SENATE DOCKET, NO. 2 FILED ON: 1/5/2011

SENATE . . . . . No. 155

The Commonwealth of Massachusetts

PRESENTED BY:

Jennifer L. Flanagan

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:

An Act relative to expanded gaming in the Commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Jennifer L. Flanagan	*[District]*
Steven A. Baddour	*[District]*
Anthony W. Petruccelli	*[District]*
Steven A. Tolman	*[District]*
Gale D. Candaras	*[District]*
Richard T. Moore	*[District]*

John Hart, Jr.	☐ *[District]* ☐
Michael R. Knapik	☐ *[District]* ☐
Thomas M. McGee	*Third Essex and Middlesex*

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SENATE . . . . . No. 155

By Ms. Flanagan, petition (accompanied by bill, Senate, No. 155) of Jennifer L. Flanagan, Steven A. Baddour, Anthony W. Petruccelli, Steven A. Tolman and other members of the Senate for legislation to expand gaming in the Commonwealth [Joint Committee on Economic Development and Emerging Technologies].

The Commonwealth of Massachusetts

An Act relative to expanded gaming in the Commonwealth.

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

SECTION 1. Section 7 of chapter 4 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out clause Tenth and inserting in place thereof the following clause:-

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

SECTION 2. Section 48 of chapter 6 of the General Laws is hereby repealed.

SECTION 3. Sections 64 and 65 of chapter 10 of the General Laws are hereby repealed.

SECTION 4. Chapter 12 of the General Laws is hereby amended by inserting after section 11L the following section:-

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

"Board", the Massachusetts gaming control board established in chapter 23K.

"Commission", the Massachusetts gaming commission established in chapter 23K.

"Division", the division of gaming enforcement established in subsection (b).

20 "Gaming establishment", a gaming establishment as defined in section 2 of chapter 23K.

21 (b) There shall be in the department of the attorney general a division of gaming
22 enforcement. The attorney general shall designate an assistant attorney general as director of the
23 division. The director may appoint and remove, subject to the approval of the attorney general,
24 such expert, clerical or other assistants as the work of the division may require.

25 (c) The division's powers and duties shall include the following: (1) investigate and
26 prosecute allegations of criminal activity related to or impacting the operation of gaming
27 establishments or games; (2) receive and take appropriate action on referrals for criminal
28 prosecution from the commission, board or any other law enforcement body; (3) provide
29 assistance, upon request, to the commission and board in the consideration and promulgation of
30 rules and regulations; (4) ensure that there is no duplication of duties and responsibilities
31 between it, the commission and the board; and (5) recommend persons to be placed on the list of
32 excluded persons maintained by the board.

33 No employee of the division, or any person engaged by the division in the course of an
34 investigation, other than those in the performance of their official duties, shall place a wager in
35 any gaming establishment licensed under chapter 23K during the period of the employee?s
36 employment or assignment with the division.

37 Officers and employees of the gaming enforcement unit of the state police assigned to the
38 division shall record their time and submit total hours to the board. The board shall reimburse
39 the state police.

40 The attorney general shall be reimbursed by the board for the costs of operating the
41 division and legal representation of the commission or board.

42 SECTION 5. Chapter 12B of the General Laws is hereby repealed.

43 SECTION 6. Subsection (b) of section 9 of chapter 13 of the General Laws, is hereby
44 amended by striking out the words -, as well as the state racing commission established by
45 section 48 of chapter 6,? inserted by section 29 of chapter 4 of the acts of 2009.

46 SECTION 7. Subsection (e) of section 9B of said chapter 13 is hereby amended by
47 striking out the words -, as well as the state racing commission established by section 48 of
48 chapter 6,- inserted by section 30 of said chapter 4.

49 SECTION 8. Said subsection (e) of said section 9B of said chapter 13 is hereby amended
50 by striking out the words ?or regulated by the state racing commission, as established by section
51 48 of chapter 6? inserted by section 31 of said chapter 4.

52 SECTION 9. Section 35 of chapter 10 of the General Laws, as appearing in the 2008
53 Official Edition, is amended by striking out, in lines 2 and 16, the words ?State Lottery Fund?
54 and inserting in place thereof the following words:- State Lottery and Gaming Fund.

55 SECTION 10. Section 39 of said chapter 10, as so appearing, is hereby amended by
56 striking out, in lines 12 to 13 and in line 19, the words "State Lottery Fund" and inserting in
57 place thereof the following words:- State Lottery and Gaming Fund.

58 SECTION 11. Section 38 of chapter 22C of the General Laws, as so appearing, is hereby
59 amended by inserting after the word "involving", in lines 36 and 37, the following word:- illegal.

60 SECTION 12. Said chapter 22C is hereby amended by adding the following section:-

61 Section 70. The colonel of state police shall establish a gaming enforcement unit whose
62 responsibilities shall include, but not be limited to, the investigation of criminal violations of
63 chapter 23K, chapter 271 or any other general or special law that pertains to gaming.

64 The gaming enforcement unit shall work in conjunction and cooperation with the bureau
65 of investigations and enforcement under the Massachusetts gaming control board established in
66 said chapter 23K and the division of gaming enforcement in the office of the attorney general
67 established under section 11M of chapter 12 to investigate criminal activity related to gaming in
68 the commonwealth. The colonel shall assign officers and employees of the unit to the bureau of
69 investigations and enforcement, who shall report to the director of the bureau as well as the
70 colonel of the department of state police; the colonel shall also assign officers of the unit to the
71 division of gaming enforcement, who shall report to the chief of the division as well as the
72 colonel of the department of state police. No officer of the unit, other than in the performance of
73 official duties, shall place a wager in any gaming establishment licensed under chapter 23K. The
74 colonel shall establish a program to rotate officers in and out of this unit. The state police shall
75 be reimbursed by the board for the costs of operating the unit.

76 SECTION 13: The General Laws are hereby amended by inserting after chapter 23J the
77 following chapter:-

78 Chapter 23K. The Massachusetts Gaming Commission and Massachusetts Gaming
79 Control Board

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

82 "Affiliate", a person who, directly or indirectly, controls or is controlled by, or is under
83 common control with, a specified person.

84 "Applicant", any person who has applied for a license or registration to engage in activity
85 regulated under this chapter.

86 "Application", a written request for a finding of suitability to receive a license or engage
87 in an activity which is regulated under this chapter.

88 "Board", the Massachusetts gaming control board created in section 3.

89 "Bureau", the investigations and enforcement bureau within the board.

90 "Business", a corporation, sole proprietorship, partnership, limited liability company or
91 any other organization formed for the purpose of carrying on commercial enterprise.

92 "Capital expenditure", money spent by a licensee to upgrade or maintain depreciable and
93 tangible long-term physical assets that are capitalized on the licensee? books under generally
94 accepted accounting principles and excluding expenditures or charges for the usual and
95 customary maintenance and repair of any fixed asset.

96 "Cashless wagering system", a method of wagering and accounting in which the validity
97 and value of a wagering account, promotional account, wagering instrument or wagering credits,
98 not including slot machine printed vouchers, are determined, monitored and retained for an
99 individual by an electronic system operated and maintained by a licensee which maintains a
100 record of each transaction involving the wagering account, promotional account, wagering
101 instrument or wagering credits, exclusive of the game or gaming device on which wagers are
102 being made, including electronic systems which facilitate electronic transfers of money directly
103 to or from a game or gaming device.

104 "Cheat", alter the selection of criteria which determines the results of a game or the
105 amount or frequency of payment in a game.

106 "Cheating and swindling device" or "cheating and swindling game", shall include:

107 (i) a coin, token or slug other than a lawful coin or legal tender of the United States or a
108 coin not of the same denomination as the coin intended to be used while playing or using any slot
109 machine in a gaming establishment, except that in the playing of a slot machine or similar
110 gaming device, it shall be lawful for a person to use tokens or similar objects which are approved
111 by the commission;

112 (ii) a bogus or counterfeit chip, coin or die; marked card; a computerized, electronic,
113 electrical, mechanical or magnetic device; tool, drill, wire, key or other device designed,
114 constructed or programmed specifically for:

115 (A) use in obtaining an advantage in any game;

116 (B) opening, entering or affecting the operation of any gaming device;

117 (C) removing from slot machine, other gaming device or drop box any money or other
118 contents from such machine, device or box;

119 (iii) tools, drills, wires, coins or tokens attached to strings or wires, or electronic or
120 magnetic devices to facilitate the alignment of a winning combination;

121 (iv) a gaming device that has been manufactured, serviced, marked, plugged or tampered
122 with, or placed in a condition or operated in a manner, to:

123 (A) deceive, or attempt to deceive, the public; or

124 (B) alter, or attempt to alter, the normal random selection of characteristics, the normal
125 chance of the game or the result of the game at a gaming establishment.

126 "Close associate", a person who holds any relevant financial interest in, or is entitled to
127 exercise any power in, the business of an applicant or licensee and, by virtue of that interest or
128 power is able to exercise a significant influence over the management or operation of a gaming
129 establishment or business licensed under this chapter.

130 "Commission", the Massachusetts gaming commission created in section 2.

131 "Commissioner", a member of the commission.

132 "Complimentary service or item", a service or item provided at no cost or at a reduced
133 price.

134 "Conservator", a person appointed by the commission under section 22 to temporarily
135 manage the operation of a gaming establishment.

136 "Credit card", a card, code or other device with which a person may defer payment of
137 debt, incur debt and defer the payment of the debt, or purchase property or services and defer
138 payment for the property or services, but not a card, code or other device used to activate a
139 preexisting agreement between a person and a financial institution to extend credit when the
140 person's account at the financial institution is overdrawn or to maintain a specified minimum
141 balance in the person?s account at the financial institution.

142 "Credit instrument", a writing which evidences a gaming debt owed to a person who
143 holds a gaming license at the time the debt is created, and includes any writing taken in
144 consolidation, redemption or payment of a previous credit instrument.

145 "Division", the division of gaming enforcement under the office of the attorney general.

146 "Foreign business", any business that was organized outside of the United States or under
147 the laws of a foreign country.

148 "Gambling", the playing of a game by a patron of a gaming establishment.

149 "Game", a banking or percentage game played with cards, dice, tiles, dominoes or an
150 electronic, electrical or mechanical device or machine played for money, property, checks, credit
151 or any representative of value which has been approved by the commission under this chapter.

152 "Gaming", the dealing, operating, carrying on, conducting, maintaining or exposing for
153 pay of a game.

154 "Gaming area", the premises of a gaming establishment in which or on which gaming is
155 done.

156 "Gaming control employee" commissioners, board members and board officers, agents,
157 employees, consultants and advisors.

158 "Gaming device" or "Gaming equipment", an electronic, electrical, or mechanical
159 contrivance or machine used in connection with gaming or a game.

160 "Gaming employee", an employee of a gaming establishment who is: (i) directly
161 connected to the operation or maintenance of a gaming device, slot machine or game taking
162 place in a gaming establishment; (ii) provides security in a gaming establishment; (iii) has access
163 to a restricted area of the gaming establishment;(iv) is connected with the operation of a gaming
164 establishment; or (v) is so designated by the commission.

165 "Gaming establishment", the premises approved under a gaming license which includes a
166 gaming area and other nongaming structures related to the gaming area, including, but not
167 limited to, hotels, restaurants or other amenities.

168 "Gaming license", a license issued by the commission that permits the licensee to operate
169 a gaming establishment with table games and slot machines.

170 "Gaming licensee", a licensee who holds a gaming license.

171 "Gaming position", a designated seat or standing position where a patron of a gaming
172 establishment can play a game.

173 "Gaming service employee", an employee of a gaming establishment who is not
174 classified as a gaming employee or a key gaming employee, but is required to register with the
175 board.

176 "Gaming vendor", a person who holds a gaming vendor license and offers goods or
177 services to a gaming licensee on a regular or continuing basis which directly relates to gaming,
178 including, but not limited to, gaming equipment, suppliers and repairers.

179 "Gaming vendor license", a license issued by the commission that permits the licensee to
180 act as a vendor to a gaming establishment.

181 "Gross gaming revenue", the total of all sums actually received by a gaming licensee
182 from gaming operations less the total of all sums paid out as winnings to patrons; provided,
183 however, that the total of all sums paid out as winnings to patrons shall not include the cash
184 equivalent value of any merchandise or thing of value included in a jackpot or payout; provided,
185 further, that "gross gaming revenue" shall not include any amount received by a gaming licensee
186 from credit extended or collected by the licensee for purposes other than gaming.

187 "Holding company", a corporation, association, firm, partnership, trust or other form of
188 business organization other than a natural person which, directly or indirectly, owns, has the
189 power or right to control or has the power to vote any significant part of the outstanding voting
190 securities of a corporation or other form of business organization which holds or applies for a
191 gaming license; provided, however, that "holding company", in addition to other reasonable
192 meaning of the words used, a holding company shall indirectly have, hold or own any such
193 power, right or security if it does so through an interest in a subsidiary or successive subsidiaries,
194 regardless of the number of subsidiaries that may intervene between the holding company and
195 the gaming licensee or applicant.

196 "Host community", a municipality in which a gaming establishment is located or in
197 which an applicant has proposed locating a gaming establishment.

198 "Institutional investor", any of the following entities having a 5 per cent or greater
199 ownership interest in a gaming establishment, gaming vendor or gaming licensee, or its holding
200 or management company: a corporation, bank, insurance company, pension fund or pension fund
201 trust, retirement fund, including funds administered by a public agency, employees' profit-
202 sharing fund or employees' profit-sharing trust, an association engaged, as a substantial part of its
203 business or operation, in purchasing or holding securities or a trust in respect of which a bank is
204 a trustee or co-trustee, investment company registered under the federal Investment Company
205 Act of 1940, collective investment trust organized by banks under part 9 of the Rules of the
206 Comptroller of Currency, closed end investment trust, chartered or licensed life insurance
207 company or property and casualty insurance company, investment advisor registered pursuant to
208 the federal Investment Advisors Act of 1940, banking and other chartered or licensed lending
209 institution, and such other persons as the commission may reasonably determine to qualify as an
210 institutional investor for reasons consistent with this chapter.

211 "Intermediary company", a corporation, association, firm, partnership, trust or any other
212 form of business organization other than a natural person which is a holding company with
213 respect to a corporation or other form of business organization which holds or applies for a
214 gaming license, and is a subsidiary with respect to a holding company.

215 "Joint venture application", an application submitted by an association of two or more
216 businesses in which one of the businesses is a minority business enterprise or a women business
217 enterprise.

218 "Junket", an arrangement intended to induce any person to come to a gaming
219 establishment to gamble, where the person is selected or approved for participation on the basis
220 of the person's ability to satisfy a financial qualification obligation related to the person's ability
221 or willingness to gamble or on any other basis related to the person's propensity to gamble, and
222 pursuant to which, and as consideration for which, any or all of the cost of transportation, food,
223 lodging, and entertainment for the person is directly or indirectly paid by a gaming licensee or
224 affiliate of the gaming licensee.

225 "Junket enterprise", a person, other than an applicant for a gaming license or gaming
226 licensee, who employs or otherwise engages the services of a junket representative in connection
227 with a junket to a licensed gaming establishment, regardless of whether or not those activities
228 occur within the commonwealth.

229 "Junket representative", an individual who negotiates the terms of, or engages in the
230 referral, procurement or selection of persons who may participate in, any junket to a gaming
231 establishment, regardless of whether or not those activities occur within the commonwealth.

232 "Key gaming employee", an employee of a gaming establishment: (i) in a supervisory
233 capacity; (ii) empowered to make discretionary decisions which regulate gaming establishment
234 operations; or (iii) so designated by the commission.

235 "License", any license required under this chapter.

236 "List of excluded persons", the list of excluded persons maintained by the commission
237 under section 35.

238 "Lottery", the state lottery established under section 24 of chapter 10.

239 "Minority business enterprise" or "MBE", the meaning as defined in section 58 of chapter
240 7 of the General Laws.

241 "Non-gaming vendor" a supplier or vendor, including, but not limited to, construction
242 companies, vending machine providers, linen suppliers, garbage handlers, maintenance
243 companies, limousine services, food purveyors or suppliers of alcoholic beverages, which
244 provide goods or services not directly related to games to a gaming establishment or gaming
245 licensee.

246

247 "Person", an individual, corporation, association, operation, firm, partnership, trust or
248 other form of business association.

249 "Promotional gaming credit", a slot machine or table game credit or other item issued by
250 a gaming licensee to a patron to enable the placement of a wager at a slot machine or table game.

251 "Qualification" or "qualified", the process of licensure set forth by the commission to
252 determine that all gaming licensees, gaming vendors, or the business of a gaming licensee or
253 gaming vendor, meet the same standards of suitability to operate or conduct business with a
254 gaming establishment in the Commonwealth.

255 "Slot machine", a mechanical, electrical or other device, contrivance or machine which,
256 upon insertion of a coin, token or similar object in the device, contrivance or machine, or upon
257 payment of any consideration, is available to play or operate, the play or operation of which,
258 whether by reason of the skill of the operator or application of the element of chance, or both,
259 may deliver or entitle the individual playing or operating the machine to receive cash or tokens to
260 be exchanged for cash, or to receive merchandise or anything of value whatsoever, whether the
261 payoff is made automatically from the machine or in any other manner whatsoever.

262 "State police", the state police established in chapter 22C.

263 "Subsidiary", a corporation, any significant part of whose outstanding equity securities
264 are owned, subject to a power or right of control, or held with power to vote, by a holding
265 company or an intermediary company; or a significant interest in a firm, association, partnership,
266 trust or other form of business organization, other than a natural person, which is owned, subject
267 to a power or right of control, or held with power to vote, by a holding company or an
268 intermediary company.

269 "Surrounding communities" municipalities in proximity to a host community which the
270 board determines experience or are likely to experience impacts from the development or
271 operation of a gaming establishment, including municipalities from which the transportation
272 infrastructure provides ready access to an existing or proposed gaming establishment.

273 "Table game", a game, other than a slot machine, which is authorized by the commission
274 to be played in a gaming establishment.

275 "Transfer", the sale and every other method, direct or indirect, of disposing of or parting
276 with property or with an interest in property, or with the possession of property, or of fixing a
277 lien upon property or upon an interest in property, absolutely or conditionally, voluntarily or
278 involuntarily, by or without judicial proceedings, as a conveyance, sale, payment, pledge,
279 mortgage, lien, encumbrance, gift, security or otherwise; provided, that, the retention of a
280 security interest in property delivered to a corporation shall be deemed a transfer conducted by
281 such corporation.

282 "Wager", a sum of money or representative of value that is risked on an occurrence for
283 which the outcome is uncertain.

284 ?Women business enterprise? or ?WBE?, the meaning as the term is defined in section 58
285 of chapter 7 of the General Laws.

286 Section 2. (a) There shall be a Massachusetts gaming commission to be composed of 5
287 commissioners.

288 (b) The governor shall appoint 3 of the commissioners, 1 of whom the governor shall
289 designate as chair. The attorney general and state treasurer shall each appoint 1 commissioner.
290 The appointment of each commissioner shall require the approval of at least 2 of the 3 appointing
291 authorities.

292 (1) Commissioners shall serve for a term of 5 years.

293 (2) No commissioner may serve more than 2 full terms.

294 (3) Not more than 3 commissioners shall be of the same political party.

295 (4) Not more than 2 commissioners shall be of the same professional background
296 or field.

297 (5) Each commissioner shall be a United States citizen and a resident of the
298 commonwealth.

299 (c) The commission shall meet as frequently as necessary but at least once each month.

300 (d) The gaming control board shall provide the commission with administrative and
301 clerical services and other assistance necessary for the commission to perform its functions.

302 (e) The chair of the commission may receive an annual salary of $60,000.
303 Commissioners may receive a stipend of $50,000.

304 (f) Three commissioners shall constitute a quorum and 3 affirmative votes shall be
305 required for an action or recommendation of the commission. The chairman or 3 members of the
306 commission may call a meeting; provided, however, that notice of all meetings shall be given to
307 each commissioner and to other persons who request such notice. The commission shall adopt
308 regulations establishing procedures, which may include electronic communications, by which a
309 request to receive notice shall be made and the method by which timely notice may be given.

310 (g) The governor may remove a commissioner if the commissioner: (i) is guilty of
311 malfeasance in office; (ii) substantially neglects the duties of a commissioner; (iii) is unable to
312 discharge the powers and duties of the commissioner?s office; (iv) commits gross misconduct; or
313 (v) is convicted of a felony.

314 (h) No commissioner shall hold, or be a candidate for, elective office in the
315 commonwealth or be an officer or official of a political party.

316 (i) No commissioner shall be actively engaged or have a pecuniary interest in an
317 applicant for a license under this chapter or any gaming licensee.

318 (j) The governor shall conduct a background investigation on a candidate for appointment
319 to the commission regarding the financial stability, integrity and responsibility of the candidate
320 as well as the candidate?s reputation for good character, honesty and integrity prior to appointing
321 the candidate as a commissioner.

322 (k) No commissioner, other than in the performance of the commissioner?s official
323 duties, shall place a wager in a gaming establishment.

324 (l) The commission shall be a commission for the purposes of section 3 of chapter 12.

325 (m) The commission shall be a state authority under the definition in section 1 of chapter
326 29.

327 Section 3. (a) There shall be a Massachusetts gaming control board, which shall be
328 comprised of 3 members who shall be appointed by the governor; 1 of whom shall be a certified
329 public accountant or have experience in corporate finance; and 1 of whom shall have experience
330 in law enforcement, investigation or law.

331 (b) The governor shall appoint 1 member to serve as the chair, coordinate the activities of
332 the board and shall have at least 5 years managerial experience in public or business
333 administration. Each member shall:

334 (1) be a United States citizen;

335 (2) be a resident of the commonwealth or shall become a resident within 90 days
336 of appointment; and

337 (3) serve for a term of 4 years.

338 (c) Members shall devote their full time and attention to the duties of the board and may
339 receive an annual salary equal to the salary of the secretary of administration and finance;
340 provided, however, that the chair shall receive a stipend, in addition to the base salary, in an
341 amount equal to 7 per cent of the base salary. No member shall be compensated for any other
342 position.

343 (d) The governor may remove a board member if the member: (i) is guilty of malfeasance
344 in office; (ii) substantially neglects the duties of a board member; (iii) is unable to discharge the
345 powers and duties of the board member?s office; (iv) commits gross misconduct; or (v) is
346 convicted of a felony.

