residence, player behavior
3278 including, but not limited to, frequency of play, length of play, speed of play, denomination of
3279 play, amounts wagered and, if applicable, number of lines or hands played and characteristics of
3280 games played including, but not limited to, reel configuration, return-to-player or RTP, volatility
3281 index and denomination. The commission shall convey the anonymized data to a research
3282 facility which shall make the data available to qualified researchers for the purposes of: (1)
3283 conducting analyses that improve understanding of how gambling addiction develops and
3284 progresses; (2) developing evidence-based harm minimization strategies; and (3) developing
3285 evidence-based systems to monitor, detect and intervene in high-risk gambling. The commission
3286 shall request reports on researcher analyses of the behavioral data, which could provided
3287 informed recommendation to the general court relative to more effective regulation of gambling
3288 operations. The commission may directly initiate studies assessing the effectiveness of any
3289 specific measures, programs or interventions which the commonwealth has implemented in
3290 gaming operations and which might be illuminated through the behavioral data in question.

3291 SECTION 96. There shall be established and set up on the books of the commonwealth a
3292 Manufacturing Fund. The fund shall be credited with any monies transferred under section 91
3293 and any monies credited or transferred to the fund from any other fund or source.

3294 SECTION 97. There shall be established and set up on the books of the commonwealth a
3295 Community College Fund. The fund shall be credited with any monies transferred under section
3296 91 and any monies credited or transferred to the fund from any other fund or source.

3297 SECTION 98. There shall be established and set up on the books of the commonwealth a
3298 Healthcare Payment Reform Fund. The fund shall be credited with any monies transferred under
3299 section 91 and any monies credited or transferred to the fund from any other fund or source.

3300 SECTION 99. Pursuant to section 2 of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171-1177,
3301 entitled “An act to prohibit transportation of gaming devices in interstate and foreign
3302 commerce”, approved January 2, 1951, the commonwealth, acting by and through its duly
3303 elected and qualified members of the general court, hereby declares and proclaims that it shall be
3304 exempt from the provisions of chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C. 117
3305 -1178 for any gambling device authorized for use and transport under chapter 23K of the General
3306 Laws and any regulations promulgated thereunder.

3307 SECTION 100. Notwithstanding any general or special law to the contrary, all shipments of
3308 gambling devices into the commonwealth, including slot machines, the registering, recording and
3309 labeling of which has been duly had by the manufacturer or dealer thereof in accordance with
3310 sections 3 and 4 of “An act to prohibit transportation of gambling devices in interstate and
3311 foreign commerce,”, 15 USC §§ 1171-1177, shall be deemed legal shipments thereof into the
3312 commonwealth.

3313 SECTION 101. Notwithstanding any general or special law to the contrary, the Massachusetts
3314 gaming commission shall analyze the laws relating to charitable gaming, raffles and bazaars in
3315 effect on the effective date of this act, including section 7A of chapter 271. The analysis shall
3316 include a review of the efficacy of those laws and the need to update, redraft or repeal said laws.
3317 The commission shall report its findings and recommendations, together with drafts of
3318 legislation necessary to carry those recommendations into effect, by filing the same with the

3319 clerks of the senate and house of representatives and with the house and senate chairs of the joint
3320 committee on economic development and emerging technologies not later than April 1, 2012.

3321 SECTION 102. Notwithstanding any general or special law to the contrary, the Massachusetts
3322 gaming commission, established by chapter 23K of the General Laws, shall analyze the pari-
3323 mutuel and simulcasting laws in effect on the effective date of this act. The analysis shall include
3324 a review of the efficacy of those laws and the need to replace those laws pursuant to the
3325 continuation of chapters 128A and 128C of the General Laws in this act. The analysis shall not
3326 address whether to increase the number of running horse, harness horse or greyhound racing
3327 meeting licensees in the commonwealth. The commission shall report its findings and
3328 recommendations, together with drafts of legislation necessary to carry those recommendations
3329 into effect, by filing the same with the clerks of the senate and house of representatives and with
3330 the house and senate chairs of the joint committee on economic development and emerging
3331 technologies not later than January 1, 2013.

3332 SECTION 103. The first report required under section 71 of chapter 23K shall be submitted not
3333 later than 2 years after the effective date of this act.

3334 SECTION 104. Clause 41 of section 4 of chapter 23K shall take effect on July 31, 2012.

3335 SECTION 105. Section 17 shall take effect on July 31, 2014.

3336 SECTION 106. Section 31 shall be effective for tax years beginning January 1, 2012.

3337 SECTION 107. Section 32 shall take effect on December 31, 2018.

3338 SECTION 108. Sections 38 and 40 shall take effect on July 31, 2014.

3339 SECTION 109. Subsection (a) of Section 85 shall take effect April 1, 2012.