347 (e) No board members shall hold, or be a candidate for, elective office in the
348 commonwealth, or be an officer or official of a political party.

349 (f) No board members shall be actively engaged or have a pecuniary interest in an
350 applicant for a license under this chapter or a gaming establishment licensed under this chapter.

351 (g) The governor shall conduct a background investigation on a candidate for
352 appointment to the board regarding the financial stability, integrity and responsibility of the
353 candidate as well as the candidate?s reputation for good character, honesty and integrity prior to
354 appointing the candidate as a board member.

355 (h) The chair of the board shall serve as the board?s executive director. The chair shall
356 be:

357 (i) the executive and administrative head of the board; and

358 (ii) responsible for administering and enforcing the laws, regulations and civil and
359 administrative penalties established under this chapter.

360 (i) The chair shall appoint and employ a chief financial and accounting officer and may
361 employ other employees, consultants, agents and advisors, including legal counsel and shall
362 attend the meetings of the commission. The chief financial and accounting officer of the board
363 shall be in charge of its funds, books of account and accounting records. No funds shall be
364 transferred by the board without the approval and the signatures of the chief financial and
365 accounting officer and the treasurer.

366 (j) In the case of the absence or vacancy of the chair, or in the case of disability as
367 determined by the board or commission, the governor may designate an acting chair until the
368 vacancy is filled or the absence or disability ceases. The acting chair shall have all the powers
369 and duties of the chair and shall have similar qualifications as the chair.

370 (k) The chair may establish within the board such administrative units as may be
371 necessary for the efficient and economical administration of the board and when necessary for
372 such purpose, may abolish any such administrative unit or may merge any 2 or more units. The
373 chair shall prepare and keep current a plan of the organization of the board, of the assignment of
374 its functions to its various administrative units, offices and employees and of the places at which
375 and the methods by which the public may receive information or make requests. A current copy
376 of the plan of organization shall be kept on file with the state secretary and in the office of the
377 secretary of administration and finance.

378 (l) The chair may appoint such persons as the chair considers necessary to perform the
379 functions of the board; provided that chapter 31 and section 9A of chapter 30 shall not apply to
380 any board employee. If an employee serving in a position which is classified under said chapter
381 31 or in which an employee has tenure by reason of said section 9A of chapter 30 shall be
382 appointed to a position within the board which is not subject to said chapter 31, the employee
383 shall, upon termination of the employee?s service in such position, be restored to the position
384 which the employee held immediately prior to such appointment; provided, however, that the
385 employee?s service in such position shall be determined by the civil service commission under
386 the standards applied by the civil service commission in administering said chapter 31. Such

387 restoration shall be made without impairment of the employee's civil service status or tenure
388 under said section 9A of chapter 30 and without loss of seniority, retirement or other rights to
389 which uninterrupted service in such prior position would have entitled the employee. During the
390 period of such appointment, each person so appointed from a position in the classified civil
391 service shall be eligible to take any competitive promotional examination for which the person
392 would otherwise have been eligible.

393 (m) The board may require a prospective employee to: (i) submit an application and a
394 personal disclosure on a form prescribed by the board which shall include a complete criminal
395 history, including convictions and current charges for all felonies and misdemeanors; (ii)
396 undergo testing which detects the presence of illegal substances in the body; and (iii) provide
397 fingerprints and a photograph consistent with standards adopted by the state police. The board
398 shall verify the identification, employment and education of each prospective employee,
399 including: (i) legal name, including any alias; (ii) all secondary and post secondary educational
400 institutions that the prospective employee attended regardless of graduation status; (iii) place of
401 residence; and (iv) employment history.

402 (n) (1) The board shall not hire a prospective employee if the prospective employee has:
403 (A) been convicted of a felony; (B) been convicted of a misdemeanor that, in the discretion of
404 the board, bears a close relationship to the duties and responsibilities of the position for which
405 employment is sought; or (C) intentionally made a false statement concerning a material fact in
406 connection with the prospective employee?s application to the board.

407 (2) If an employee of the board is charged with a felony or misdemeanor while employed
408 by the board, the board may suspend the employee, with or without pay, and if the employee is
409 convicted the board may terminate the employee?s employment with the board. If an employee
410 of the board is charged with a felony or misdemeanor related to gaming while employed by the
411 board, the board shall suspend the employee, with or without pay, and if the employee is
412 convicted the board shall terminate the employee?s employment with the board.

413 (o) Immediately upon assuming office, each board member and employee of the board,
414 except for secretarial and clerical personnel, shall swear or affirm, under the penalty of perjury,
415 that the board member or employee possesses no financial interest in any gaming licensee or
416 gaming vendor.

417 (p) A board employee who, as part of the employee?s duties, is required to be present in a
418 gaming establishment shall be considered an essential state employee.

419 (q) No board member, or employee of the board, other than in the performance of such
420 member?s or employee?s official duties, shall place a wager in a gaming establishment.

421 (r) No employee of the board shall pursue any other business or occupation or other
422 gainful employment outside of the board without the prior written approval of the commission

423 that such employment shall not interfere or be in conflict with the employee?s duties to the
424 board.

425 (s) The board shall be a state authority under the definition in section 1 of chapter 29.

426 Section 4. (a) All gaming control employees shall:

427 (i) be sworn to the faithful performance of their official duties

428 (ii) conduct themselves in a manner so as to render decisions that are fair and
429 impartial and in the public interest;

430 (iii) avoid impropriety and the appearance of impropriety in all matters under their
431 jurisdiction;

432 (iv) avoid all prohibited communications;

433 (v) require staff and personnel subject to their direction and control to observe the
434 same standards of fidelity and diligence;

435 (vi) disqualify themselves from proceedings in which their impartiality might
436 reasonably be questioned;

437 (vii) refrain from financial or business dealings which would tend to reflect
438 adversely on impartiality;

439 (viii) not own, or be in the employ of, or own any stock in, any business which
440 holds a license under this chapter; nor shall a gaming control employee have in any way directly
441 or indirectly a pecuniary interest in, or be connected with, any such business or in the employ or
442 connected with any person financing any such business; provided, that immediate family
443 members of gaming control employees shall not own, or be in the employ of, or own stock in,
444 any business which holds a license under this chapter.

445 (b) No gaming control employee shall personally, or through any partner or agent, other
446 than in the normal course of the employee?s duties, render any professional service or make or
447 perform any business contract with or for any gaming licensee or gaming vendor, except
448 contracts made with the board for furnishing of services, nor shall the employee directly or
449 indirectly receive any commission, bonus, discount, gift or reward from any gaming licensee.

450 (c) Neither the board nor any of its officers, agents, employees, consultants or advisors
451 shall be subject to sections 9A, 45, 46 and 52 of chapter 30, or to chapter 31 or to chapter 200 of
452 the acts of 1976.

453 (d) No individual shall be employed by the board if, during the period commencing 3
454 years prior to employment, that individual held any direct or indirect interest in, or was
455 employed by, a gaming licensee or gaming vendor.

456 (e) No commissioner or board member shall hold a direct or indirect interest in, or be
457 employed by, an applicant or by a gaming licensee or gaming vendor for at least 3 years
458 following the termination of the commissioner or board member?s service as such a
459 commissioner or board member.

460 (f) No employee of the board holding a major policy making position shall acquire
461 interest in, or accept employment with, an applicant or licensee under this chapter for a period of
462 2 years after the termination of employment with the board.

463 (g) No employee of the board in a non-major policy making position shall acquire interest
464 in, or accept employment with, any applicant or licensee under this chapter for a period of 1 year
465 after termination of employment with the commission.

466 (h) Gaming control employees shall be considered state employees under chapters 268A
467 and 268B.

468 Section 5. The commission shall adopt regulations for the implementation, administration
469 and enforcement of this chapter. The adoption of such regulations shall only be made after the
470 board submits proposed regulations to the commission for the commission?s review and
471 approval. The board, subject to chapter 30A, shall prepare its recommendations and submit such
472 recommendations to the commission. The regulations shall include, but not be limited to,
473 regulations that:

474 (1) prescribe the method and form of application which an applicant for a license or
475 registration shall follow and complete before consideration of an application by the commission
476 and board;

477 (2) prescribe the information to be furnished by an applicant or licensee concerning the
478 licensee?s or applicant?s antecedents, habits, character, associates, criminal record, business
479 activities and financial affairs, past or present;

480 (3) prescribe the criteria for evaluation of the application for a gaming license including
481 with regard to the proposed gaming establishment an evaluation of architectural design and
482 concept excellence, integration of the establishment into its surroundings, tourism appeal, level
483 of capital investment committed, financial strength of the applicant and the robustness of the
484 applicant?s financial plan;

485 (4) prescribe the information to be furnished by a gaming licensee relating to the
486 licensee?s gaming employees;

487 (5) require fingerprinting or other methods of identification of an applicant for a license
488 or registration under this chapter;

489 (6) prescribe the manner and method of collection and payment of fees and issuance of
490 licenses;

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

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

497 (9) prescribe the minimum procedures for effective control over the internal fiscal affairs
498 of a gaming licensee, including the safeguarding of assets and revenues, the recording of cash
499 and evidence of indebtedness and the maintenance of reliable records, accounts and reports of
500 transactions, operations and events, including reports by the commission and board;

501 (10) provide for a minimum uniform standard of accounting engineering and procedures
502 and a process for the approval of accounting and engineering firms;

503 (11) establish licensure and registration procedures for employees working at the gaming
504 establishment and minimum training requirements; provided, further, that the commission and
505 board may establish certification procedures for any training schools in the commonwealth as
506 well as the minimum requirements for reciprocal licensing for out-of-state gaming employees;

507 (12) require that all gaming employees be properly trained in their respective positions;

508 (13) require a sticker or label to be affixed to the front of all slots machines in a gaming
509 establishment with the odds and holding percentage of the slot machines played in said gaming
510 establishment and the compulsive gambling hotline number;

511 (14) provide for the interim authorization of a gaming establishment under of section 17;

512 (15) concern the conduct of junkets and conditions of junket agreements between gaming
513 licensees and junket representatives;

514 (16) develop standards for granting a waiver under section 45;

515 (17) require gaming establishments to develop security measures, including checking the
516 parking areas of the gaming establishment for unattended minors and animals every 2 hours;

517 (18) prescribe the procedure for holding public hearings and seeking public input
518 on the process for siting gaming establishments and the review of all applications for a gaming
519 license before a gaming license is awarded or renewed

520 The commission may, under section 2 of chapter 30A, promulgate, amend, or repeal any
521 regulation promulgated under this chapter as an emergency regulation if such regulation is
522 necessary to protect the interests of the commonwealth in regulating a gaming establishment.

523 Section 6. The commission shall have all powers necessary or convenient to carry out and
524 effectuate its purposes, including, but not limited to, the following:

525 (1) to adopt an official seal;

526 (2) to execute all instruments necessary or convenient to accomplish the purposes of
527 this chapter;

528 (3) to enter into agreements or other transactions with any person, including, but not
529 limited to, any public entity or other governmental instrumentality or authority in connection
530 with its powers and duties under this chapter;

531 (4) to appear on its own behalf before boards, commissions, departments or other
532 agencies of municipal, state or federal government;

533 (5) to apply for and accept subventions, grants, loans, advances and contributions
534 from any source of money, property, labor or other things of value, to be held, used and applied
535 for its purposes;

536 (6) to assure that licenses and registrations shall not be issued to nor held by, nor shall
537 there be any material involvement, directly or indirectly, with a gaming establishment or a
538 gaming licensee, by unqualified, disqualified, or unsuitable persons or persons whose operations
539 are conducted in a manner not conforming with this chapter;

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

543 (8) to require a person who has any kind of business association with a gaming licensee
544 or applicant to be qualified for licensure or registration under this chapter;

545 (9) to develop criteria, in addition to those outlined in this chapter, to assess which
546 application for a gaming licenses will provide the highest and best value to the commonwealth
547 and the region in which a gaming establishment is to be located;

548 (10) to determine which applicants shall be awarded a gaming license, a gaming vendor
549 license and other licenses under this chapter;

550 (11) to deny any application or limit, condition, restrict, revoke or suspend a license,
551 registration, finding of suitability or approval or fine a person licensed, registered, found suitable
552 or approved for any cause the commission deems reasonable;

553 (12) to issue subpoenas and compel the attendance of witnesses at any place within the
554 commonwealth, administer oaths and require testimony under oath before the commission in the
555 course of a hearing conducted under this chapter;

556 (13) to conduct adjudicatory proceedings under chapter 30A;

557 (14) to hear appeals of the board?s suspension or revocation of a license;

558 (15) to monitor any federal activity regarding internet gaming;

559 (16) to adopt, amend, or repeal regulations for the administration and enforcement of this
560 chapter; and

561 (17) to develop criteria, in addition to those outlined in this chapter, to assess which
562 applications for gaming licenses will provide the highest and best value to the commonwealth;
563 provided that the criteria so developed shall include and give additional consideration to a joint
564 venture application.?

565 Section 7. The board shall have all powers necessary or convenient to carry out and
566 effectuate its purposes, including, but not limited to, the following:

567 (1) to appoint officers and hire employees;

568 (2) to adopt an official seal;

569 (3) to establish, and amend as necessary, such a plan of organization as it may
570 consider expedient under subsection (k) of section 3;

571 (4) to execute all instruments necessary or convenient to accomplish the purposes of
572 this chapter;

573 (5) to enter into agreements or other transactions with any person, including, but not
574 limited to, a public entity or other governmental instrumentality or authority in connection with
575 the board?s powers and duties under this chapter;

576 (6) to appear on its own behalf before boards, commissions, departments or other
577 agencies of municipal, state or federal government;

578 (7) to apply for and accept subventions, grants, loans, advances and contributions
579 from any source of money, property, labor or other things of value, to be held, used and applied
580 for its purposes;

581 (8) to provide and pay for advisory services and technical assistance as may be
582 necessary in its judgment to carry out the purpose of this chapter and fix the compensation of
583 persons providing such services or assistance;

584 (9) to prepare, publish and distribute, with or without charge, as the commission or
585 board may determine, such studies, reports and bulletins and other material as the commission
586 and board considers appropriate;

587 (10) to monitor the conduct of all licensees and other persons having a material
588 involvement, directly or indirectly with a licensee for the purpose of ensuring that licenses are
589 not issued to or held by, and there is no direct or indirect material involvement with a licensee by
590 unqualified, or unsuitable persons or persons whose operations are conducted in an unsuitable
591 manner or in unsuitable or prohibited places as provided in this chapter;

592 (11) to recommend:

593 (i) the denial or approval of an application, license or registration or
594 qualification for licensure;

595 (ii) conditions, limitations or restrictions of any license, registration,
596 qualification for licensure or approval;

597 (iii) the suspension or revocation of a license, registration, qualification for
598 licensure or approval or the imposition of a fine upon a person licensed, registered or qualified
599 for licensure or approved for any cause considered reasonable by the board;

600 (12) to conduct investigations into the qualifications of all applicants for employment
601 by the board and all applicants for registration or licensure under this chapter;

602 (13) to ensure that there is no duplication of duties and responsibilities between the
603 board, commission and division; provided, however, that the commission may not place any
604 restriction upon the board or the division?s ability to investigate or prosecute violations of this
605 chapter or the regulations adopted under this chapter;

606 (14) to request and receive from the state police, the criminal history systems board,
607 or other criminal justice agencies, including, but not limited to, the Federal Bureau of
608 Investigation and the federal Internal Revenue Service, such criminal offender record
609 information relating to criminal and background investigations as necessary for the purpose of
610 evaluating employees of, and applicants for, employment by the board and any gaming licensee
611 or gaming vendor, and evaluating licensees and applicants for licensure;

612 (15) to be present through its inspectors and agents at all times in gaming
613 establishments to: (i) certify the revenue of the establishment; (ii) receive complaints from the
614 public relating to the conduct of gaming and wagering operations; (iii) examine records of

615 revenues and procedures, inspect and audit all books, documents and records of any gaming
616 licensee or gaming vendor; (iv) conduct periodic reviews of operations and facilities; and (v)
617 otherwise exercise its oversight responsibilities with respect to gaming;

618 (16) to inspect and have access to all equipment and supplies in a licensed gaming
619 establishment or in any gaming area or other premises where gaming equipment is manufactured,
620 sold or distributed;

621 (17) to seize and remove from the gaming area or other premises of a gaming licensee
622 and impound any equipment, supplies, documents or records for the purpose of examination and
623 inspection;

624 (18) to demand access to and inspect, examine, photocopy and audit all papers, books
625 and records of any affiliate of a gaming licensee or gaming vendor whom the commission or
626 board suspects is involved in the financing, operation or management of the gaming licensee or
627 gaming vendor; provided, however, that the inspection, examination, photocopying and audit
628 may take place on the affiliate?s premises or elsewhere as practicable, and in the presence of the
629 affiliate or the affiliate?s agent;

630 (19) to require that the books and financial or other records or statements of a gaming
631 licensee or gaming vendor be kept in a manner that the board considers proper;

632 (20) to assist the commission in conducting adjudicatory proceedings and developing
633 regulations in accordance with chapter 30A;

634 (21) to refer cases for criminal prosecution to the appropriate federal, state or local
635 authorities;

636 (22) to issue subpoenas and compel the attendance of witnesses at any place within
637 the commonwealth, administer oaths and require testimony under oath before the commission
638 and board in the course of any investigation or hearing conducted under this chapter;

639 (23) to maintain an official internet website for the commission and board;

640 (24) to establish parameters for elections under clause 7 of subsection (a) of section
641 12;

642 (25) to determine which municipalities are the surrounding communities of a proposed
643 gaming establishment; provided, however, that in making such determination the board shall
644 consider factors including, but not limited to, population, infrastructure, distance from the
645 gaming establishment and political boundaries;

646 (26) to provide technical assistance to cities and towns that are conducting referendum
647 votes or negotiating community mitigation impact agreements for the purposes of this chapter

648 and to facilitate the negotiation of fair and reasonable agreements between an applicant and host
649 or surrounding communities;

650 (27) to levy and collect assessments, fees and fines and impose penalties and sanctions
651 for violations of this chapter and regulations under section 5;

652 (28) to levy and collect assessments for the operation of the board, bureau,
653 commission, state police unit and division;

654 (29) to levy and collect taxes established in section 63;

655 (30) to ensure that all environmental laws and regulations are followed and the
656 mitigation of any impact on natural resources in the host and surrounding communities as a
657 result of a gaming establishment; and

658 (31) to receive and investigate or cause to be investigated pursuant to regulations
659 promulgated by the board complaints by employees and prospective employees including
660 contract labor employees, minority business enterprises, and women business enterprises which
661 allege practices that are inconsistent with meeting or contrary to the commitments made by the
662 licensee pursuant to subsections (18), (19), (20) and (21) of section 16 of this chapter; and

663 (32) to establish a system of sanctions, including but not limited to fines and penalties,
664 for failure to comply with the requirements of a gaming license, in particular subsections (18),
665 (19), (20), (20), (21) and (22).

666 Section 8. The board shall administer and enforce chapter 128A and 128C and any other
667 general or special law related to pari-mutuel wagering. The board shall serve as a host racing
668 commission and an off-track betting commission for purposes of 15 U.S.C.A.3001, et seq.

669 Section 9. (a) The board may require anyone with an interest in the business of an
670 applicant for a gaming license or a close associate of an applicant for a gaming license, to be
671 qualified for licensure by meeting the criteria set forth in sections 11 and 14 and to provide any
672 other information that the board requires.

673 (1) For every business which applies for a gaming license, the board shall determine
674 whether: each officer and director of a corporation, other than a publicly traded corporation;
675 general partner and limited partner of a limited partnership; and member or transferee of a
676 member?s interest in a limited-liability company; and director and manager of a limited-liability
677 company which applies for a gaming license meets the standards for qualification of licensure
678 under sections 11 and 14. The board may also require that any of an applicant?s business?
679 individual stockholders, lenders, holders of evidence of indebtedness, underwriters, close
680 associates, key gaming employees, key executives, agents or employees shall also be required to
681 meet the standards for qualification of licensure.

682 (2) Any person owning more than 5 per cent of the common stock of the applicant
683 company directly or indirectly or a holding, intermediary or subsidiary of an applicant company
684 may be required to meet the qualifications for licensure under sections 11 and 14. The board may
685 waive these requirements for institutional investors holding up to 15 per cent of the stock of the
686 applicant company or holding, intermediary or subsidiary company of the applicant company
687 upon a showing by the person seeking the waiver that the applicant purchased the securities for
688 investment purposes only and does not have an intention to influence or affect the affairs or
689 operations of the applicant company or a holding, intermediary or subsidiary of the applicant
690 company. An institutional investor granted a waiver which subsequently determines to influence
691 or affect the affairs or operations of the applicant company or a holding, intermediary or
692 subsidiary of the applicant company shall provide not less than 30 days notice to the board of
693 such intent and the board shall ensure that the institutional investor meets the qualifications for
694 licensure under sections 11 and 14 before the institutional investor may take an action that may
695 influence or affect the affairs of the applicant company or a holding, intermediary or subsidiary
696 of the applicant company.

697 (3) The board may require a person who is required to be qualified for licensure by this
698 section to meet the standards for qualification of licensure under sections 11 and 14 and any
699 other standards the board determines before providing a recommendation to the commission on a
700 gaming license application under section 14.

701 (b) The board shall require any person involved in the financing of an applicant?s
702 proposed gaming establishment to be qualified for licensure under sections 11 and 14 and may
703 grant a waiver under clause (2) of subsection (a).

704 (c) If a corporation or other form of business organization applying for a gaming license
705 is to become a subsidiary, each holding company, intermediary company and other entity having
706 an interest in the applicant shall be required to be qualified for licensure under sections 11 and
707 14.

708 (d) The board may require that a company or individual that may exercise control or
709 provide direction to an applicant company or a holding, intermediary or subsidiary of an
710 applicant company be qualified for licensure under section 11 and 14 and may allow such person
711 to seek a waiver under clause (2) of subsection (a).

712 Section 10. (a) After a gaming license is awarded to an applicant, the board may require
713 that anyone with an interest in the gaming establishment be licensed by the commission or
714 registered by the board.

715 (1) When a business is awarded a gaming license, all close associates, key gaming
716 employees, institutional investors, junket representatives, junket enterprises, each officer and
717 director if it is a corporation other than a publicly traded corporation, each general partner and
718 limited partner if it is a limited partnership, and if it is a limited-liability company each member,

719 transferee of a member?s interest in the limited-liability company, director and manager of the
720 limited-liability company, shall be licensed by the commission prior to the business beginning
721 operations at the gaming establishment.

722 (2) Any person owning more than 5 per cent of the common stock of the gaming licensee
723 or a holding, intermediary or subsidiary of a gaming licensee shall be licensed. The board may
724 waive the licensing requirements for institutional investors holding up to 15 per cent of the stock
725 of the gaming licensee or holding, intermediary or a subsidiary company of the gaming licensee
726 upon a showing by the person seeking the waiver that the applicant purchased the securities for
727 investment purposes only and does not have an intention to influence or affect the affairs or
728 operations of the gaming licensee or a holding, intermediary or a subsidiary of the gaming
729 licensee. An institutional investor granted a waiver which subsequently determines to influence
730 or affect the affairs or operations of the gaming licensee or a holding, intermediary or a
731 subsidiary of the gaming licensee shall provide not less than 30 days notice to the board of such
732 intent and shall file an application and be subject to the licensing requirements of this chapter
733 before taking an action that may influence or affect the affairs of the gaming licensee or a
734 holding, intermediary or a subsidiary of the gaming licensee.

735 (3) All other gaming employees, gaming service employees, or any other person or
736 business with an interest in the gaming establishment as determined by the board, shall be
737 required to register with the board and provide such information as the board may require.

738 (b) Any person required to be licensed shall file an application with the board and shall
739 provide any additional information as the board requires. The application shall be on a form
740 prescribed by the board and shall include, but shall not be limited to, the following:

741 (1) the name of the applicant;

742 (2) the mailing address and if a corporation, the name of the state under the laws of which
743 the corporation is incorporated, the location of the corporation?s principal place of business and
744 the names and addresses of the corporation?s directors and stockholders;

745 (3) any criminal or arrest record;

746 (4) any civil judgments obtained against the applicant pertaining to antitrust or security
747 regulation;

748 (5) if the applicant is a business, the identity of every person or entity having a direct or
749 indirect interest in the business and the nature of such interest; provided, that, if the entity is a
750 trust, the application shall disclose the names and addresses of all beneficiaries; provided,
751 further, that if the entity is a partnership, the names and addresses of all partners, both general
752 and limited; and provided, further, that if the disclosed entity is a limited liability company, the
753 names and addresses of all members;

754 (6) an independent audit report of all financial activities and interests including, but not
755 limited to, the disclosure of all contributions, donations, loans or any other financial transactions
756 to or from any gaming licensee or operator of any gaming establishment in any jurisdiction
757 within the past 5 years; and

758 (7) clear and convincing evidence of financial stability including, but not limited to, bank
759 accounts, records, references, business and personal income and disbursement schedules, tax
760 returns and other reports filed with government agencies and business and personal accounting
761 check records and ledgers. The board may require such other information and documentation as
762 it deems appropriate including, without limitation, information related to the financial integrity
763 of the applicant.

764 (c) The board, by a majority vote of all members, may (i) make a recommendation to the
765 commission that the commission deny the application for a license; (ii) extend the period for
766 issuing a recommendation in order to obtain additional information necessary for a complete
767 evaluation of the application for a license; or (iii) recommend to the commission that the
768 commission grant the applicant a license.

769 (d) The commission may deny an application for a license and the board may deny an
770 application for a registration if the board or commission finds that a license applicant or
771 registrant is disqualified under section 11 or is unsuitable under section 14.

772 (e) A person who is required to be licensed under this section as a general or limited
773 partner shall not serve as such a partner for a licensee until the person obtains the required
774 license or waiver from the commission.

775 (f) The board shall require any person involved in the financing of a gaming
776 establishment to be licensed under this section but may grant a waiver under clause (2) of
777 subsection (a).

778 (g) A person serving in a position that is required to be licensed or registered shall apply
779 to be licensed by the commission or registered by the board not later than 30 days after taking a
780 position with the business. A person who is required to be licensed or registered under a decision
781 of the board shall apply for a license or registration not later than 30 days after the decision.

782 (h) If a corporation or other form of business organization holding a gaming license is to
783 become a subsidiary, the board shall require each holding company, intermediary company and
784 other entity to be licensed.

785 (i) The commission and board may require the licensing of a company or individual that
786 may exercise control or provide direction to a gaming licensee or a holding, intermediary or
787 subsidiary of a gaming licensee.

788 (j) The commission or board may condition, suspend or revoke a license or registration
789 under this section if the commission or board finds that a licensee or registrant has:

790 (1) been arrested or convicted of a crime; or

791 (2) failed to comply with this chapter pertaining to licensees or registrants.

792 Section 11. The commission shall deny an application for a gaming license or a license or
793 registration issued under this chapter, if the applicant:

794 (i) has been convicted of a felony or other convictions involving embezzlement,
795 theft, fraud or perjury; provided, however, that for convictions which occurred before the 10-year
796 period immediately preceding application for licensure, an applicant may demonstrate and the
797 commission shall consider, the applicant?s rehabilitation and whether such conviction should not
798 result in a denial of the application under this section;

799 (ii) submitted an application for a license under this chapter that contains false or
800 misleading information;

801 (iii) committed prior acts which have not been prosecuted or convicted but form a
802 pattern of misconduct that make the applicant unsuitable for a license under this chapter; or

803 (iv) has affiliates or close associates who would not qualify for a license or whose
804 relationship with the applicant could pose an injurious threat to the interests of the
805 commonwealth in awarding a gaming license to the applicant.

806 Section 12. (a) No applicant shall be eligible to bid on a gaming license unless the
807 applicant meets the following initial criteria and clearly states as part of an application that the
808 applicant shall:

809 (1) agree to be a state lottery reseller for the purpose of lottery and keno games and
810 demonstrates that state lottery and keno games would be readily accessible to guests of the
811 gaming establishment;

812 (2) prior to beginning operations, invest not less than $600,000,000 into a gaming
813 establishment proposed to be located in region 1or 2 and not less than $400,000,000 into a
814 gaming establishment proposed to be located in region 3, which shall not include the purchase of
815 the land where the gaming establishment would be located;

816 (3) meet the licensee bonding requirement as set by the board;

817 (4) have a debt to equity ratio of not more than 4 to 1 when the application is submitted;

818 (5) own or acquire within 60 days after a license has been awarded, the land where the
819 gaming establishment is proposed to be constructed;

820 (6) demonstrate the ability to pay and commit to paying the licensing fee of at least
821 $75,000,000 if the gaming establishment is to be located in region 1or 2 or $50,000,000 if the
822 gaming establishment is to be located in region 3 and the operating licensing payment of 25 per
823 cent of all gross gaming revenues; and demonstrate the ability to raise and commit to invest the
824 funds required in subsection (2);

825 (7) have received a certified and binding vote on a ballot question at an election in the
826 host community, in favor of such license; provided, that, the vote must take place after the
827 effective date of this chapter; provided, further, that a binding vote shall be conducted not less
828 than 60 days after the execution of a signed agreement between the host community and the
829 applicant as provided in subsection (10); provided, further, that the city, town or district that
830 holds an election shall be reimbursed for its expenses related to the election by the applicant;
831 provided, further, that, upon the signing of an agreement between the host community and the
832 applicant as provided in subsection (10), and on the request of the applicant, the city or town
833 clerk shall set a date certain for an election on said ballot question in the host community;
834 provided, further that, at such election, the question submitted to the voters shall be worded as
835 follows:-- ?Shall the (city/town) of _____ permit the Massachusetts Gaming Commission to
836 authorize a gaming facility to be located at ____[description of site]_____? YES _____ NO
837 _____?; provided, further, that, if a majority of the votes cast in a host community in answer to
838 the ballot question is in the affirmative, such host community shall be taken to have voted in
839 favor of the applicant?s license.

840 (8) provide a community impact fee to the host community;

841 (9) pay for infrastructure costs of the host and surrounding communities incurred in direct
842 relation to the construction and operation of a gaming establishment;

843 (10) provide to the commission a signed agreement between the host community and the
844 applicant to have a gaming establishment located within the host community; provided, that the
845 agreement shall include the community impact fee for the host community and all stipulations of
846 responsibilities between the host community and the applicant, including stipulations of known
847 impacts from the development and operation of a gaming establishment;

848 (11) comply with state and local building codes and local ordinances and bylaws;

849 (12) formulate for board approval and abide by an affirmative marketing program by
850 which the applicant identifies specific goals, expressed as an overall program goal applicable to
851 the total dollar amount of contracts, for the utilization of (i) minority business enterprises and
852 women business enterprises to participate as contractors in the design phase of the gaming
853 establishment, (ii) minority business enterprises and women business enterprises to participate as
854 contractors in the construction phaseof the gaming establishment, and (iii) minority business
855 enterprises and women business enterprises to participate as vendors in the provision of goods

856 and services procured by the gaming facility and any businesses operated as part of the gaming
857 establishment;

858 (13) formulate for board approval and abide by an affirmative-action program of equal
859 opportunity whereby the applicant establishes specific goals for the utilization of minorities and
860 women on said design phase and construction phase jobs; provided that such goals be equal to or
861 greater than the goals contained in the Executive Office of Administration and Finance
862 Administration Bulletin #14. In furtherance of specific goals for the utilization of minorities and
863 women on said construction jobs, the licensee will send to each labor union or representative of
864 workers with which the applicant has a collective bargaining agreement or other contract or
865 understanding, a notice advising the labor union or workers' representative of the applicant's
866 commitments;

867 (14) collect and annually report to the board a detailed statistical report on the number,
868 job titles, salary, gender, race, ethnicity and disability of employees hired and retained in
869 employment at the gaming establishment;

870 (15) formulate for board approval and abide by an affirmative-action program of equal
871 opportunity whereby the licensee guarantees to provide equal employment opportunities to all
872 employees qualified for licensure in all employment categories, including persons with a
873 disability, under the laws of the commonwealth and whereby the licensee shall establish specific
874 goals for the utilization of minorities and women; provided that such goals be equal to or greater
875 than the proportion of minority and women population in the Commonwealth as reported by the
876 most recent U.S. Census data;

877 (16) formulate for board approval and abide by an affirmative marketing program by
878 which the licensee identifies specific goals, expressed as an overall program goal applicable to
879 the total dollar amount or value of contracts entered into, for the utilization of (i) minority
880 business enterprises and women business enterprises to participate as contractors in the design
881 phase of the gaming establishment, (ii) minority business enterprises and women business
882 enterprises to participate as contractors in the construction phase of the gaming establishment,
883 and (iii) minority business enterprises and women business enterprises to participate as vendors
884 in the provision of goods and services procured by the gaming facility and any businesses
885 operated as part of the gaming establishment. Said specific goals for the utilization of such
886 minority business enterprises and women business enterprises shall be based on the availability
887 of such minority business enterprises and women business enterprises engaged in the type of
888 work to be contracted by the licensee;

889 (17) formulate for board approval and abide by an affirmative-action program of equal
890 opportunity whereby the licensee establishes specific goals for the utilization of minorities and
891 women on said design phase and construction phase jobs; provided that such goals be equal to or
892 greater than the goals contained in Executive Office of Administration and Finance

893 Administration Bulletin #14. In furtherance of said specific goals for the utilization of minorities
894 and women on said construction jobs, the licensee will send to each labor union or representative
895 of workers with which the licensee or its agent has a collective bargaining agreement or other
896 contract or understanding a notice advising the labor union or workers' representative of the
897 licensee's commitments;

898 (18) provide to the board, on a quarterly basis, a detailed statistical report on the number,
899 gender, ethnicity and race of individuals hired to perform labor as part of the construction phases
900 of the gaming establishment;

901 (19) collect and annually provide to the board a detailed statistical report on the total
902 dollar amounts contracted with and actually paid to minority business enterprises and women
903 business enterprises in (i) design phase contracts, (ii) construction phase contracts) and (iii)
904 contracts for each and every good and service procured by the gaming establishment. Said
905 statistical report shall also identify the amounts so contracted as a percentage of total dollar
906 amounts contracted with and actually paid to all firms; and

907 (20) pay to the board a non-refundable application fee in the amount of $350,000.

908 (b) Notwithstanding any general or special law to the contrary, the construction of a new
909 gaming facility or the reuse of an existing structure or facility for the purposes of establishment
910 of a gaming facility shall require a review under sections 61 to 62H, inclusive, of chapter 30: the
911 Massachusetts Environmental Policy Act; and 301 CMR 11.00.

912 Section 13. (a) The board shall prescribe the form of the application for a gaming license
913 which shall require, but not be limited to, the following:

914 (1) the name of the applicant;

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

918 (3) the identity of every person or entity having a direct or indirect interest in the
919 business and the nature of such interest; provided, that, if the entity is a trust, the application
920 shall disclose the names and addresses of all beneficiaries; provided, further, that if a partnership,
921 the names and addresses of all partners, both general and limited; and provided, further, that if a
922 limited liability company, the names and addresses of all members;

923 (4) whether the applicant is a federally recognized Native American tribe located in
924 the commonwealth or is partnering with a federally recognized Native American tribe located in
925 the commonwealth; provided, that if the applicant is a federally recognized Native American
926 tribe located in the commonwealth, such an applicant shall indicate whether the applicant has
927 entered into a contractual agreement with the commonwealth and whether the tribe has entered

928 into an agreement with the commonwealth to waive its rights under the Indian Regulatory
929 Gaming act, 25 U.S.C. sections 2701, et seq. and be subject to the civil and criminal laws,
930 statutes, ordinances and jurisdiction of the commonwealth with respect to activities relating to
931 the development and operation of a gaming establishment;

932 (5) information and documentation to demonstrate that the applicant has sufficient
933 business ability and experience to establish the likelihood of creation and maintenance of a
934 successful gaming establishment;

935 (6) if an applicant has ever applied for or has been granted a license to conduct
936 gaming in another jurisdiction, or has had a license issued by any other jurisdiction that has been
937 denied, restricted, suspended, revoked or not renewed the applicant shall include a statement
938 describing the facts and circumstances concerning the application, denial, restriction, suspension,
939 revocation or nonrenewal, including the identity of the licensing authority, the date each action
940 was taken and the reason for each action;

941 (7) an independent audit report of all financial activities and interests including, but
942 not limited to, the disclosure of all contributions, donations, loans or any other financial
943 transactions to or from any gaming establishment or operator of a gaming establishment in the
944 past 5 years;

945 (8) clear and convincing evidence of financial stability including, but not limited to,
946 bank references, business and personal income and disbursement schedules, tax returns and other
947 reports filed by government agencies and business and personal accounting check records and
948 ledgers;

949 (9) evidence of ability and commitment to pay the gaming license fee;

950 (10) a capital investment plan and the total amount of investment proposed by the
951 applicant in the proposed gaming establishment, including all facilities, amenities and
952 infrastructure;

953 (11) evidence of sufficient capital to finance the proposed capital investment plan,
954 including investment in all facilities, amenities, infrastructure improvements as specified in the
955 design plan and continued operation of the proposed gaming establishment; provided, that, a
956 gaming licensee shall engage a third-party engineering and accounting firms to certify expenses
957 of its capital investment plan and provide documentation of such accounting to the board;
958 provided, further, that, the third-party engineering and accounting firms shall be approved by the
959 board and shall certify expenses under rules and regulations adopted by the commission under
960 section 5; provided, further, that, the design plan shall describe timelines and milestones for
961 design and construction of such infrastructure improvements and the applicant shall make
962 quarterly reports on the progress of such infrastructure improvements to the board, the respective
963 host communities and the house and senate committees on ways and means;

964 (12) the location for the proposed gaming establishment, which shall include the
965 address, maps, book and page numbers from the appropriate registry of deeds, assessed value of
966 the land at the time of application and ownership interests over the past 20 years including all
967 interests, options, agreements in property and demographic, geographic and environmental
968 information and any other information requested by the commission related to the proposed
969 location;

970 (13) the design plans for the proposed gaming establishment, including, but not limited
971 to:

972 (i) detailed design plans detailing all phases of construction;

973 (ii) the names and addresses of the architects, engineers and designers;

974 (iii) a detailed timeline for construction that includes all phases of construction
975 for the gaming establishment and non-gaming structures; and

976 (iv) the number of construction hours estimated to complete the work and
977 whether the developer has contracts with labor organizations or a provision assuring labor
978 harmony during all phases of such construction, renovation or reconstruction of the development,
979 and capital and routine maintenance;

980 (14) a detailed description of types of games to be conducted at the gaming
981 establishment; number and type of each games and the specific gaming area;

982 (15) a detailed description of the other amenities at the gaming establishment,
983 including but not limited to:

984 (i) the number of hotels and rooms per hotel and other amenities to be located
985 at the proposed gaming establishment;

986 (ii) the number of restaurants and other dining establishments to be located at
987 the proposed gaming establishment; and

988 (iii) a description of ancillary entertainment services and amenities to be
989 offered at the proposed gaming establishment;

990 (16) a detailed description of the proposed internal controls and security systems at the
991 proposed gaming establishment;

992 (17) whether the applicant purchased or intends to purchase publicly owned land for
993 the proposed gaming establishment;

994 (18) the number of permanent employees to be employed at the gaming establishment,
995 including detailed information on pay rate and benefits;

996 (19) a detailed description of the proposed gaming establishment?s hiring and training
997 practices, how it will promote the development of a skilled and diverse workforce, how it will
998 provide opportunities for promotion;

999 (20) whether the applicant would agree to hire any qualified persons permanently
1000 employed as of June 1, 2010 at a facility authorized to conduct simulcasting under chapter 128C
1001 that is in operation on June 1, 2010 within the region for which the gaming license was granted if
1002 said facility terminates operation within 1 year of the commission awarding the gaming license,
1003 subject to all other requirements and conditions of employment under this chapter;

1004 (21) whether the applicant has a contract with organized labor and has the support of
1005 organized labor for its application;

1006 (22) an agreement and detailed description of how the applicant will mitigate potential
1007 negative public health consequences associated with gambling and the operation of a gambling
1008 establishment;

1009 (23) completed studies and reports as required by the board, which shall include, but
1010 shall not be limited to, an examination of the proposed gaming establishment?s: (a) economic
1011 benefits to the region and the commonwealth; (b) local and regional social, environmental, traffic
1012 and infrastructure impacts; (c) impact on the local and regional economy, including on cultural
1013 institutions and on small businesses in the host and surrounding communities; (d) cost to the host
1014 community and surrounding communities and the commonwealth for the proposed gaming
1015 establishment to be located at the proposed location; and (e) the estimated municipal and state
1016 tax revenue to be generated by the gaming establishment;

1017 (24) a statement as to whether the applicant?s proposed gaming establishment is part of
1018 or in accord with a regional or local economic development plan;

1019 (25) a plan to identify, evaluate and mitigate social, economic, cultural and public safety
1020 impacts in surrounding communities; provided, that, the plan shall include proposed surrounding
1021 community impact fees and participation by the surrounding communities in identifying impacts
1022 and mitigation agreements with the surrounding communities;

1023 (26) the names of proposed vendors of gaming equipment;

1024 (27) responses to any additional questions that the board may ask; and

1025 (28) a plan to identify, evaluate and mitigate transportation infrastructure impacts in
1026 surrounding communities.

1027 (b) Applications for licenses shall be public records for the purposes of section 10 of
1028 chapter 66; provided further that trade secrets, competitively-sensitive or other proprietary
1029 information provided in the course of an application for a gaming license under this chapter, the

1030 disclosure of which would place the applicant at a competitive disadvantage, may be withheld
1031 from disclosure under chapter 66.

1032 Section 14. (a) Upon receipt of an application for a license or registration under this
1033 chapter, the board shall investigate the suitability of the applicant. In evaluating the suitability of
1034 an applicant, the board shall consider the overall reputation of the applicant including, but not
1035 limited to:

1036 (1) the integrity, honesty, character and reputation of the applicant;

1037 (2) the financial stability and background of the applicant;

1038 (3) the business practices and the business ability of the applicant;

1039 (4) whether the applicant has a history of compliance with gaming licensing
1040 requirements in other jurisdictions;

1041 (5) whether the applicant, at the time of application, is a defendant in litigation
1042 involving its business practices;

1043 (6) the suitability of all parties in interest to the gaming license, including affiliates,
1044 close associates and the financial resources of the applicant; and

1045 (7) whether the applicant is disqualified from receiving a license under section 11;
1046 provided, however, that in considering the rehabilitation of an applicant for a gaming license, the
1047 commission shall not automatically disqualify an applicant if the applicant affirmatively
1048 demonstrates, by clear and convincing evidence, that the applicant has financial responsibility,
1049 character, reputation, integrity and general fitness as such to warrant belief by the commission or
1050 board that the applicant will act honestly, fairly, soundly and efficiently as a licensee or
1051 registrant.

1052 (b) If the board determines during its suitability investigation under subsection (a) that an
1053 applicant for a gaming license has failed to: (i) establish the applicant?s integrity or the integrity
1054 of an affiliate, close associate, financial source or person required to be qualified by the board;
1055 (ii) demonstrate responsible business practices in any jurisdiction; (iii) overcome any other
1056 reason, as determined by the board, as to why it would be injurious to the interests of the
1057 commonwealth in awarding the applicant a gaming license, the board shall cease any further
1058 review and recommend to the commission that the application be denied.

1059 Section 15. (a) If the board has determined an applicant for a gaming license is suitable to
1060 receive a gaming license, the board shall commence a review of the applicant?s entire
1061 application.

1062 (b) The board shall identify which communities shall be designated as the surrounding
1063 communities of a proposed gaming establishment. In making that determination the board shall

1064 consider the plan submitted by the applicant under clause (24) of subsection (a) of section 13,
1065 information received from the public and factors which include, but shall not be limited to,
1066 population, infrastructure, distance from the gaming establishment and political boundaries. Prior
1067 to the public hearing, the applicant shall provide to the board a signed agreement with each of the
1068 surrounding communities; provided that each agreement shall include a surrounding community
1069 impact fee and all stipulations of responsibility between the community and the applicant,
1070 including stipulations of known impacts from the development and operation of the gaming
1071 establishment. When necessary the board may facilitate the negotiation of fair and reasonable
1072 agreements between the applicant and surrounding communities.

1073 (c) After a review of the entire application and any independent evaluations, the board
1074 shall conduct a public hearing on the application under section 11? of chapter 30A. An applicant
1075 for a gaming license and a municipality designated as a host or surrounding community shall be
1076 given at least 30 days notice of the public hearing. The board shall hold the public hearing within
1077 the host community; provided, however, that the host community may request that the board
1078 hold the hearing in another city or town upon request by a majority of members of the town
1079 council, or in a city having a Plan D or Plan E charter, the city manager and the city council and
1080 in any other city the mayor and city council and in towns a majority vote of those present and
1081 voting at a town meeting and approval by the board of selectmen.

1082 (d) The public hearing shall provide the board the opportunity to address questions and
1083 concerns relative to the proposal of an applicant for a gaming license including the breadth and
1084 quality of the gaming area and amenities, the integration of the establishment into the
1085 surrounding community, the extent of required mitigation plans, as well as receive input from
1086 members of the public from the impacted community or communities. During the hearing, along
1087 with allowing members of the public to give verbal testimony, the board may read into the record
1088 letters of support, opposition or concern from members of the public.

1089 (e) Not later than 90 days after the conclusion of the public hearing the board shall take
1090 action on the application. The board, by a majority vote of all members, may: (i) make a
1091 recommendation to the commission that the commission deny the application; (ii) extend the
1092 period for issuing a recommendation in order to obtain additional information necessary for a
1093 complete evaluation of the application; or (iii) recommend to the commission that the
1094 commission grant the applicant a gaming license.

1095 (f) Upon making a decision to recommend denial of an application, the board shall
1096 prepare and file the board?s decision with the commission and, if requested by the applicant,
1097 shall further prepare and file a statement of the reasons for the recommendation of denial,
1098 including specific findings of fact.

1099 (g) The applicant shall be entitled to a hearing before the commission after the filing of
1100 the board?s recommendation. The applicant shall have the right to contest the board?s findings.

1101 A representative of the board shall also appear at the hearing and the commission may put such
1102 questions to that representative as it deems appropriate.

1103 (h) Not later than 60 days after the receipt of the recommendation of the board, the
1104 commission shall take action on the application. The commission, by majority vote of all
1105 commissioners, may: (i) deny the application; (ii) extend the period for issuing a decision in
1106 order to obtain any additional information necessary for a complete evaluation of the application;
1107 or (iii) grant the application for a gaming license.

1108 (i) Upon denial of an application, the commission shall prepare and publish its order and,
1109 if requested by the applicant, shall further prepare and file a statement of the reasons for the
1110 denial, including specific findings of fact.

1111 (j) The commission shall have full discretion as to whether to issue a license. Applicants
1112 shall have no legal right or privilege to a gaming license and shall not be entitled to any further
1113 review if denied.

1114 Section 16. (a) In determining whether an applicant should receive a gaming license, the
1115 commission shall evaluate:

1116 (1) whether the proposed gaming establishment offers the highest and best value
1117 creating a secure and robust gaming market in the region and the commonwealth;

1118 (2) the revenues received by the commonwealth;

1119 (3) the number and quality of the jobs provided by the proposed gaming
1120 establishment;

1121 (4) the degree to which the proposed gaming establishment meets the criteria
1122 identified in regulations adopted under section 5;

1123 (5) the degree to which potential impacts on host and surrounding communities
1124 which might result from the development or operation of the gaming establishment are
1125 mitigated;

1126 (6) the degree to which potential adverse effects which might result from the project
1127 including but not limited to, the cost of meeting the increase in demand for public health care,
1128 child care, public transportation, affordable housing and social services, are mitigated;

1129 (7) the distance between the proposed gaming establishment and any other gaming
1130 establishment;

1131 (8) how well the proposal protects the lottery from adverse impacts due to expanded
1132 gaming, including, but not limited to, developing cross-marketing strategies with the lottery and
1133 increasing ticket sales to out-of-state residents;

1134 (9) how well the proposal promotes local businesses in host and surrounding
1135 communities, including developing cross-marketing strategies with local restaurants, hotels,
1136 retail outlets and performing arts organizations;

1137 (10) how well the proposal implements an affirmative marketing program that
1138 identifies specific goals, expressed as an overall program goal applicable to the total dollar
1139 amount of contracts, for the utilization of (i) minority business enterprises and women business
1140 enterprises to participate as contractors in the design of the gaming establishment, (ii) minority
1141 business enterprises and women business enterprises to participate as contractors in the
1142 construction of the gaming establishment, and (iii) minority business enterprises and women
1143 business enterprises to participate as vendors in the provision of goods and services procured by
1144 the gaming facility and any businesses operated as part of the gaming establishment;

1145 (11) how well the proposal implements a workforce development plan that (i)
1146 incorporates an affirmative-action program of equal opportunity by which the applicant
1147 guarantees to provide equal employment opportunities to all employees qualified for licensure in
1148 all employment categories, including persons with a disability, (ii) utilizes the existing labor
1149 force in the commonwealth, (iii) estimates the number of construction jobs a proposed gaming
1150 establishment will generate and provides for equal employment opportunities and which includes
1151 specific goals for the utilization of minorities and women on said construction jobs, (iv)
1152 identifies workforce training programs offered by the gaming establishment, and (v) identifies
1153 the methods for accessing employment at the gaming establishment; (whether the proposal
1154 would build a gaming establishment with a variety of amenities and operate in partnership with
1155 local hotels, dining, retail and entertainment facilities so that patrons experience the diversified
1156 regional tourism industry;

1157 (12) whether the proposal takes additional measures to address problem gambling,
1158 including, but not limited to, training gaming employees in prevention programs targeted toward
1159 vulnerable populations and to identify patrons exhibiting problems with gambling;

1160 (13) the market analysis detailing the benefits of the site location of the gaming
1161 establishment and the estimated recapture rate of gaming-related spending by residents travelling
1162 to out-of-state gaming establishments;

1163 (14) whether the proposal utilizes sustainable development and high performance
1164 design principles, including, but not limited to: (i) being certified as gold or higher under the
1165 appropriate certification category in the Leadership in Environmental and Energy Design
1166 program created by the United States Green Building Council; (ii) meeting or exceeding the
1167 stretch energy code requirements contained in Appendix 120AA of the Massachusetts building
1168 energy code or equivalent commitment to advanced energy efficiency as determined by the
1169 secretary of the executive office of energy and environmental affairs; (iii) efforts to mitigate
1170 vehicle trips; (iv) efforts to converse water and manage storm water; (v) demonstration that

1171 electrical and HVAC equipment and appliances will be EnergyStar labeled where available; (vi)
1172 procuring or generating on-site 10 per cent of its annual electricity consumption from renewable
1173 sources qualified by the department of energy resources under section 11F of chapter 25A; and
1174 (vii) developing an on-going plan to sub-meter and monitor all major sources of energy
1175 consumption and undertake regular efforts to maintain and improve energy efficiency of
1176 buildings in their systems;

1177 (15) whether the proposal establishes, funds and maintains human resource hiring and
1178 training practices and promotes the development of a skilled and diverse workforce and access to
1179 promotion opportunities through a workforce training program that: (i) establishes transparent
1180 career paths within the establishment, leading to increased responsibility and pay, with
1181 measurable criteria designed to assist employees pursuing career advancement and promotion;
1182 (ii) provides employees access to additional resources, such as tuition reimbursement or stipend
1183 policies, to enable employees to acquire education or job training needed to advance on those
1184 career paths; and (iii) establishes an on-site child day care program;

1185 (16) whether the applicant would contracts with local business owners to provide
1186 services and goods to the gaming establishment; and

1187 (17) the degree to which the proposed gaming establishment provides a suitable buffer
1188 to residential and commercial abutters.

1189 (b) The commission shall issue a statement of findings of how each applicant proposes to
1190 meet the objectives in subsection (a).

1191 Section 17. (a) The commission may issue not more than 3 gaming licenses based on the
1192 applications and bids submitted to the commission. Not more than 1 license may be awarded per
1193 region, as follows:

1194 region 1: suffolk, middlesex, essex and worcester counties;

1195 region 2: norfolk, bristol, plymouth, nantucket, dukes and barnstable counties;

1196 region 3: hampshire, hamden, franklin and berkshire counties.

1197 Gaming licenses shall only be issued to applicants who are qualified under the criteria set
1198 forth in this chapter as determined by the commission. Within any of the regions, if the
1199 commission is not convinced that there is an applicant that has both met the eligibility criteria
1200 and provided convincing evidence that the applicant will provide value to the region in which the
1201 gaming establishment is proposed to be located and to the commonwealth, no gaming license
1202 shall be awarded in that region.

1203 (b) No other gaming license shall be issued by the commission for a period of 10 years.

1204 (c) No gaming licensee shall transfer a license or any direct or indirect interest in the
1205 license or a gaming establishment without the majority approval of the commission. Any person
1206 seeking to acquire a license through a transfer shall qualify for licensure under this chapter. The
1207 commission shall reject any license transfer or transfer of interest in the gaming establishment to
1208 an unsuitable person and may reject a proposed transfer that, in the opinion of the commission,
1209 would be disadvantageous to the interests of the commonwealth.

1210 (d) (1) Notwithstanding any general or special law or rule or regulation to the
1211 contrary, the commission may grant, upon request of an applicant for a gaming license, a gaming
1212 beverage license for the sale and distribution of alcoholic beverages to be drunk on the premises
1213 of a gaming establishment. The alcoholic beverage control commission shall have the exclusive
1214 authority to enforce, regulate and control the distribution of alcoholic beverages in the gaming
1215 establishment.

1216 (2) Chapter 138 and the rules and regulations promulgated by the alcoholic
1217 beverages control commission shall apply to a gaming establishment and a gaming beverage
1218 license unless otherwise provided by this section.

1219 (3) The fee for the gaming beverage license and any renewals of the license shall
1220 be determined by the commission. The application fee shall be remitted with the gaming
1221 application fee.

1222 (4) A licensee under this section shall be permitted to distribute alcohol free of
1223 charge and for on-premise consumption to patrons in the gaming area or as a complimentary
1224 service or item in the gaming establishment; provided, however, that the commission shall
1225 promulgate regulations on such distribution as well as the forms of identification that may be
1226 presented to the licensee to demonstrate proof that a person has attained the age of 21.

1227 (5) The request submitted to the commission for a gaming beverage
1228 license by an applicant for a gaming license shall detail all areas where alcoholic beverages will
1229 be served within the gaming establishment. In issuing a gaming beverage license, the
1230 commission shall describe the scope of the particular license and any restrictions and limitations;
1231 provided, however, that the license shall not permit the sale or distribution of alcoholic beverages
1232 between the hours of 2 a.m. and 8 a.m.

1233 (6) A gaming licensee shall be responsible for violations of gaming beverage
1234 license in the gaming establishment. The commission may revoke, suspend, refuse to renew or
1235 refuse to transfer a gaming beverage license for violations of chapter 138, regulations
1236 promulgated by the alcoholic beverages control commission and the regulations adopted by the
1237 commission. If, at any time, a licensee elects temporary suspension of their gaming license due
1238 to violations of this section, said licensee shall owe the commonwealth the average tax on gross
1239 gaming revenue based on an appropriate period of time as determined by the commission for the
1240 number of days operation was suspended.

1241 (7) A gaming beverage license shall be nontransferable without prior approval
1242 from the commission. If the license granted under this section is cancelled, revoked or no longer
1243 in use, it shall be returned physically, with all the legal rights, privileges and restrictions
1244 pertaining to the license, to the commission and the commission may then grant the license to a
1245 new gaming licensee under the same conditions as specified in this section.

1246 (8) A license granted under this section shall not decrease the number of such
1247 licenses authorized to be granted to the host community under chapter 138.

1248 (e) A gaming license issued under this chapter shall be valid for a period of 10 years from
1249 the date of first issuance. Ten years after issuance, and every 10 years thereafter, the
1250 commission shall perform a thorough review of the business strategy of the gaming
1251 establishment which shall include plans for expansion and marketing submitted by the licensee.
1252 The commission shall establish procedures for renewal and set the renewal fee based on the cost
1253 associated with the evaluation of a licensee requesting a renewed gaming license.

1254 A gaming licensee shall issue an annual report to the board explicitly stating its progress
1255 on meeting each of the stated goals and stipulations from the licensee?s original application. If a
1256 licensee is unable to meet stated goals within a reasonable time frame, as determined by the
1257 board, the board may levy additional fees, so long as the fees are fair and reasonable and the
1258 commission may revoke the license, so long as the licensee has been afforded a proper hearing
1259 on the matter.

1260 Nothing in this section shall preclude the board at any time from reviewing the business
1261 operations of a gaming licensee to ensure that the conditions of licensure are being met,
1262 including, but not limited to, the suitability of the licensee and any affiliates and the fiscal
1263 stability of the gaming establishment.

1264 (f) The commission may condition, suspend or revoke a gaming license upon a finding
1265 that a licensee: (i) has committed a criminal or civil offense under this chapter or any other laws
1266 of the commonwealth; (ii) is not in compliance with gaming regulations or is under criminal
1267 investigation in another jurisdiction; (iii) has breached a condition of the gaming license; (iv) is
1268 conducting business with or employing a person or entity subject to license or registration under
1269 this chapter that is not licensed or registered; (v) is no longer capable of maintaining operations
1270 at a gaming establishment; or (vi) whose business practice, upon a determination by the
1271 commission, is injurious to the policy objectives of this chapter.

1272 (g) Whenever any person contracts to transfer any property relating to an ongoing gaming
1273 establishment, including a security holding in a gaming licensee or holding or intermediary
1274 company, under circumstances which require that the transferee obtain licensure under this
1275 chapter, the contract shall not specify a closing or settlement date which is sooner than 121 days
1276 after the submission of a completed application for licensure or qualification, which application
1277 shall include a fully executed and approved trust agreement.

1278 The commission shall hold a hearing and render a decision on the interim authorization of
1279 the applicant. If the commission grants interim authorization, then the closing or settlement may
1280 occur without interruption of gaming operations. If the commission denies interim authorization,
1281 there shall be no closing or settlement until the commission makes a determination on the
1282 qualification of the applicant. If the commission then denies qualification the contract shall be
1283 terminated for all purposes without liability on the part of the transferor.

1284 (h) No person or affiliate shall be awarded, purchase or otherwise hold or have a financial
1285 interest in more than 1 gaming license issued by the commission.

1286 (i) When granting the gaming licenses, the commission shall take into consideration the
1287 physical distance in of the proposed gaming establishments as they relate to each other and how
1288 to maximize the benefits to the commonwealth. No gaming establishment shall be located
1289 within 40 miles of any other gaming establishment in the commonwealth.

1290 (j) The commission shall evaluate all gaming license applications to determine which
1291 application provides the highest and best value to the region and to the commonwealth based on
1292 the criteria set out in this chapter, and any other terms the commission determines by regulation.
1293 If there is more than 1 applicant in a region who is determined by the commission to be eligible
1294 for a gaming license under this section, the commission shall allow each eligible applicant to
1295 resubmit its application. An eligible applicant may, in its resubmitted application, voluntarily
1296 increase the license fee required by subsection (k) and may modify any portion of their
1297 application related to the factors listed in section 16. The commission shall consider the entire
1298 application and not base its decision solely on the additional license fee payments in determining
1299 which applicant shall be awarded a license.

1300 (k) A gaming licensee which has received a license in region 1 or 2 shall pay to the board
1301 a fee of not less than $75,000,000 and a gaming licensee which has received a license in region 3
1302 shall pay to the board a fee of not less than $50,000,000. These fees shall be paid not later than
1303 30 days after the final award of the license which sets forth the conditions to be satisfied by the
1304 licensee before the gaming establishment may be opened to the public.

1305 Section 18. (a) The board shall prescribe the form of the gaming license, which shall
1306 include, but shall not be limited to, the following license conditions:

1307 (1) Each gaming licensee shall have an affirmative obligation to abide by every
1308 statement made in its application to the board under section 13 and every statement made in its
1309 bid submission to the board under section 17.

1310 (2) Each gaming licensee shall comply with all laws of the commonwealth and all
1311 rules and regulations promulgated under this chapter.

1312 (3) Each gaming licensee shall abide by all state and local building codes.

1313 (4) Each gaming licensee shall pay daily to the board the gross gaming revenue
1314 payment.

1315 (5) Each gaming licensee shall make, or cause to be made, capital expenditures to its
1316 gaming establishment in a minimum aggregate amount equal to or greater than 3.5 per cent of
1317 the net gaming revenues derived from the establishment.

1318 (6) No person including, but not limited to, a substantial party in interest, affiliates
1319 and those entities established under the rules and regulations of the state secretary, shall transfer
1320 a license, a direct or indirect real interest, structure, real property, premises, facility, personal
1321 interest or pecuniary interest under a license issued under this chapter or enter into an option
1322 contract, management contract or other agreement or contract providing for such transfer in the
1323 present or future, without the notification to, and approval by, the commission. The commission
1324 may promulgate rules and regulations, under section 5, that create exemptions from the approval
1325 requirement; provided, that:

1326 (i) in no event shall a bona fide commercial financial institution licensed by
1327 the division of banks which becomes a substantial party of interest with a licensee be considered
1328 a transferee;

1329 (ii) the commission may require the transferor, transferee, or both, to pay to
1330 the board an amount representing the commonwealth?s share of the increased value for the
1331 transferred licenses, property or interest; provided, further, that the commission shall consider as
1332 a factor in determining the amount of the payment the market value of said license, property or
1333 interest when it was acquired and at the time of the transfer; provided, further, that the
1334 commission may place additional conditions or restrictions on said transfer that the commission
1335 considers suitable; provided, further, that the commission may reject said transfer if the
1336 commission considers the transfer unsuitable; and

1337 (iii) any payments collected by the board on behalf of the commonwealth
1338 based on said transfer shall be deposited in the same manner as license fees are deposited.

1339 (7) No gaming licensee shall be permitted to change its business governing structure
1340 without the notification and approval of the commission.

1341 (8) No gaming licensee shall operate, invest or own, in whole or in part, another
1342 licensee?s license or gaming establishment. The commission shall promulgate rules and
1343 regulations, under section 5, to address violations of this subsection.

1344 (9) Each gaming licensee shall cooperate with the commission, the board and the
1345 attorney general in all gaming-related investigations. Each licensee shall make readily available
1346 all documents, materials, equipment, personnel and any other items requested during all
1347 investigations. Material that the licensee considers a trade secret or detrimental to the licensee if

1348 it were made public may, with the board?s approval, be protected from public disclosure and the
1349 gaming licensee may require non-disclosure agreements with the board before disclosing such
1350 material.

1351 (10) Each gaming licensee shall cooperate with the commission, the board and the
1352 attorney general with respect to the investigation of any criminal matter that is discovered on the
1353 gaming establishment. The gaming licensee shall, upon receipt of criminal or civil process
1354 compelling testimony or production of documents in connection with a civil or criminal
1355 investigation, immediately disclose such information to the board. This section shall not prohibit
1356 private persons or public entities from seeking any remedy or damages against a gaming
1357 licensee.

1358 (11) Each gaming licensee shall allow the board to conduct warrantless searches of the
1359 licensee?s gaming area.

1360 (12) Each gaming licensee shall have a duty to inform the board of any action which
1361 the licensee reasonably believes would constitute a violation of this chapter, and shall assist the
1362 board and any federal or state law enforcement agency in the investigation and prosecution of
1363 such violation. No person who informs the board of such an action shall be discriminated against
1364 by an applicant or licensee as a consequence for having supplied of such information.

1365 (13) Each gaming licensee shall agree to be a state lottery reseller for the purpose of
1366 lottery, multi-jurisdictional lottery and keno games and to demonstrate that state lottery and keno
1367 games are readily accessible to people in the gaming establishment.

1368 (14) Each gaming licensee shall provide an office for the board at the gaming
1369 establishment. The board shall establish the minimum requirements for said office.

1370 (15) Each gaming licensee shall provide an office for the designated state police unit at
1371 the gaming establishment. The board shall establish the minimum requirements for square
1372 footage for the state police office, office furnishings and parking space.

1373 (16) Each gaming licensee shall collect and annually report to the board a detailed
1374 statistical report on the number, job titles, benefits and salary of employees hired and retained in
1375 employment at the gaming establishment.

1376 (17) Each gaming licensee shall agree to make a good faith effort to identify and
1377 recruit candidates from the local labor market area and other nearby labor market areas to ensure
1378 a diverse workforce.

1379 (18) Each gaming licensee shall establish, fund and maintain internal human resource
1380 hiring and training practices that promote the development of a skilled and diverse workforce
1381 with access to promotion opportunities by:

1382 (i) establishing transparent career paths with measurable criteria within the
1383 gaming establishment that lead to increased responsibility and higher pay grades that are
1384 designed to allow employees to pursue career advancement and promotion;

1385 (ii) establishing employee access to additional resources, such as tuition
1386 reimbursement or stipend policies, to enable employees to acquire the education or job training
1387 needed to advance career ladders based on increased responsibility and pay grades; and

1388 (iii) establishing an on-site child day care program.

1389 (19) Each gaming licensee shall formulate for board approval and abide by an
1390 affirmative-action program of equal opportunity by which the applicant guarantees to provide
1391 equal employment opportunities to all employees qualified for licensure in all employment
1392 categories, including a person with a disability, under the laws of the commonwealth.

1393 (20) Each gaming licensee shall employ only those persons licensed by the
1394 commission or registered by the board.

1395 (21) Each gaming licensee shall do business only with those vendors licensed by the
1396 commission or registered by the board.

1397 (22) Each gaming licensee shall provide to the board aggregate demographic
1398 information with respect to the licensee's customers in a manner and under a schedule to be
1399 defined by the board.

1400 (23) Each gaming licensee shall meet the requirements under clauses 7 through 11 of
1401 subsection (a) of section 12 and clause (23) of subsection (a) of section 13 to the satisfaction of
1402 the board.

1403 (24) Each gaming licensee shall provide complimentary on-site space for an
1404 independent substance abuse, compulsive gambling and mental health counseling service and
1405 establish a program to train the gaming employees in the identification of and intervention with
1406 customers exhibiting problem gaming behavior.

1407 (25) Each gaming licensee shall keep conspicuously posted in the gaming area a notice
1408 containing the name and a telephone number for problem gambling assistance. The board may
1409 require the licensee to provide this information in more than 1 language.

1410 (26) Each gaming licensee shall provide a process for individuals to exclude such
1411 individuals? names and contact information from the gaming licensee?s database or any other list
1412 held by the gaming licensee for use in marketing or promotional communications.

1413 (27) Each gaming licensee shall meet the requirements under clause (22) of subsection
1414 (a) of section 13 to the satisfaction of the board.

1415 (28) Each gaming licensee shall institute additional public health strategies as required
1416 by the board.

1417 (29) No gaming licensee or gaming establishment shall authorize or conduct direct
1418 marketing and promotional communications relative to gaming targeted towards persons under
1419 the age of 21.

1420 (b) The board may include any reasonable additional requirements to the license
1421 conditions.

1422 Section 19. (a) No person or business shall conduct any business with a gaming licensee
1423 regarding the licensee?s gaming establishment unless such person has been licensed by the
1424 commission or registered by the board.

1425 (1) No person or business shall manufacture, sell, distribute or repair gaming equipment
1426 or slot machines, other than antique slot machines as defined in section 5A of chapter 271,
1427 without a valid gaming vendor license issued by the commission.

1428 (2) Non-gaming vendors shall be required to register with the board and shall produce
1429 such information as the board may require; provided, however, that the board may require any
1430 vendor otherwise considered a non-gaming vendor, which regularly conducts over $250,000 of
1431 business with a gaming licensee within a 12 month period, or $100,000 of business within a 3
1432 year period, to be licensed as a gaming vendor.

1433 (b) Any person seeking a gaming vendor license shall file an application with the board.
1434 Such application shall be on a form prescribed by the board and shall include, but shall not be
1435 limited to, the following:

1436 (1) the name of the applicant;

1437 (2) the mailing address and if a corporation, the name of the state under the laws of which
1438 the corporation is incorporated, the location of the corporation?s principal place of business and
1439 the names and addresses of the corporation?s directors and stockholders;

1440 (3) any criminal or arrest record;

1441 (4) any civil judgments obtained against the person pertaining to antitrust or security
1442 regulation;

1443 (5) the identity of every person or entity having a direct or indirect interest in the business
1444 and the nature of such interest; provided, that, if the entity is a trust, the application shall disclose
1445 the names and addresses of all beneficiaries; provided, further, that if the entity is a partnership,
1446 the names and addresses of all partners, both general and limited; and provided, further, that if
1447 the disclosed entity is a limited liability company, the names and addresses of all members;

1448 (6) an independent audit report of all financial activities and interests including, but not
1449 limited to, the disclosure of all contributions, donations, loans or any other financial transactions
1450 to or from any gaming licensee or operator of a gaming establishment in the past 5 years; and

1451 (7) clear and convincing evidence of financial stability including, but not limited to, bank
1452 accounts, records, references, business and personal income and disbursement schedules, tax
1453 returns and other reports filed by government agencies and business and personal accounting
1454 check records and ledgers.

1455 The board may require such other information as it deems appropriate including, without
1456 limitation, information related to the financial integrity of the applicant and may require the
1457 applicant to submit other documentation the board considers appropriate.

1458 (c) Any person owning more than 5 per cent of the common stock of a company required
1459 to be licensed as a gaming vendor, or a holding, intermediary or subsidiary of such company,
1460 shall be required to file for licensure. The commission may waive the licensing requirements for
1461 institutional investors holding up to 15 per cent of the stock of the company, or holding,
1462 intermediary or subsidiary company of the company, upon a showing by the person seeking the
1463 waiver that the applicant purchased the securities for investment purposes only and does not have
1464 any intention to influence or affect the affairs or operations of the company or a holding,
1465 intermediary or subsidiary of the such company. Any institutional investor granted a waiver
1466 which subsequently determines to influence or affect the affairs or operations of the gaming
1467 vendor, or a holding, intermediary or subsidiary of the gaming vendor, shall provide not less than
1468 30 days notice to the board of such intent and shall file an application and be subject to the
1469 licensing requirements of this chapter before taking an action that may influence or affect the
1470 affairs of the applicant company or a holding, intermediary or subsidiary of the applicant
1471 company.

1472 (d) The board, by a majority vote of all members, may (i) make a recommendation to the
1473 commission that it deny a gaming vendor license application; (ii) extend the period for issuing a
1474 recommendation in order to obtain additional information necessary for a complete evaluation of
1475 the gaming vendor license application; or (iii) recommend to the commission that it grant the
1476 applicant a gaming vendor license.

1477 (e) The board may deny an application for registration of a non-gaming vendor or
1478 supplier if the board finds that an applicant or registrant is disqualified under section 11 or may
1479 be unsuitable for registration under section 14.

1480 (f) The commission or board, in the case of a non-gaming vendor, may condition,
1481 suspend or revoke any license or registration under this section if the commission or board finds
1482 that a licensee or registrant has:

1483 (i) been arrested or convicted of a crime;

1484 (ii) failed to comply with section 10; or

1485 (iii) failed to comply with this chapter pertaining to licensees.

1486 (g) The board shall establish a master vendor list to monitor all gaming and non-gaming
1487 vendor contracts with a gaming establishment. A vendor doing business with a gaming
1488 establishment which has failed to submit an application for licensure or registration shall be
1489 prohibited from engaging in any future business with a gaming establishment; provided,
1490 however, that the board may terminate any contracts that have been entered into with an
1491 unlicensed or unregistered vendor.

1492 (h) Each gaming licensee shall have a continuing duty to inform the board of all gaming
1493 and non-gaming vendor contracts.

1494 (i) A license or registration issued under this section shall be issued for a term of 3 years.
1495 It shall be the responsibility of the vendor to ensure that the vendor?s license or registration is
1496 current.

1497 (j) The board shall establish fees for gaming vendor licenses which shall include costs
1498 incurred for conducting a background investigation into an applicant for said license. The board
1499 shall establish fees for non-gaming vendor registration which shall include costs incurred for
1500 conducting a background investigation into an applicant for said registration.

1501 (k) The board shall monitor the conduct of all gaming vendors and other persons having a
1502 material involvement, directly or indirectly, with a gaming vendor to ensure that gaming vendor
1503 licenses are not issued to, or held by, and there is no direct or indirect material involvement with,
1504 a gaming vendor by unqualified, disqualified or unsuitable persons.

1505 Section 20. (a) Each labor organization, union or affiliate seeking to represent employees
1506 who are employed at a gaming establishment shall register with the board.

1507 (b) Neither a labor organization, nor its officers who are not otherwise licensed or
1508 registered under this chapter, may hold any financial interest in a gaming establishment whose
1509 employees are represented by the organization.

1510 Section 21. (a) A gaming licensee shall be permitted to issue credit to a patron of a
1511 gaming establishment under regulations promulgated under section 5. Such regulations shall
1512 include, but not be limited to: (i) procedures for confirming that a patron has an established
1513 credit history and is in good standing; (ii) whether the patron has a good credit history with the
1514 gaming establishment; (iii) authorization of a credit instrument; (iv) methods for acknowledging
1515 a credit instrument and payment of debt; and (v) information to be provided by the patron to the
1516 gaming establishment to be shared with the board for auditing purposes.

1517 (b) Except as otherwise authorized by the board through regulations under section 5, no
1518 establishment, nor any person acting on behalf of an establishment shall: (1) cash any check,
1519 make any loan or otherwise provide or allow to a person any credit or advance of anything of
1520 value, or which represents value, to enable a person to place a wager; or (2) release or discharge
1521 a debt, either in whole or in part, or make a loan which represents any losses incurred by a player
1522 in gaming activity, without maintaining a written record of the release or discharge under the
1523 rules of the commission. Nothing in this section shall prohibit an establishment from accepting
1524 credit cards for non-gaming related purchases or services.

1525 (c) Checks cashed in conformity with the requirements of this chapter shall be valid
1526 instruments enforceable under the laws of the commonwealth. Any check cashed, transferred,
1527 conveyed or given in violation of this chapter or regulations promulgated under section 5 shall be
1528 invalid and unenforceable.

1529 (c 1/2) The commission shall, in consultation with the department of transitional
1530 assistance, the department of labor and workforce development, the department of housing and
1531 community development or the applicable administering agency, establish by regulation, under
1532 section 5, procedures and standards to prohibit an establishment or any person acting on behalf
1533 of an establishment from: (1) cashing a government-issued check; (2) from operating on its
1534 premises any credit card or ATM machine that would allow a patron to obtain cash from a
1535 government-issued Electronic Benefits Transfer Card; and (3) from extending or issuing credit to
1536 a patron of a gaming establishment who receives any form of income-based public assistance
1537 including, but not limited to, the Supplemental Nutrition Assistance Program, Temporary
1538 Assistance for Needy Families, Emergency Aid to Elders, Disabled and Children, public housing
1539 assistance, MassHealth and unemployment insurance. The procedures and standards established
1540 shall ensure the privacy of all patrons receiving public assistance.

1541 (d) The commission shall establish by regulation, under section 5, procedures and
1542 standards for approving promotional gaming credits; provided, that, no such credit shall be
1543 reported as a promotional gaming credit by an operator of a gaming establishment unless the
1544 operator can establish that the credit was issued by the gaming establishment and received from a
1545 patron as a wager at a game in the gaming establishment; provided, further, that such
1546 promotional gaming credit shall not be taxable for the purposes of determining gross revenue.

1547 (e) No other person or entity, other than a gaming licensee licensed under this chapter,
1548 shall issue credit to a person while the person is a patron of a gaming establishment.

1549 (f) Debt collections under this section and debt collection regulations promulgated under
1550 section 5 shall be limited to key gaming employees or attorneys acting directly on behalf of
1551 gaming licensees; provided further that a key gaming employee shall be prohibited from making
1552 any such collections if the key gaming employee serves as a junket representative for the gaming
1553 establishment.

1554 (g) On an annual basis, each gaming licensee shall report to the commission the number
1555 of debt collection processes on patrons that the commission initiates and the total amount
1556 recovered by the licensee. Notwithstanding any general or special laws to the contrary, this
1557 report shall be considered public record.

1558 Section 22. (a) No junkets may be organized or permitted and no person may act as a
1559 junket representative or junket enterprise except as authorized by the board under this chapter.

1560 (b) A junket representative employed by a gaming licensee or affiliate shall be licensed as
1561 a gaming employee; provided, however, that a junket representative need not be a resident of the
1562 commonwealth. A person who holds a valid gaming employee license may act as a junket
1563 representative while employed by a gaming licensee or an affiliate. No gaming licensee shall
1564 employ or otherwise engage a junket representative who is not licensed under this chapter.

1565 (c) The board shall deny an application for a license under this section if the board finds
1566 that an applicant is disqualified under section 11 or may be unsuitable for licensure under section
1567 14.

1568 (d) Each gaming licensee, junket representative or junket enterprise shall file a report
1569 with the board with respect to each list of junket patrons or potential junket patrons purchased
1570 directly or indirectly by the gaming licensee, junket representative or enterprise.

1571 (e) No junket enterprise or junket representative or person acting as a junket
1572 representative shall: (i) engage in efforts to collect upon checks that have been returned by banks
1573 without full and final payment; (ii) exercise approval authority with regard to the authorization or
1574 issuance of credit under this chapter; (iii) act on behalf of or under any arrangement with a
1575 gaming licensee or a gaming patron with regard to the redemption, consolidation or substitution
1576 of the gaming patron?s checks awaiting deposit; (iv) individually receive or retain any fee from a
1577 patron for the privilege of participating in a junket; or (v) pay for any services, including
1578 transportation, or other items of value provided to, or for the benefit of, any patron participating
1579 in a junket.

1580 Section 23. (a) No gaming licensee shall offer complimentary services, gifts, cash or
1581 other items of value to any person unless those complimentary services or items are provided
1582 through a complimentary distribution program which shall be filed and approved by the board
1583 upon the implementation of the program or maintained under regulations adopted under section
1584 5.

1585 (b) Gaming licensees shall submit quarterly reports to the board covering all
1586 complimentary services offered or engaged in by the licensee during the immediately preceding
1587 quarter. The reports shall identify regulated complimentary services and the costs of those
1588 services, the number of people who received each service or item and such other information as

1589 the board may require. The report shall also document any services or items valued in excess of
1590 $2,000 that were provided to patrons, including detailed reasons as to why they were provided.

1591 (c) Complimentary services or items shall be valued in an amount based upon the retail
1592 price normally charged by the gaming licensee for the service or item. The value of a
1593 complimentary service or item not normally offered for sale by a gaming licensee or provided by
1594 a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing
1595 the service or item, as determined under rules adopted by the commission.

1596 Section 24. (a) Upon revocation or suspension of a gaming license under section 26 or
1597 upon the failure or refusal to renew a gaming license the commission may appoint a conservator
1598 to temporarily manage and operate the business of the licensee relating to the gaming
1599 establishment. Such conservator shall be a person of similar experience in the field of gaming
1600 management and, in the case of replacing a gaming licensee, shall have experience operating a
1601 gaming establishment of similar caliber in another jurisdiction, and shall be in good standing in
1602 all jurisdictions in which the conservator operates a gaming establishment.

1603 Upon appointment, a conservator shall agree to all licensing provisions of the former
1604 licensee.

1605 (b) A conservator shall, before assuming managerial or operational duties, execute and
1606 file a bond for the faithful performance of such duties payable to the board with such surety and
1607 in such form and amount as the board shall approve.

1608 (c) The board shall require that the former or suspended licensee purchase liability
1609 insurance, in an amount determined by the board, to protect a conservator from liability for acts
1610 or omissions of the conservator during the conservator?s appointment reasonably related to, and
1611 within the scope of, the conservator?s duties.

1612 (d) During the period of temporary management of the gaming establishment, the
1613 commission shall initiate proceedings under this chapter to award a new gaming license to a
1614 qualified applicant whose gaming establishment shall be located at the site of the preexisting
1615 gaming establishment.

1616 (e) Applicants for a new gaming license shall be qualified for licensure under this
1617 chapter; provided, however, that the commission shall determine an appropriate level of
1618 investment by an applicant into the preexisting gaming establishment.

1619 (f) Upon award of a new gaming license, the new gaming licensee shall pay the licensing
1620 fee.

1621 Section 25. (a) There shall be within the board an investigations and enforcement bureau,
1622 which shall be the primary enforcement agent for regulatory matters under this chapter. The
1623 bureau shall perform such functions as the chair of the board determines in relation to

1624 enforcement, including the investigations of all licensees under this chapter. The bureau shall be
1625 under the supervision and control of the deputy director for investigations and enforcement. The
1626 deputy director shall be the executive and administrative head of the bureau and shall be
1627 responsible for administering and enforcing the law relative to the bureau and to each
1628 administrative unit of the bureau. The duties given to the deputy director in this chapter and in
1629 any other general or special law shall be exercised and discharged subject to the direction,
1630 control and supervision of the chair of the board.

1631 (b) The bureau shall be a law enforcement agency and its employees shall have such law
1632 enforcement powers as to effectuate the purposes of this chapter, including the power to receive
1633 intelligence on an applicant or licensee under this chapter and to investigate a suspected violation
1634 of this chapter.

1635 (c) Officers and employees of the gaming enforcement unit of the state police assigned to
1636 the commission under section 70 of chapter 22C shall work with employees of the bureau, under
1637 the direction of the deputy director, to investigate violations of this chapter by a licensee under
1638 this chapter or any activity taking place on the premises of a gaming establishment. Officers
1639 assigned to work with the bureau shall record their time and submit total hours to the bureau.
1640 The board shall reimburse the state police.

1641 (d) The bureau shall notify the division of gaming enforcement in the office of the
1642 attorney general of any criminal violations by a gaming licensee. The bureau and the division
1643 shall cooperate on the regulatory and criminal enforcement of this chapter and may determine
1644 whether to proceed with civil or criminal sanctions, or both against said licensee.

1645 (e) To further effectuate the purposes of this chapter with respect to the investigation and
1646 enforcement of licensed gaming establishments and licensees, the bureau may obtain or provide
1647 pertinent information regarding applicants or licensees from or to law enforcement entities or
1648 gaming authorities and other domestic, federal or foreign jurisdictions, including the Federal
1649 Bureau of Investigation and may send or receive such information electronically.

1650 (f) The gaming enforcement unit of the department of state police shall have exclusive
1651 police jurisdiction of any criminal activity relating to the operation of a gaming establishment or
1652 relating to games or gaming that occurs inside a gaming establishment; provided, however, that
1653 the state police shall have concurrent jurisdiction with the law enforcement agency of the host
1654 community on all other policing matters and, in consultation with the board, shall execute a
1655 memorandum of understanding with the law enforcement agency of the host community that
1656 shall include, but not be limited to, procedures involving: (i) assignment of police officers of the
1657 host community to the gaming enforcement unit of the state police; (ii) first responder calls from
1658 the gaming establishment; (iii) emergencies occurring within the gaming establishment,
1659 including the gaming area; and (iv) criminal investigations involving employees or patrons of the
1660 gaming establishment.

1661 Section 26. (a) The board shall have the authority to issue orders requiring persons to
1662 cease activity which violates this chapter, a regulation adopted under this chapter or a law related
1663 to gaming in the commonwealth. The board may, in its order, require compliance with such
1664 terms and conditions as are reasonably necessary to effectuate the purposes of this chapter.

1665 (b) If the board finds, under the procedures established in this section and the regulations
1666 adopted under said section 5, that a person is not in compliance with an order issued under this
1667 section, it shall assess a civil administrative penalty on such person and the regulations adopted
1668 under section 5. The penalty may be assessed whether or not the violation was willful. In
1669 determining the amount of the civil penalty, the board shall consider: (i) the nature of the
1670 violation; (ii) the length of time the violation occurred; (iii) the risk to the public and to the
1671 integrity of gaming operations created by the conduct of the person; (iv) the seriousness of the
1672 conduct of the person; (v) any justification or excuse for such conduct by the person; (vi) the
1673 prior history of the particular person involved with respect to gaming activity; (vii) any
1674 corrective action taken by person to prevent future misconduct; and (viii) other relevant factors.

1675 (c) In addition to collecting any civil penalties recoverable under this chapter or any other
1676 general or special law, the board may bring an action in the superior court to restrain, prevent or
1677 enjoin any conduct prohibited by this chapter or to compel action to comply immediately and
1678 fully with an order issued by the bureau. Except in the case of an emergency during which, in the
1679 opinion of the court, immediate abatement of the unlawful conduct is required to protect the
1680 public interest, the court may in its decree fix a reasonable time during which the person
1681 responsible for the unlawful conduct may abate and correct the violation. The expense of the
1682 proceeding shall be recoverable from the subject of the proceeding.

1683 (d) Upon a recommendation from the board, the commission may issue orders to
1684 condition, suspend or revoke a license or permit issued under this chapter.

1685 (e) The board may issue an order to cease and desist any activity if the board finds that a
1686 licensee has engaged in or is about to engage in an act or practice which constitutes a violation of
1687 this chapter or laws of the commonwealth and may take such affirmative action to effectuate the
1688 order. If the board finds that the licensee is engaged in an act or practice that would cause
1689 irreparable harm to the security and integrity of the gaming establishment or the interests of the
1690 commonwealth in ensuring the security and integrity of gaming under this chapter, the board
1691 may issue a temporary suspension of the license.

1692 (f) Any licensee who has been issued a temporary order of suspension by the board shall
1693 be entitled to a hearing before the commission on such suspension within 7 days of the day on
1694 which the order was issued. At the conclusion of the hearing, the commission may issue a final
1695 order to condition, suspend or revoke the license in question.

1696 (g) Any licensee shall have the right to an adjudicatory hearing under chapter 30A on an
1697 order issued by the board.

1698 Section 27. (a) The board may assess a civil administrative penalty on a licensee or
1699 registrant who fails to comply with any provision of this chapter or any regulation or order
1700 adopted by the commission; provided, however, that such noncompliance occurred after the
1701 board had given the licensee or registrant written notice of such noncompliance and the time
1702 stated in the notice for coming into compliance had elapsed. The board may assess a civil
1703 administrative penalty on a licensee or registrant without providing written notice of such
1704 noncompliance if the failure to comply: (i) was part of a pattern of noncompliance and not an
1705 isolated instance; (ii) was willful or neglectful and not the result of error; (iii) resulted in a
1706 significant breach to the integrity of the gaming establishment or gaming laws of the
1707 commonwealth; and (iv) consisted of failure to promptly report to the board any knowledge of
1708 evidence or circumstances that would cause a reasonable person to believe that a violation of this
1709 chapter had been committed. The civil administrative penalty shall be in addition to any other
1710 civil penalty that may be prescribed by law.

1711 (b) For the purpose of determining whether such noncompliance was part of a pattern of
1712 noncompliance and not an isolated instance, the board shall consider without limitation the
1713 following: (i) whether the board had previously notified the person of such noncompliance on
1714 more than 1 occasion during the previous month or of any noncompliance similar to the current
1715 noncompliance during the previous 6 months; or (ii) whether the current and previous instances
1716 of noncompliance, considered together, indicate a potential threat to the integrity of the gaming
1717 establishment and gaming in the commonwealth or an interference with the commission?s ability
1718 to efficiently and effectively regulate gaming in the commonwealth and enforce any regulation,
1719 license or order. If a licensee or registrant who has received a notice of noncompliance fails to
1720 come into compliance within the time period stated in such notice, the civil administrative
1721 penalty may be assessed by the board upon such licensee or registrant from the date of receipt of
1722 such notice.

1723 (c) Whenever the board seeks to assess a civil administrative penalty on a licensee or
1724 registrant, the board shall cause to be served upon such licensee or registrant, either by service,
1725 in hand, or by certified mail, return receipt requested, a written notice of the board?s intent to
1726 assess a civil administrative penalty which shall include:

1727 (i) a concise statement of the alleged act or omission for which the board seeks to
1728 assess the civil administrative penalty;

1729 (ii) each law, regulation, order, license or approval which has not been complied
1730 with as a result of the alleged act or omission;

1731 (iii) the amount which the board seeks to assess as a civil administrative penalty
1732 for each such alleged act or omission;

1733 (iv) a statement of the licensee?s or registrant's right to an adjudicatory hearing on
1734 the proposed assessment;

1735 (v) the requirements such licensee or registrant shall comply with to avoid
1736 waiving the licensee?s or registrant?s right to an adjudicatory hearing; and

1737 (vi) the manner of payment of the penalty if the licensee or registrant elects to pay
1738 the penalty and waive an adjudicatory hearing.

1739 After written notice of noncompliance or intent to assess a civil administrative penalty
1740 has been given, each subsequent day during which such noncompliance occurs or continues shall
1741 constitute a separate offense and may be subject to a separate civil administrative penalty if
1742 reasonable efforts have not been made by the licensee or registrant to promptly come into
1743 compliance.

1744 (d) Whenever the board seeks to assess a civil administrative penalty on a licensee or
1745 registrant, such licensee or registrant shall have the right to an adjudicatory hearing. Chapter
1746 30A shall apply to adjudicatory hearings under this chapter; provided, however, that if there is a
1747 conflict between this chapter and said chapter 30A, this chapter shall govern.

1748 (e) A licensee or registrant shall be deemed to have waived the licensee?s or registrant?s
1749 right to an adjudicatory hearing unless, within 21 days of the date of the board's notice that it
1750 seeks to assess a civil administrative penalty, the licensee or registrant files with the board a
1751 written statement denying the occurrence of the acts or omissions alleged by the board in such
1752 notice or asserting that the amount of the proposed civil administrative penalty is excessive. In an
1753 adjudicatory hearing the board shall be required to prove the occurrence of each act or omission
1754 alleged by the board by a preponderance of the evidence.

1755 (f) If a licensee or registrant waives the licensee?s or registrant?s right to an adjudicatory
1756 hearing, the proposed civil administrative penalty shall be final immediately upon such waiver.
1757 If a civil administrative penalty is assessed at the conclusion of an adjudicatory hearing, the civil
1758 administrative penalty shall be final upon the expiration of 30 days if no action for judicial
1759 review of the decision is commenced under chapter 30A.

1760 (g) A licensee or registrant who institutes proceedings for judicial review of the final
1761 assessment of a civil administrative penalty shall place the full amount of the final assessment in
1762 an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing
1763 court. The establishment of such an interest-bearing escrow account shall be a condition
1764 precedent to the jurisdiction of the reviewing court unless the party seeking judicial review
1765 demonstrates in a preliminary hearing held within 30 days of the filing of the complaint an
1766 inability to pay. Upon such a demonstration, the court may grant an extension or waiver of the
1767 interest-bearing escrow account or may require, in lieu of such interest-bearing escrow account,
1768 the posting of a bond payable directly to the commonwealth in the amount of 125 per cent of the
1769 assessed penalty.

1770 (i) If, after judicial review, in a case where the requirement for an escrow account
1771 has been waived, and in cases where a bond has been posted in lieu of such requirement, the
1772 court affirms, in whole or in part, the assessment of a civil administrative penalty the board shall
1773 be paid the amount of the penalty together with interest at the rate set forth in section 6C of
1774 chapter 231.

1775 (ii) If, after such review in a case where an interest-bearing escrow account has
1776 been established, the court affirms the assessment of such penalty, in whole or in part, the board
1777 shall be paid the amount of the penalty together with the accumulated interest on the amount of
1778 the penalty in such interest-bearing escrow account.

1779 (iii) If the court sets aside the assessment of a civil administrative penalty in a
1780 case where the amount of such penalty has been deposited in an interest-bearing escrow account,
1781 the licensee or registrant on whom the civil administrative penalty was assessed shall be repaid
1782 the amount so set aside, together with the accumulated interest on the amount deposited.

1783 (h) Each licensee or registrant who fails to pay a civil administrative penalty in a timely
1784 fashion, and each person who issues a bond under this section and who fails to pay to the board
1785 in a timely fashion the required amount, shall be liable to the commonwealth for up to 3 times
1786 the amount of the civil administrative penalty, or the amount of economic benefit realized by the
1787 licensee or registrant as a result of noncompliance, whichever is greater, together with costs, plus
1788 interest from the time the civil administrative penalty became final and attorneys' fees, including
1789 all costs and attorneys' fees incurred directly in the collection of the penalty. The rate of interest
1790 shall be the rate set forth in section 6C of chapter 231.

1791 Section 28. (a) Whoever conducts or operates, or permits to be conducted or operated,
1792 any game or gaming device in violation of this chapter or the regulations adopted under this
1793 chapter shall be punished by imprisonment in the state prison for not more than 5 years or
1794 imprisonment in the house of correction for not more than 2? years, or by a fine not to exceed
1795 $25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1796 $100,000.

1797 (b) Whoever employs, or continues to employ, an individual in a position, the duties of
1798 which require a license or registration under this chapter, who is not so licensed or registered,
1799 shall be punished by imprisonment the house of correction for not more than 6 months, or by a
1800 fine not to exceed $10,000, or both, and in the case of a person other than a natural person, by a
1801 fine not to exceed $100,000.

1802 (c) Whoever works or is employed in a position, the duties of which require licensing or
1803 registration under this chapter, without the required license or registration, shall be punished by
1804 imprisonment in the house of correction for not more than 6 months or a fine not to exceed
1805 $10,000, or both.

1806 (d) A gaming licensee who, without the permission of the commission: (i) places a game
1807 or gaming device into play or displays a game or gaming device in a gaming establishment; or
1808 (ii) receives, directly or indirectly, any compensation or reward or any percentage or share of the
1809 revenue for keeping, running or carrying on a game, or owning the real property upon, or the
1810 location within which any game occurs, shall be punished by imprisonment in the house of
1811 correction for not more than 2? years or by a fine not to exceed $25,000, or both, and in the case
1812 of a person other than a natural person, by a fine not to exceed $100,000.

1813 (e) Whoever conducts or operates any game or gaming device after the person?s gaming
1814 license has expired and prior to the actual renewal of the gaming license shall be punished by
1815 imprisonment in the house of correction for not more than 1? years or a fine not to exceed
1816 $25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1817 $100,000.

1818 (f) A gaming licensee who knowingly fails to exclude from the licensee?s gaming
1819 establishment any person placed by the commission on the list of excluded persons shall be
1820 punished by a fine not to exceed $5,000 or by imprisonment in the house of correction for not
1821 more than 1 year, or both, and in the case of a person other than a natural person, by a fine not to
1822 exceed $100,000.

1823 (g) Whoever willfully:

1824 (i) fails to report, pay or truthfully account for and pay over a license fee or tax
1825 imposed by this chapter or by the regulations adopted under this chapter; or

1826 (ii) evades or defeats, or attempts to evade or defeat, a license fee or tax or
1827 payment of a license fee or tax shall be punished by imprisonment in the state prison for not
1828 more than 5 years or in the house of correction for not more than 2? years or a fine not to exceed
1829 $100,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1830 $5,000,000.

1831 Section 29. Whoever willfully resists, prevents, impedes, interferes with, or makes any
1832 false, fictitious or fraudulent statement or representation to the board, bureau, commission or
1833 division or to agents or employees of the board, bureau, commission or division in the lawful
1834 performance of the agent?s or employee?s duties under this chapter shall be punished by
1835 imprisonment in the state prison for not more than 5 years or in the house of correction for not
1836 more than 2? years, or by a fine not to exceed $25,000, or both.

1837 Section 30. (a) Whoever, during a game in a gaming establishment, knowingly and by
1838 any trick or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other
1839 gaming device, for himself, for another or for a representative of either:

1840 (i) wins, or attempts to win, money or property; or

1841 (ii) reduces, or attempts to reduce, a losing wager in a gaming establishment shall
1842 be guilty of cheating and swindling.

1843 (b) Whoever knowingly uses a cheating and swindling device or game in a gaming
1844 establishment shall be guilty of cheating and swindling.

1845 (c) Whoever commits the offense of cheating and swindling shall be punished as follows:

1846 (i) if the value of the money, property or wager cheated and swindled is $75,000
1847 or more, by imprisonment in the state prison for not more than 10 years or in the house of
1848 correction for not more than 2? years or by a fine not to exceed $1,000,000, or both, and in the
1849 case of a person other than a natural person, by a fine not to exceed $10,000,000;

1850 (ii) if the value of the money, property or wager cheated and swindled is $10,000
1851 or more but less than $75,000, by imprisonment in the state prison for not more than 5 years or in
1852 the house of correction for not more than 2? years or by a fine not to exceed $500,000, or both,
1853 and in the case of a person other than a natural person, by a fine not to exceed $5,000,000;

1854 (iii) if the value of the money, property or wager cheated and swindled is $1,000
1855 or more but less than $10,000, by imprisonment in the state prison for not more than 3 years or in
1856 the house of correction for not more than 2? years or by a fine not to exceed $100,000, or both,
1857 and in the case of a person other than a natural person, by a fine not to exceed $1,000,000;

1858 (iv) if nothing of value was obtained in violation of this subsection or if the value
1859 of the money, property or wager cheated and swindled is less than $1,000, by imprisonment in
1860 the house of correction for not more than 2? years or by a fine not to exceed $10,000, or both,
1861 and in the case of a person other than a natural person, by a fine not to exceed $100,000.

1862 (d) Each episode or transaction of swindling and cheating may be the subject of a
1863 separate prosecution and conviction. In the discretion of the commonwealth, multiple episodes
1864 or transactions of swindling and cheating committed as part of a single scheme or course of
1865 conduct may be treated as a single offense and the amounts involved in acts of swindling and
1866 cheating committed according to a scheme or course of conduct, whether by the same person or
1867 several persons, may be aggregated in determining the value of money, property or wager
1868 involved in the offense.

1869 (e) A gaming licensee, or an employee of a gaming licensee, who, in a gaming
1870 establishment, knowingly:

1871 (i) conducts or operates any game using a cheating and swindling device or game;

1872 (ii) displays for play a cheating and swindling game; or

1873 (iii) permits to be conducted, operated or displayed, any cheating and swindling
1874 device or game shall be punished by imprisonment in the state prison for not more than 5 years

1875 or imprisonment in the house of correction for not more than 2? years, or by a fine not to exceed
1876 $25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1877 $100,000.

1878 Section 31. (a) Whoever possesses a cheating and swindling device or game, with the
1879 intent to defraud, cheat or steal, shall be punished by imprisonment in the house of correction for
1880 not more than 2? years, or by a fine not to exceed $10,000, or both, and in the case of a person
1881 other than a natural person, by a fine not to exceed $100,000.

1882 (b) Possession of a cheating and swindling device or game within a gaming establishment
1883 shall constitute prima facie evidence of an intent to defraud, cheat or steal, except possession by
1884 a licensee or an employee of a licensee, acting lawfully in furtherance of such person's
1885 employment within the gaming establishment, shall be punished by imprisonment in the house of
1886 correction for not more than 2? years, or a fine not to exceed $10,000, or both.

1887 Section 32. Whoever manufactures, distributes, sells or services a gaming device, in
1888 violation of this chapter or regulations adopted under this chapter and for the purpose of
1889 defrauding, cheating or stealing from a person playing, operating or conducting a game in a
1890 gaming establishment, shall be punished by imprisonment in the state prison for not more than 5
1891 years or imprisonment in the house of correction for not more than 2? years, or by a fine not to
1892 exceed $25,000, or both, and in the case of a person other than a natural person, by a fine not to
1893 exceed $150,000.

1894 Section 33. (a) Any device, game or gaming device possessed, used, manufactured,
1895 distributed, sold or serviced in violation of this chapter shall be subject to seizure and forfeiture
1896 by the division or bureau. Forfeiture proceedings shall be conducted as provided in subsections
1897 (b) to (j), inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section
1898 47 of said chapter 94C, the commission shall be considered a police department, entitled to a
1899 police department?s distribution of forfeiture proceedings.

1900 Section 34. (a) Whoever, being under 21 years old, plays, places wagers at, or collects
1901 winnings from, whether personally or through an agent, a game in a gaming establishment shall
1902 be punished by imprisonment in the house of correction for not more than 6 months or a fine not
1903 to exceed $1,000, or both.

1904 (b) Whoever, being a gaming licensee or an employee of a gaming licensee, who
1905 knowingly allows a person under the age of 21 to play, place wagers at, or collect winnings from
1906 a game in a gaming establishment, whether personally or through an agent, shall be punished, for
1907 a first offense, by imprisonment in a the house of correction for not more than 1 year or a fine
1908 not to exceed $10,000, or both, and in the case of a person other than a natural person, by a fine
1909 not to exceed $500,000 and, for a second or subsequent offense, by imprisonment in the house of
1910 correction for not more than 2 years or a fine not to exceed $50,000, or both, and in the case of a
1911 person other than a natural person, by a fine not to exceed $1,000,000.

1912 Section 35. (a) The board shall, by regulation promulgated under section 5, provide for
1913 the establishment of a list of excluded persons who are to be excluded or ejected from a gaming
1914 establishment. In determining the list of excluded persons, the board may consider, but shall not
1915 be limited to:

1916 (1) whether a person has been convicted of a criminal offense under the laws of any state
1917 or the United States that is punishable by more than 6 months in prison, a crime of moral
1918 turpitude or a violation of the gaming laws of any state;

1919 (2) whether a person has violated or conspired to violate this chapter relating to:

1920 (i) failure to disclose an interest in a gaming establishment for which the person
1921 must obtain a license; or

1922 (ii) willful evasion of fees or taxes;

1923 (3) whether a person has a notorious or unsavory reputation which would adversely affect
1924 public confidence and trust that the gaming industry is free from criminal or corruptive elements;
1925 and

1926 (4) the potential of injurious threat to the interests of the commonwealth in the gaming
1927 establishment.

1928 (b) No person shall be placed on the list of excluded persons due to race, color, religion,
1929 national origin, ancestry, sexual orientation, disability or sex.

1930 (c) The board may revoke, limit, condition, suspend or fine a gaming establishment if
1931 such establishment knowingly fails to exclude or eject from its premises any person placed by
1932 the commission on the list of excluded persons.

1933 (d) Whenever the board places a name on the list of excluded persons, the board shall
1934 serve written notice upon that person by personal service, registered or certified mail return
1935 receipt requested to the last ascertainable address, or by publication in a daily newspaper of
1936 general circulation for 1 week.

1937 (e) (1) Within 30 days of receipt of service by mail or 60 days after the last
1938 publication under subsection (d), a person placed on the list of excluded persons may request an
1939 adjudicatory hearing before the commission under chapter 30A and show cause as to why the
1940 person should be removed from the list of excluded persons. Failure to demand a hearing within
1941 the time allotted in this section shall preclude the person from having an administrative hearing,
1942 but in no way affect the person?s right to petition for judicial review.

1943 (2) Upon receipt of a demand for hearing, the commission shall set a time and
1944 place for the hearing. This hearing shall be held not later than 30 days after receipt of the demand

1945 for the hearing, unless the time of the hearing is changed by agreement of the commission and
1946 the person demanding the hearing.

1947 (3) If, upon completion of the hearing, the commission determines that the person
1948 was wrongfully placed on the list of excluded persons, the commission shall remove the person?s
1949 name from the list of excluded persons and notify all gaming licensees. A person aggrieved by a
1950 final decision of the commission in an adjudicatory proceeding under this section may petition
1951 for judicial review under section 14 of chapter 30A.

1952 (f) The board shall establish a list of self-excluded persons from gaming establishments.
1953 A person may request such person?s name to be placed on the list of self-excluded persons by
1954 filing a statement with the board acknowledging that the person is a problem gambler and by
1955 agreeing that, during any period of voluntary exclusion, the person may not collect any winnings
1956 or recover any losses resulting from any gaming activity at a gaming establishment. The
1957 commission shall adopt further regulations, under section 5, for the self-excluded persons list
1958 including procedures for placement, removal and transmittal of such list to gaming
1959 establishments.

1960 (g) Gaming establishments shall not market to persons on the excluded persons list and
1961 shall deny access to complimentaries, check cashing privileges, club programs and other similar
1962 benefits to persons on the self-excluded persons list.

1963 (h) Notwithstanding any other law to the contrary, the self-excluded persons list shall not
1964 be open to public inspection. Nothing in this section, however, shall prohibit a gaming
1965 establishment from disclosing the identity of persons on the self-excluded persons list under this
1966 section to affiliated gaming establishments in this commonwealth or other jurisdictions for the
1967 limited purpose of assisting in the proper administration of responsible gaming programs
1968 operated by affiliated gaming establishments.

1969 (i) As used in this subsection the following words shall, unless the context clearly
1970 requires otherwise, have the following meanings:-

1971 (i) "Problem gambler", a person who chronically or habitually gambles to the
1972 extent that: (1) such gambling substantially interferes with the person's social or economic
1973 functioning; or (2) the person has lost the power of self-control over such person?s gambling.

1974 (ii) "Relative", the father or mother of an individual; a stepfather, stepmother,
1975 stepbrother, stepsister or any blood relative of an individual, including those of the half blood,
1976 except cousins who are more distantly related than first cousins; an adoptive relative of equal
1977 propinquity to the foregoing; or a spouse of any such persons.

1978 A police officer, physician, spouse, relative, guardian or court official may petition, in
1979 writing, a district court for an order of exclusion from gaming establishments applicable to a

1980 person whom the petitioner has reason to believe is a problem gambler. Upon receipt of a
1981 petition for an order of exclusion of a person and any sworn statements the court may request
1982 from the petitioner, the court shall immediately schedule a hearing on the petition and shall cause
1983 a summons and a copy of the petition to be served upon the person as provided by section 25 of
1984 chapter 276. The person may be represented by legal counsel and may present independent
1985 expert or other testimony. The court shall order examination by a qualified psychologist.

1986 If, after a hearing, the court based upon competent testimony finds that said person is a
1987 problem gambler and there is a likelihood of serious harm as a result of the person's gambling,
1988 the court may order that such person be prohibited from gaming in gaming establishments. The
1989 court shall communicate this order to the board, which shall place the person?s name on the list
1990 of excluded persons.

1991 (j) A person who is prohibited from gaming in a gaming establishment under this section
1992 shall not collect any winnings or recover losses arising as a result of prohibited gaming.
1993 Winnings obtained by a person who is prohibited from gaming in a gaming establishment shall
1994 be forfeited to the board.

1995 (k) A person who enters the premises of a gaming establishment after having been placed
1996 on the list of excluded persons, without first having obtained a determination by the commission
1997 that such person should not have been placed on the list of excluded persons, shall be punished
1998 by imprisonment in a jail or house of correction for not more than 2? years or by a fine of not
1999 more than $10,000, or both.

2000 (l) The board shall pursue an interstate compact for the purposes of sharing information
2001 regarding the excluded persons list.

2002 Section 36. A gaming establishment offering a cashless wagering system shall allow
2003 individuals to monitor and impose betting limits on their cashless wagering. The gaming
2004 establishment shall allow individuals to set betting limits on their cashless wagering including,
2005 but not limited to, per bet limits, hourly limits, daily limits, weekly limits and monthly limits. An
2006 individual may lower limits and increase limits; provided, that, the player shall not increase
2007 betting limits more than once in a 24 hour period. Upon request by an individual, the gaming
2008 establishment shall provide to that individual a statement of that individual?s cashless wagering
2009 activity for any given time period including total bets, wins and losses. Activity under this
2010 section shall be monitored by the board. Individuals on the list of excluded persons or list of self-
2011 excluded persons shall not be permitted to participate in a cashless wagering system.

2012 Section 37. A liability to the commonwealth under this chapter shall constitute a debt to
2013 the commonwealth. Once a statement naming a licensee is recorded, registered or filed, any such
2014 debt shall constitute a lien on all commercial property owned by a gaming licensee in the
2015 commonwealth and shall have priority over an encumbrance recorded, registered or filed with
2016 respect to any site.

2017 Section 38. (a) Prior to disbursement of cash or prizes in excess of $600, a licensee shall
2018 review information made available by the IV-D agency, as set forth in chapter 119A and by the
2019 department of revenue to ascertain whether the winner of the cash or prize owes past due child
2020 support to the commonwealth or to an individual to whom the IV-D agency is providing services,
2021 and to ascertain whether the winner of the cash or prize owes any past due tax liability to the
2022 commonwealth.

2023 (b) If the winner of the cash or prize owes past due child support or a past due tax
2024 liability, the licensee shall notify the IV-D agency or the commonwealth, respectively, of the
2025 winner?s name, address and social security number. Subsequent to statutory and federal tax
2026 withholding, the licensee shall first disburse to the IV-D agency the full amount of the cash or
2027 prize or such portion of the cash or prize that satisfies the winner?s past due child support
2028 obligation.

2029 (c) If funds remain available after the disbursement to the IV-D agency, or if no such
2030 obligation to the IV-D agency is owed, the licensee shall disburse to the department of revenue
2031 the full amount of the cash or prize or such portion of the cash or prize that satisfies the winner?s
2032 past due tax liability.

2033 (d) The licensee shall disburse to the winner only that portion of the cash or prize, if any,
2034 remaining after the winner?s past due child support obligation and the winner?s past due tax
2035 liability have been satisfied.

2036 Section 39. Gaming licensees shall, on a monthly basis, transmit to the department of
2037 transitional assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons
2038 who were awarded cash winnings, or a prize, valued in excess of $600.00 in the prior month. The
2039 information shall be provided in a format which is compatible with the automated data
2040 processing systems of said department and said agency, to ensure the immediate identification of
2041 persons who may be receiving public assistance benefits. The information provided shall include
2042 the name, address and social security number of the person who was awarded the cash or prize
2043 valued in excess of $600.00.

2044 Section 40. Unclaimed cash and prizes shall be retained by the gaming licensee for the
2045 person entitled to the cash or prize for 1 year after a game in which the cash or prize was won. If
2046 no claim is made for the cash or prize within 1 year, the cash or equivalent cash value of the
2047 prize shall be deposited with the board.

2048 Section 41. If the person entitled to cash or a prize is under the age of 21 years, said cash
2049 or prize shall be remitted to the board.

2050 Section 42. A gaming establishment, including a business located within such
2051 establishment, shall not be a certified project within the meaning of section 3F of chapter 23A;
2052 shall not be designated an economic opportunity area within the meaning of section 3E of

2053 chapter 23A; shall not be eligible for tax increment financing as set forth in section 59 of chapter
2054 40 or special tax assessments set forth in section 3E of chapter 23A; shall not be classified and
2055 taxed as recreational land under chapter 61B; and shall not be designated as a development
2056 district within the meaning of chapter 40Q.

2057 Unless otherwise provided, a gaming establishment or a business located or to be located
2058 within such establishment shall not be eligible for the following credits or deductions listed in
2059 chapter 62 or chapter 63: the investment tax credit under section 31A of chapter 63, the
2060 employment credit under section 31C of chapter 63, the shuttle van credit under section 31E of
2061 chapter 63, the deduction for expenditures for industrial waste treatment or air pollution control
2062 under section 38D of chapter 63, the deduction for compensation paid to an eligible business
2063 facility?s employees domiciled in a section of substantial poverty under section 38F of chapter
2064 63, the alternative energy sources deduction under section 38H of chapter 63, the research
2065 expense credit under section 38M of chapter 63, the economic opportunity area credit under
2066 subsection (g) of section 6 of chapter 62 and section 38N of chapter 63, the abandoned building
2067 deduction under paragraph (10) of subsection (a) of Part B of section 3 of chapter 62 and section
2068 38O of chapter 63, the harbor maintenance tax credit under section 38P of chapter 63, the film
2069 tax credit under subsection (l) of section 6 of chapter 62 and section 38X of chapter 63, the
2070 environmental response action tax credit under subsection (j) of section 6 of chapter 62 and
2071 section 38Q of chapter 63, the historic rehabilitation tax credit under section 6J of chapter 62 and
2072 section 38R of chapter 63 or the automatic sprinkler system depreciation deduction under section
2073 38S of chapter 63.

2074 Section 43. The board shall audit as often as the board determines necessary, but not less
2075 than annually, the accounts, programs, activities and functions of all licensees. To conduct the
2076 audit, the authorized officers and employees of the board shall have access to such accounts at
2077 reasonable times and the board may require the production of books, documents, vouchers and
2078 other records relating to a matter within the scope of such audit. The superior court shall have
2079 jurisdiction to enforce the production of records that the board requires to be produced under this
2080 section and the court shall order the production of all such records within the scope of any such
2081 audit. All such audits shall be conducted in accordance with generally accepted auditing
2082 standards established by the American Institute of Certified Public Accountants. In any audit
2083 report of the accounts, funds, programs, activities and functions of a licensee issued by the board,
2084 containing adverse or critical audit results, the board may require a response, in writing, to the
2085 audit results. The response shall be forwarded to the board within 15 days of notification by the
2086 board.

2087 On or before April 1 of each year, the board shall submit a report to the clerks of the
2088 house of representatives and the senate who shall forward the report to the house and senate
2089 committees on ways and means which shall include, but not be limited to: (i) the number of
2090 audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost
2091 of each audit.

2092 Section 44. Unless the board otherwise determines it to be in the best fiscal interests of
2093 the commonwealth, the board shall utilize the services of 1 or more independent testing
2094 laboratories that are registered to perform the testing of gaming equipment and slot machines and
2095 may also utilize any additional services or applicable data from 1 or more independent testing
2096 laboratories.

2097 The board shall develop standards to register independent testing laboratories to perform
2098 the testing of gaming equipment and slot machines. Each said independent testing laboratory
2099 shall, at a minimum, meet the requirements of sections 11 and 14, shall not be owned or
2100 controlled by, or have any interest in, a gaming licensee, a gaming vendor or slot machine
2101 manufacturer and shall provide such information as the board may require in order to qualify for
2102 registration.

2103 Section 45. Live entertainment in an entertainment venue in the gaming establishment
2104 with more than 1,000 seats shall require approval by the board. A gaming establishment shall
2105 submit information regarding a planned performance for live entertainment in an entertainment
2106 venue in the gaming establishment with more than 1,000 seats to the board not less than 3
2107 months prior to the performance. The board shall submit this information to the subcommittee on
2108 cultural facilities as established in subsection (b) of section 46 for a recommendation on whether
2109 to approve or deny the performance. The subcommittee may also make recommendations as to
2110 whether the performance should be approved under certain conditions, which may include, but
2111 not be limited to, a contract term requiring the live entertainment performer to perform another
2112 show in the commonwealth, not at a gaming establishment, within 6 months of performing at the
2113 gaming establishment. If the board deviates from the subcommittee?s recommendation, the
2114 board shall state its reasons for doing so in writing.

2115 Section 46. (a) There shall be a gaming policy advisory committee consisting of 14
2116 members: 1 of whom shall be the governor, or the governor's designee, who shall serve as chair;
2117 1 of whom shall be the chair of the commission; 1 of whom shall be the chair of the board; 1 of
2118 whom shall be the senate president or the president's designee; 1 of whom shall be the speaker of
2119 the house of representatives or the speaker's designee; 1 of whom shall be the commissioner of
2120 public health or the commissioner?s designee? and 7 of whom shall be appointed by the
2121 governor, 3 of whom shall be representatives of gaming licensees, 1 of whom shall be a
2122 representative of a federally recognized Native American tribe in the commonwealth, 1 of whom
2123 shall be a representative of organized labor who shall be selected from a list of 3 names proposed
2124 by the president of the Massachusetts AFL-CIO and 3 of whom shall be appointed from the
2125 vicinity of each gaming establishment, as defined by host community and surrounding
2126 community, upon determination of the licensee and site location by the commission. The
2127 committee shall designate subcommittees to examine community mitigation, compulsive
2128 gambling and gaming impacts on cultural and tourism. Members of the committee shall serve for
2129 2 year terms. The committee shall meet at least once annually for the purpose of discussing

2130 matters of gaming policy. The recommendations of the committee concerning gaming policy
2131 made under this section are advisory and shall not be binding on the commission and board.

2132 (b) There shall be a subcommittee on cultural facilities under the gaming policy advisory
2133 committee consisting of 5 members: 1 of whom shall be a representative of the Massachusetts
2134 performing arts center coalition; 1 of whom shall be a representative from the Massachusetts
2135 cultural council; 1 of whom shall be a representative of the board; and 2 of whom shall be
2136 appointed by the governor, 1 of whom shall have professional experience in the gaming
2137 entertainment booking industry and 1 of whom shall be a representative of organized labor who
2138 shall be selected from a list of 3 names proposed by the president of the Massachusetts AFL-
2139 CIO. The subcommittee shall develop recommendations for regulations to be developed by the
2140 board to address cultural mitigation including, but not limited to, the relationship between
2141 gaming entertainment venues and currently existing performing arts centers in the
2142 commonwealth and standards for granting waivers of the requirements in section 45.

2143 (c) There shall be a subcommittee on community mitigation under the gaming policy
2144 advisory committee consisting of 7 members: 1 of whom shall be appointed from the host
2145 community in region 1; 1 of whom shall be appointed from the host community in region 2; 1 of
2146 whom shall be appointed from the host community in region 3; 1 of whom shall be a
2147 representative from the department of revenue's division of local services; 1 of whom shall be a
2148 representative of the board; 1 of whom shall be appointed by the governor and have professional
2149 experience in community mitigation related to gaming; and 1 of whom shall be a representative
2150 from the Massachusetts municipal association. The subcommittee shall develop regulations to be
2151 considered by the board to address issues of community mitigation as a result of the development
2152 of gaming establishments in the commonwealth, including, but not limited to: how funds may be
2153 expended from the Community Mitigation Fund, the impact of gaming establishments on the
2154 host community as well as surrounding communities including, but not limited to, the impact on
2155 local resources as a result of new housing construction and potential necessary changes to
2156 affordable housing laws, increased education costs and curriculum changes due to population
2157 changes in the region, development and maintenance of infrastructure related to increased
2158 population and utilization in the region and public safety impacts resulting from the facility and
2159 how to address that impact. The subcommittee shall receive input from local community
2160 mitigation advisory committees. The subcommittee shall review annually the expenditure of
2161 funds from the Community Mitigation Fund and make recommendations to the board relative to
2162 appropriate and necessary use of community mitigation funds. The subcommittee shall submit
2163 updated regulations relating to community mitigation annually to the gaming policy advisory
2164 committee and the board. The board shall promulgate such regulations as advised by the
2165 subcommittee.

2166 (d) There shall be a subcommittee on addiction services under the gaming policy
2167 advisory committee consisting of 5 members: 1 of whom shall be a representative from the
2168 department of public health?s bureau of substance abuse services; 1 of whom shall be a

2169 representative from the Massachusetts Council on Compulsive Gambling, Inc.; 1 of whom shall
2170 be a representative of the board; and 2 of whom shall be appointed by the governor with
2171 professional experience in the area of gambling addictions. The subcommittee shall develop
2172 recommendations for regulations to be developed by the board to address issues related to
2173 addiction services as a result of the development of gaming establishments in the
2174 commonwealth, including by not limited to, prevention and intervention strategies.

2175 (e) There shall be a subcommittee on public safety under the gaming policy advisory
2176 committee consisting of 7 members: 1 of whom shall be a member of the board; 1 of whom shall
2177 be the secretary of the executive office of public safety or the secretary's designee; 1 of whom
2178 shall be the attorney general or the attorney general's designee; 1 of whom shall be a
2179 representative from the Massachusetts District Attorneys Association; 1 of whom shall be the
2180 colonel of the state police or the colonel's designee; 1 of whom shall be a representative from the
2181 Massachusetts Chiefs of Police Association; and 1 of whom shall be a representative of a public
2182 safety labor union. The subcommittee shall develop recommendations for regulations to be
2183 developed by the board to address public safety issues as a result of the development of gaming
2184 establishments in the commonwealth, including but not limited to, how to mitigate the impact of
2185 gaming establishments on crimes committed in the commonwealth. The subcommittee shall also
2186 study the impact of gaming establishments on all aspects of public safety in the commonwealth.

2187 (f) Each region, as defined in section 17, may establish a local community mitigation
2188 advisory committee, which shall include not fewer than 6 members: 1 of whom shall be
2189 appointed by each of the host and surrounding communities; 1 of whom shall be appointed by
2190 each regional planning agency to which at least 1 of the host or surrounding communities
2191 belongs; and 4 of whom shall be appointed by the board, of whom at least 1 shall represent a
2192 chamber of commerce in the region, 1 shall represent a regional economic development
2193 organization in the region, and 2 shall represent human service providers in the region. Each
2194 local committee shall annually elect a chair and such other officers as it deems necessary to carry
2195 out its duties.

2196 Each local committee may provide information and develop recommendations for the
2197 subcommittee on community mitigation on any issues related to the gaming establishment
2198 located in its region including, but not limited to: issues of community mitigation; how funds
2199 may be expended from the community mitigation fund; and the impact of the gaming
2200 establishments on the host and surrounding communities. Additionally, each local committee
2201 may present information to the commission or board, consistent with the rules of the commission
2202 or board, on any issues related to the gaming establishment located in its region.

2203 Section 47. As used in sections 48 to 56, inclusive, the following words shall have the
2204 following meanings, unless the context clearly requires otherwise:-

2205 "Compensation", any money, thing of value or economic benefit conferred on or received
2206 by any employee of the gaming industry in return for services rendered or to be rendered by the
2207 employee or another.

2208 "Gaming official", a person who is employed, temporarily or permanently, by an entity
2209 licensed under this chapter, including, but not limited to, key gaming employees and other
2210 employees, agents, consultants and advisors.

2211 "Gaming entity", a person or business that is licensed under this chapter.

2212 "Official act", a decision, action or inaction within the official capacity of the gaming
2213 official as a gaming official.

2214 "Official responsibility", the direct administrative or operating authority, whether
2215 intermediate or final, either exercisable alone or with others, and whether personal or through
2216 subordinates, to approve, disapprove or otherwise direct gaming-related action.

2217 "Participate", engaging in gaming-related action personally and substantially as an
2218 official, through approval, disapproval, decision, recommendation, the rendering of advice,
2219 investigation or otherwise.

2220 Section 48. No person shall directly or indirectly, corruptly give, offer or promise
2221 anything of value to a gaming official, or offer or promise any such official to give anything of
2222 value to any other person or entity, with intent to:

2223 (1) influence an official act or an act within the official responsibility of the gaming
2224 official; or

2225 (2) influence the gaming official to commit or aid in committing, or collude in, or allow,
2226 any fraud or make opportunity for the commission of a fraud on the commonwealth, a state,
2227 county or municipal agency or any person or business entity doing business with a gaming
2228 entity; or

2229 (3) induce a gaming official to do or omit to do any act in violation of the official?s
2230 lawful duty.

2231 A violation of this section shall be punished by a fine of not more than $10,000, or by
2232 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2233 not more than 2 1/2 years, or both.

2234 Section 49. (a) No person shall, other than as provided by law for the proper discharge of
2235 official duty, directly or indirectly, give, offer or promise anything of substantial value to a
2236 gaming official:

2237 (i) for or because of an official act performed or to be performed by such a
2238 gaming official; or

2239 (ii) to influence, or attempt to influence, an official action of a gaming entity.

2240 A violation of this section shall be punished by a fine of not more than $10,000, or by
2241 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2242 not more than 2 1/2 years, or both.

2243 (b) No present or former gaming official shall, other than as provided by law for the
2244 proper discharge of official duty, directly or indirectly, ask, demand, exact, solicit, seek, accept,
2245 receive or agree to receive anything of substantial value:

2246 (i) for the gaming official, for or because of any official act or act within the
2247 gaming official?s official responsibility performed or to be performed by the gaming official; or

2248 (ii) to influence, or attempt to influence, the gaming official in an official act
2249 taken.

2250 A violation of this section shall be punished by a fine of not more than $10,000, or by
2251 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2252 not more than 2 1/2 years, or both.

2253 (c) Nothing in this section shall be construed to prohibit the awarding of gratuities in
2254 compliance with an official gratuity policy established by the gaming establishment, the board or
2255 the commission.

2256 Section 50. (a) Except as permitted by subsection (b), no board member shall participate
2257 as such a member in a particular matter in which to the member?s knowledge, the member?s
2258 immediate family or partner, a business organization in which the member is serving as officer,
2259 director, trustee, partner or employee or any person or organization with whom the member is
2260 negotiating or has any arrangement concerning prospective employment, has a financial interest.

2261 A violation of this section shall be punished by a fine of not more than $25,000, or by
2262 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2263 not more than 2 1/2 years, or both.

2264 (b) A board member whose duties would otherwise require such member to participate in
2265 such a particular matter shall advise the commission of the nature and circumstances of the
2266 particular matter and shall make a full disclosure of such financial interest, and the commission
2267 shall thereupon either:

2268 (1) require that the member not participate in the particular matter; or

2269 (2) make a written determination that the interest is not so substantial as to be
2270 deemed likely to affect the integrity of the board, in which case it shall not be a violation for the
2271 member to participate in the particular matter. Copies of such written determination shall be
2272 forwarded to the member and filed with the commission. Such copy shall be retained by the
2273 commission for a period of 6 years and shall be a public record.

2274 Section 51. No commissioner or board member shall be eligible for a position under the
2275 supervision of the commission or board until the expiration of 30 days from the termination of
2276 the commissioner?s or member?s service as a commissioner or board member.

2277 Section 52. (a) In addition to other remedies provided by law, a violation of sections 48 to
2278 51, inclusive, which has substantially influenced the action taken by a gaming entity in a
2279 particular matter, shall be grounds for avoiding, rescinding or canceling the action on such terms
2280 as the interests of an innocent third person requires.

2281 (b) In addition to the remedies set forth in subsection (a), the commission, upon a finding
2282 pursuant to an adjudicatory proceeding that a person has acted to the person?s economic
2283 advantage in violation of sections 48 to 51, inclusive, may issue an order: (1) requiring the
2284 violator to pay the board in the amount of the economic advantage or $500, whichever is greater;
2285 and (2) requiring the violator to make restitution to an injured third party. If there has been no
2286 final criminal judgment of conviction or acquittal of the same violation, upon receipt of the
2287 written approval of the attorney general, the commission may order payment of additional
2288 damages in an amount not exceeding twice the amount of the economic advantage or $500,
2289 whichever is greater.

2290 (c) The remedies authorized by this section shall be in addition to any civil penalty
2291 imposed by the commission.

2292 Section 53. The commission shall designate a gaming ombudsmen, who shall be
2293 available to advise gaming officials of the officials' responsibilities under this chapter. A gaming
2294 official shall be entitled to the opinion of the gaming ombudsmen upon any question arising
2295 under this chapter relating to the duties, responsibilities and interests of such official.

2296 Section 54. All disclosures and certifications required by this chapter shall be made in
2297 writing and, unless otherwise specifically provided in this chapter, shall be kept open by the
2298 commission to inspection by the public.

2299 Section 55. The board shall prepare, and update as necessary, summaries of sections 47
2300 to 54, inclusive, for gaming officials which the board shall publish on its official website. Every
2301 gaming official shall, within 30 days of becoming such an official, and on an annual basis
2302 thereafter, be furnished with a summary of said sections prepared by the board, sign a written
2303 acknowledgment that the gaming official has been provided with such a summary and undergo

2304 training explaining the requirements of this chapter. The board shall establish procedures for
2305 implementing this section and ensuring compliance.

2306 Section 56. No gaming establishment, or its agents or employees shall employ, contract
2307 with, or use any shill or barker to induce any person to enter a gaming establishment or play at
2308 any game or for any purpose.

2309 A violation of this section shall be punishable by a fine of $5,000 or by imprisonment in
2310 the state prison for not more than 5 years, or in a jail or house of correction for not more than 2
2311 1/2 years, or both.

2312 Section 57. (a) No gaming official shall, except in the normal course of the official's
2313 duties, wager in the gaming establishment in which such official is employed.

2314 (b) No gaming official shall, except in the normal course of the official?s duties, wager in
2315 an establishment which is owned or operated by the same licensee who owns or operates the
2316 gaming establishment for which the official is employed.

2317 Section 58. A gaming official, not including key gaming employees and employees
2318 holding major policy-making positions, who, in the judgment of the commission, is not directly
2319 involved with the conduct of gaming operations, shall wait at least 30 days following the date
2320 that the gaming official either leaves or is terminated from employment with a gaming
2321 establishment before the gaming official may gamble in the gaming establishment in which the
2322 gaming official was formerly employed or in any other gaming establishment which is owned or
2323 operated by the same licensee.

2324 Section 59. No key gaming employee or gaming control employee, or any other gaming
2325 official who serves in a supervisory position shall solicit or accept, any tip or gratuity from any
2326 player or patron in the gaming establishment where the employee is employed.

2327 Section 60. The board shall report monthly to the governor, the attorney general, the
2328 senate and house committees on ways and means and the chairs of the joint committee on
2329 revenue the total gaming revenues, prize disbursements and other expenses for the preceding
2330 month and shall make an annual report to the same recipients which shall include a full and
2331 complete statement of gaming revenues, prize disbursements and other expenses, including such
2332 recommendations as the board considers necessary or advisable. The board shall report
2333 immediately to the governor, the attorney general, the senate and house committees on ways and
2334 means and the chairs of the joint committee on revenue any matter which requires immediate
2335 changes in the laws of the commonwealth in order to prevent abuses or evasions of the laws,
2336 rules or regulations related to gaming or to rectify undesirable conditions in connection with the
2337 administration or operation of gaming in the commonwealth.

2338 Section 61. The commission shall annually submit a complete and detailed report of the
2339 commission?s activities within 90 days after the end of the fiscal year to the clerk of the house of
2340 representatives, the clerk of the senate, the chairs of the joint committee on economic
2341 development and emerging technologies and the chairs of the house and senate committees on
2342 ways and means.

2343 Section 62. There is hereby established and placed upon the books of the board a Gaming
2344 Licensing Fund which shall consist of all licensing fees collected from licensees and any
2345 proceeds from the investment of such fees. The board shall be the trustee of the fund and shall
2346 not allow the fund to carry a negative balance.

2347 Section 63. (a) A licensee shall pay a daily tax of 25 per cent on gross gaming revenues;
2348 provided that, taxes imposed under this section shall be remitted to the board by a licensee the
2349 day following each day of wagering.

2350 (b) The board shall remit the revenues received to the commonwealth on a daily basis and
2351 shall be deposited into the Gaming Revenue Fund, established in section 64.

2352 Section 64. (a) There is hereby established and placed upon the books of the board a
2353 Gaming Revenue Fund which shall consist of all revenues collected from the tax on gross
2354 gaming revenue received from gaming licensees under section 63 and any proceeds from the
2355 investment of such revenues. The board shall be the trustee of the fund.

2356 (b) A transfer under this section shall be made under a transfer schedule to be developed
2357 by the comptroller and the board for each item after consulting with the appropriate agency
2358 secretary, the secretary of administration and finance and the state treasurer. The schedule shall
2359 provide for transfers in increments considered appropriate to meet the cash flow needs of each
2360 fund and all transfers under the schedule shall be completed annually not later than June 30.

2361 (c) The board shall transfer 10 per cent of collected revenues to the Gaming Mitigation
2362 Trust Fund, created in section 65 and remit the remaining 90 per cent of collected revenues to the
2363 comptroller. The comptroller may make all necessary transfers among funds to ensure that
2364 monies in the fund are transferred as follows:-

2365 (i)one-third of the amount remitted to the General Fund, subject to appropriation,
2366 shall be used for debt reduction through a program of debt defeasance and accelerated debt
2367 payments; provided, that, this program shall be developed jointly by the state treasurer and the
2368 secretary of administration and finance and shall be implemented in compliance with state
2369 finance law; provided, further, that this program shall prioritize the reduction of risk in the
2370 commonwealth's debt portfolio; provided further, that the state secretary and state treasurer shall
2371 provide a written description of the program to the finance advisory board established in section
2372 97 of chapter 6 for the board's review and comment before the program is implemented and shall
2373 file a copy of that description with the house and senate committees on ways and means and the

2374 house and senate committees on bonding, capital expenditures and state assets when it is
2375 submitted to the finance advisory board;

2376 (ii) one-third of the amount remitted to the State Lottery and Gaming Fund,
2377 created in section 35 of chapter 10; provided, that, the total transfer to the State Lottery and
2378 Gaming Fund shall not exceed $150,000,000 in any fiscal year; and provided, further, that any
2379 amount in excess of $150,000,000 shall be transferred to the Local Aid Stabilization Fund,
2380 created in section 2BBBB of chapter 29;

2381 (iii) one third of the amount remitted to the Gaming Economic Development
2382 Fund, created in section 2CCCC of chapter 29.

2383 Section 65. (a) There is hereby established and set up on the books of the board a fund to
2384 be known as the Gaming Mitigation Trust Fund. The Gaming Mitigation Trust Fund shall
2385 consist of monies transferred from the Gaming Revenue Fund and all other monies credited or
2386 transferred to the fund from any other fund or source and proceeds from the investment of such
2387 funds. The board shall be the trustee of the fund.

2388 (b) The board shall administer the Gaming Mitigation Trust Fund and shall expend
2389 monies in the fund to address the impacts of expanded gaming in the commonwealth as follows:

2390 (1) Thirty-five per cent of fund revenues in a fiscal year shall be expended for
2391 community mitigation including, but not limited to, the areas of local and regional education,
2392 transportation, infrastructure, housing, environmental issues and public safety, including police,
2393 fire, and emergency services, in impacted communities, that may include host and surrounding
2394 communities;

2395 (2) Thirty-five per cent of fund revenues in a fiscal year shall be expended for
2396 social mitigation including, but not limited to, problem gambling prevention, intervention and
2397 treatment services, substance abuse services and gaming-related research;

2398 (3) Twenty per cent of fund revenues in a fiscal year shall be expended for
2399 cultural mitigation including, but not limited to, assistance to not-for-profit or municipally-
2400 owned performing arts centers; and

2401 (4) Ten per cent of fund revenues in a fiscal year shall be expended for racetrack
2402 mitigation including, but not limited to, developing programs to improve the purses offered at
2403 live racing venues, the horse breeding industry, programs to promote the live horse racing
2404 industry and other existing programs that provide health, medical, food, substance abuse
2405 treatment and other social services for horse racing industry employees.

2406 Section 66. All political contributions or contributions in kind made by an applicant for a
2407 gaming license to any municipal employee, as defined in section 1 of chapter 268A, of the host
2408 community of the applicant?s proposed gaming establishment shall be disclosed, by the

2409 applicant, to the board and the city or town clerk of the host community. Such disclosure shall be
2410 made by the applicant bi-annually, on or before July 15 for the period covering January 1
2411 through June 30 of that year and on or before January 15 for the period covering July 1 through
2412 December 31 of the preceding year. The office of campaign and political finance shall
2413 promulgate regulations to provide for timely and expeditious public reporting, which shall
2414 include electronic means or public posting in a city or town hall and post office, by city and town
2415 clerks of the contribution disclosures they receive from applicants.

2416 Section 67. (a) Any vendor who operates an ATM machine on the premise of a
2417 gaming establishment shall be prohibited from selling or sharing any information about patrons
2418 using the machine with any party.

2419 (b) Licensees shall be prohibited from using information about patrons' usage of ATM
2420 machines including, but not limited to, the identity of the patron, the address of the patron, the
2421 amounts withdrawn from the ATM machine and the dates or times the machines are used, for
2422 marketing purposes.

2423 SECTION 14. Section 62 of chapter 23K of the General Laws is hereby repealed.

2424 SECTION 15. Section 1 of chapter 29 of the General Laws, as appearing in the 2008
2425 Official Edition, is hereby amended by striking out the definition of ?State authority,? and
2426 inserting in place thereof the following definition:-

2427 "State authority" a body politic and corporate constituted as a public instrumentality of
2428 the commonwealth and established by an act of the General Court to serve an essential
2429 governmental function; provided, however that ?state authority? shall not include: (1) a state
2430 agency; (2) a city or town; (3) a body controlled by a city or town; or (4) a separate body politic
2431 where the governing body is elected, in whole or in part, by the general public or by
2432 representatives of member cities or towns.

2433 SECTION 16. Chapter 29 of the General Laws is hereby amended by inserting after
2434 section 2AAAA the following 2 sections:

2435 Section 2BBBB. There shall be established and set up on the books of the
2436 commonwealth a separate fund to be known as the Local Aid Stabilization Fund. The Local Aid
2437 Stabilization Fund shall consist of monies transferred from the Gaming Revenue Fund,
2438 established in section 64 of chapter 23K, to the fund, all other monies credited or transferred
2439 from any other fund or source and proceeds from the investment of such funds. Subject to
2440 appropriation, the fund shall be distributed to cities and towns as a supplement to other sources
2441 of local aid distributions, but shall not be subject to section 5C of chapter 29.

2442 Section 2CCCC. There shall be established and set up on the books of the commonwealth
2443 a separate fund to be known as the Gaming Economic Development Fund. The fund shall be

2444 credited with revenues transferred to it from the Gaming Revenue Fund, established in section 64
2445 of chapter 23K. Amounts credited to the fund shall be expended, subject to appropriation, to
2446 support economic development and job growth in the commonwealth including, but not limited
2447 to: (1) workforce training, including transfers to the Workforce Competiveness Trust Fund; (2)
2448 tourism promotion; (3) summer jobs; (4) Massachusetts Marketing Partnership, (5) higher
2449 education scholarships; (6) regional economic development initiatives; (7) small business
2450 lending; (8) green jobs promotion; and (9) STEM pipeline initiatives.

2451 SECTION 17. Section 38 of said chapter 29, as appearing in the 2008 Official Edition, is
2452 hereby amended by striking out in lines 115 to 116, the words ?State Lottery Fund, as established
2453 and defined in section thirty-five of chapter ten? and inserting in place thereof the following
2454 words:- State Lottery and Gaming Fund established in section 35 of chapter 10.

2455 SECTION 18. Said section 38 of said chapter 29, as so appearing, is hereby further
2456 amended by striking out, in lines 127 to 128, the words ?the said State Lottery Fund? and
2457 inserting in place thereof the following words:- said State Lottery and Gaming Fund.

2458 SECTION 19. Section 1 of chapter 32 of the General Laws, as so appearing, is hereby
2459 amended by inserting after the word "connector", in line 211, the following words:- , the
2460 Massachusetts gaming commission, the Massachusetts gaming control board.

2461 SECTION 20. Section 2 of chapter 32A of the General Laws, as so appearing, is hereby
2462 amended by inserting after the word "authority", in line 12, the following words:- , the
2463 Massachusetts gaming commission, the Massachusetts gaming control board.

2464 SECTION 21. Section 94 of chapter 41 of the General Laws, as so appearing, is hereby
2465 amended by inserting after the word "and", in line 7, the first time it appears, the following word:
2466 illegal.

2467 SECTION 22. Section 18C of said chapter 58, as so appearing, is hereby amended by
2468 inserting after the word ?Lottery?, in line 6, the following words:- and Gaming.

2469 SECTION 23. Section 18D of chapter 58 of the General Laws is hereby repealed.

2470 SECTION 24. Section 5A of chapter 62 of the General Laws, as appearing in the 2008
2471 Official Edition, is hereby amended by inserting after the word ?commonwealth?, in line 24, the
2472 following words:- ,including gaming winnings acquired at or through a gaming establishment
2473 under chapter 23K.

2474 SECTION 25. The seventh paragraph of section 2 of chapter 62B of the General Laws,
2475 as so appearing, is hereby amended by striking out the first 2 sentences and inserting in place
2476 thereof the following 2 sentences:-

2477 Every person, including the United States, the commonwealth or any other state, or any
2478 political subdivision or instrumentality of the foregoing, making any payment of lottery or
2479 gaming winnings, acquired at or through a gaming establishment under chapter 23K, which are
2480 subject to taxation under chapter 62 and which are subject to withholding under section 3402(q)
2481 of the Internal Revenue Code shall deduct and withhold from such payment an amount equal to 5
2482 per cent of such payment, except that such withholding for purposes of this chapter shall apply to
2483 payments of winnings of $600 or greater notwithstanding any contrary provisions of the Internal
2484 Revenue Code; provided, however that the exception contained in subsection (q)(5) and (r) of the
2485 Internal Revenue Code shall not apply to winnings under this section. For purposes of this
2486 chapter and chapter 62C, such payment of winnings shall be treated as if it were wages paid by
2487 an employer to an employee.

2488 SECTION 26. Said chapter 62B is hereby further amended by striking out section 5, as so
2489 appearing, and inserting in place thereof the following section:-

2490 Section 5. Every employer required to deduct and withhold from an employee or payee a
2491 tax under section 2, or who would have been required under said section in the case of an
2492 employee to deduct and withhold a tax if the employee had not claimed any personal exemption
2493 or dependency exemptions, shall furnish to each such employee or payee in respect of the wages
2494 or other payments paid by such employer to such employee or payee during the calendar year, on
2495 or before January 31 of the succeeding year, or, if an employee?s employment is terminated
2496 before the close of such calendar year, within 30 days from the day on which the last payment of
2497 wages is made, a written statement in duplicate showing the name of the employer, the name of
2498 the employee or payee and the employee or payee?s social security account number, if any, the
2499 total amount of wages or other amounts subject to taxation under chapter 62 and the total amount
2500 deducted and withheld as tax. This statement may contain such other information as the
2501 commissioner may prescribe. The commissioner may grant reasonable extensions of time, not
2502 exceeding 60 days, for the furnishing of the statement.

2503 Every employer who fails to withhold or pay to the commissioner any sums required by
2504 this chapter to be withheld or paid shall be personally and individually liable for such sums to the
2505 commonwealth. The term ?employer? as used in this section and in section 11, shall include any
2506 person or entity required to withhold tax from any payee and shall include an officer or employee
2507 of a corporation, or a member or employee of a partnership or limited liability company, who as
2508 such officer, employee or member is under a duty to withhold and pay over taxes under this
2509 section and section 2. Any sum withheld under section 2 shall be considered to be held in trust
2510 for the commonwealth.

2511 If an employer in violation of this chapter fails to withhold the tax under section 2, and
2512 thereafter the tax against which such tax may be credited, under section 9, is paid, the tax so
2513 required to be withheld shall not be collected from the employer; but this paragraph shall in no

2514 case relieve the employer from liability for any penalties or addition to the tax otherwise
2515 applicable in respect of such failure to withhold.

2516 SECTION 27. The first paragraph of section 8 of chapter 62C of the General Laws, as so
2517 appearing, is hereby amended by striking out the last sentence and inserting in place thereof the
2518 following sentence:- The same basis of reporting shall be utilized for income that is subject to
2519 taxation or withholding under chapter 62 or 62B but is not subject to taxation or withholding
2520 under the Code.

2521 SECTION 28. Subsection (f) of section 38 of chapter 63 of the General Laws, as so
2522 appearing, is hereby amended by striking out the third paragraph and inserting in place thereof
2523 the following paragraph:-

2524 For the purposes of this subsection: (1) in the case of the licensing of intangible property,
2525 the income-producing activity shall be considered to be performed in the commonwealth to the
2526 extent that the intangible property is used in the commonwealth; (2) the corporation shall be
2527 considered to be taxable in the state of the purchaser if the tangible personal property is delivered
2528 or shipped to a purchaser in a foreign country; (3) sales of tangible personal property to the
2529 United States government or an agency or instrumentality of the United States for purposes of
2530 resale to a foreign government or an agency or instrumentality of a foreign government shall not
2531 be sales made in the commonwealth; (4) in the case of the sale, exchange or other disposition of
2532 a capital asset, as defined in paragraph (m) of section 1 of chapter 62, used in a taxpayer's trade
2533 or business, including a deemed sale or exchange of such asset, ?sales? shall be measured by the
2534 gain from the transaction; (5) ?security? shall mean an interest or instrument commonly treated
2535 as a security as well as other instruments which are customarily sold in the open market or on a
2536 recognized exchange including, but not limited to, transferable shares of a beneficial interest in a
2537 corporation or other entity, bonds, debentures, notes and other evidences of indebtedness,
2538 accounts receivable and notes receivable, cash and cash equivalents including foreign currencies
2539 and repurchase and futures contracts; (6) in the case of a sale or deemed sale of a business, the
2540 term "sales" shall not include receipts from the sale of the business "good will" or similar
2541 intangible value, including, without limitation, "going concern value" and "workforce in place";
2542 (7) to the extent authorized under the life sciences tax incentive program established by section 5
2543 of chapter 23I, a certified life sciences company may be deemed a research and development
2544 corporation for purposes of exemptions under chapters 64H and 64I; and (8) in the case of a
2545 business deriving receipts from operating a gaming establishment or otherwise deriving receipts
2546 from conducting a wagering business or activity, income-producing activity shall be considered
2547 to be performed in the commonwealth to the extent that the location of wagering transactions or
2548 activity that generated the receipts is in the commonwealth.

2549 SECTION 29. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby
2550 amended by inserting after the word "Lottery", in line 355, the following words:- and Gaming.

2551 SECTION 29A. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby
2552 amended by striking out, in line 99, the words "or dog".

2553 SECTION 30. Said section 2 of said chapter 128 of the General Laws, as so appearing, is
2554 hereby further amended by striking out subsection (i).

2555 SECTION 31. Section 1 of chapter 128A of the General Laws, as so appearing, is hereby
2556 amended by striking out, in line 6, the words "state racing commission" and inserting in place
2557 thereof the following words:- Massachusetts gaming commission established in chapter 23K.

2558 SECTION 32. Section 1 of chapter 128C of the General Laws, as so appearing, is hereby
2559 amended by striking out, in line 12, the words "state racing commission" and inserting in place
2560 thereof the following words:- gaming commission established in chapter 23K.

2561 SECTION 33. Section 1 of chapter 137 of the General Laws, as so appearing, is hereby
2562 amended by inserting after the word ?gaming?, in line 2, the following words:- , except for
2563 gaming conducted in gaming establishments under chapter 23K.

2564 SECTION 34. Section 2 of said chapter 137, as so appearing, is hereby amended by
2565 inserting after the word "building", in line 1, the following words:- , except for an owner or
2566 operator of a gaming establishment licensed under chapter 23K.

2567 SECTION 35. Section 3 of said chapter 137, as so appearing, is hereby amended by
2568 adding the following sentence:- Nothing in this section shall prohibit any activity authorized
2569 under chapter 23K.

2570 SECTION 36. Section 18 of chapter 139 of the General Laws, as so appearing, is hereby
2571 amended by inserting after the word ?of?, in line 6, the word:- illegal.

2572 SECTION 37. Section 26A of chapter 180 of the General Laws, as so appearing, is
2573 hereby amended by striking out, in lines 4 and 16, the following words:- or dog.

2574 SECTION 38. The General Laws are hereby amended by inserting after chapter 267 the
2575 following chapter:-

2576 Chapter 267A

2577 Money Laundering

2578 Section 1. As used in this chapter, the following words shall, unless the context clearly
2579 requires otherwise, have the following meanings:-

2580 "Criminal activity", a criminal offense punishable under the laws of the commonwealth
2581 by imprisonment in a state prison or a criminal offense committed in another jurisdiction
2582 punishable under the laws of that jurisdiction as a felony.

2583 "Financial institution", a: (1) bank as defined in section 1 of chapter 167; (2) national
2584 banking association, bank, savings and loan, savings bank, cooperative bank, building and loan
2585 or credit union organized under the laws of the United States; (3) banking association, bank,
2586 savings and loan, savings bank, cooperative bank, building and loan or credit union organized
2587 under the laws of any state; (4) agency, agent or branch of a foreign bank; (5) currency dealer or
2588 exchange; (6) person or business engaged primarily in the cashing of checks; (7) person or
2589 business regularly engaged in the issuing, selling or redeeming of traveler's checks, money
2590 orders or similar instruments; (8) broker or dealer in securities or commodities; (9) licensed
2591 transmitter of funds or other person or business regularly engaged in the transmission of funds to
2592 a foreign nation for others; (10) investment banker or investment company; (11) insurer; (12)
2593 dealer in precious metals, stones or jewels; (13) pawnbroker or scrap metal dealer; (14) telegraph
2594 or other communications company; (15) personal property or real estate broker; (16) dealer in
2595 vehicles including, but not limited to, automobiles, aircraft and vessels; (17) operator of a betting
2596 or gaming establishment; (18) travel agent; (19) thrift institution; (20) operator of a credit card
2597 system; or (21) loan or finance company.

2598 "Monetary instrument", the currency and coin of the United States or any foreign
2599 country; any bank check, money order, stock, investment security, or negotiable instrument in
2600 bearer form or otherwise in such form that title passes upon delivery; gold, silver or platinum
2601 bullion or coins; diamonds, emeralds, rubies, or sapphires; any negotiable instrument including:
2602 bank checks, cashier's checks, traveler's checks, or monetary orders made payable to the order of
2603 a named party that have not been endorsed or which bear restrictive endorsements; poker chips,
2604 vouchers or other tokens exchangeable for cash by gaming entities; and credit cards, debit cards,
2605 gift cards, gift certificates or scrips.

2606 "Transaction", a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition,
2607 and with respect to a financial institution including, but not limited to, a deposit, withdrawal,
2608 bailment, transfer between accounts, exchange of currency, loan, extension of credit, purchase or
2609 sale of any stock, bond, certificate of deposit, or other monetary instrument, use of a safe deposit
2610 box, or any other payment, transfer, or delivery by, through, or to a financial institution, by
2611 whatever means effected.

2612 Section 2. Whoever knowingly:

2613 (1) transports or possesses a monetary instrument or other property that was derived from
2614 criminal activity with the intent to promote, carry on or facilitate criminal activity;

2615 (2) engages in a transaction involving a monetary instrument or other property known to
2616 be derived from criminal activity:

2617 (i) with the intent to promote, carry on or facilitate criminal activity; or

2618 (ii) knowing that the transaction is designed in whole or in part either to: (A)
2619 conceal or disguise the nature, location, source, ownership or control of the property derived
2620 from criminal activity; or (B) avoid a transaction reporting requirement of this chapter, of the
2621 United States, or of any other state; or

2622 (3) directs, organizes, finances, plans, manages, supervises or controls the transportation
2623 of, or transactions in, monetary instruments or other property known to be derived from criminal
2624 activity or which a reasonable person would believe to be derived from criminal activity;

2625 shall be guilty of the crime of money laundering and shall be punished by imprisonment
2626 in the state prison for not more than 6 years or by a fine of not more than $250,000 or twice the
2627 value of the property transacted, whichever is greater, or by both such imprisonment and fine;
2628 and for any subsequent offense shall be punished by imprisonment in the state prison for not less
2629 than 2 years, but not more than 8 years or by a fine of not more than $500,000 or 3 times the
2630 value of the property transacted, whichever is greater, or by both such imprisonment and fine.

2631 Section 3. (a) A financial institution shall file with the attorney general a copy of any and
2632 all reports required by the Currency and Foreign Transactions Act, set forth in 31 U.S.C.,
2633 sections 5311 through 5315, 31 C.F.R. 103.

2634 (b) A financial institution, or any officer, employee, or agent of a financial institution that
2635 maintains and files a record or report under this section shall not be liable to its customer, to a
2636 state or local agency, or to any person for any loss or damage caused in whole or in part by the
2637 making, filing or governmental use of the record or report, or any information contained in the
2638 record or report. Nothing in this chapter shall be construed to give rise to a private cause of
2639 action for relief or damages. This subsection shall not preclude a financial institution, in its
2640 discretion, from instituting contact with, and then communicating with and disclosing customer
2641 financial records to appropriate federal, state or local law enforcement agencies if the financial
2642 institution has reason to suspect that the records or information demonstrate that the customer
2643 has violated this chapter.

2644 (c) Any report, record or information obtained by the attorney general under this section
2645 shall not be a public record under clause Twenty-sixth of section 7 of chapter 4 or section 10 of
2646 chapter 66 and shall not be subject to disclosure, except to other state and federal law
2647 enforcement agencies.

2648 (d) Any violation of this section, which is not a violation of section 2, shall be punished
2649 by a fine of $100 for each report not filed.

2650 (e) The timely filing of complete and accurate reports required under subsection (a) with
2651 the appropriate federal agency shall constitute compliance with the requirements of subsection
2652 (a).

2653 Section 4. All monetary instruments or other property, real, intellectual or personal,
2654 obtained directly as a result of a violation of section 2 of this chapter, shall be subject to
2655 forfeiture to the commonwealth. Forfeiture proceedings shall be conducted as provided in
2656 subsections (b) to (j), inclusive of section 47 of chapter 94C. For purposes of subsection (d) of
2657 said section 47 of said chapter 94C, the investigation and enforcement bureau of the gaming
2658 control board shall be considered a police department, entitled to a police department?s
2659 distribution of forfeiture proceedings.

2660 SECTION 40. Section 1 of chapter 271 of the General Laws, as so appearing, is hereby
2661 amended by inserting after the word "gaming", in lines 3 and 4, the following words:- , except as
2662 permitted under chapter 23K.

2663 SECTION 41. Section 2 of said chapter 271, as so appearing, is hereby amended by
2664 inserting after the words ?playing?, in line 4, the following words:- , except as permitted under
2665 chapter 23K.

2666 SECTION 42. Section 3 of said chapter 271, as so appearing, is hereby amended by
2667 inserting after the words ?gaming?, in line 3, the following words:- , except as permitted under
2668 chapter 23K.

2669 SECTION 43. Section 5 of said chapter 271, as so appearing, is hereby amended by
2670 inserting after the words ?thing,?, in line 7, the following words:- except as permitted under
2671 chapter 23K.

2672 SECTION 44. The second paragraph of section 5A of said chapter 271, as so appearing,
2673 is hereby amended by adding the following sentence:- This section shall not apply to persons
2674 who manufacture, transport, sell, offer for sale, store, display, repair, recondition, possess or use
2675 any gambling device or parts for use in such a device for licensed gaming conducted under
2676 chapter 23K.

2677 SECTION 45. Section 6 of said chapter 271, as so appearing, is hereby amended by
2678 striking out, in lines 3 and 4, the words "gambling or unlawful game" and inserting in place
2679 thereof the words:- illegal gaming.

2680 SECTION 46. Section 7 of said chapter 271, as so appearing, is hereby amended by
2681 inserting after the word ?device?, in line 7, the first time it appears, the following words:- that is
2682 not taking place in a gaming establishment licensed under chapter 23K.

2683 SECTION 47. Said chapter 271 is hereby further amended by striking out section 8, as
2684 so appearing, and inserting in place thereof the following section:

2685 Section 8. Whoever owns, occupies, or is in control of a house, shop or building and
2686 knowingly permits the establishing, managing or drawing of such lottery, or such disposal or
2687 attempt to dispose of property, or the sale of a lottery ticket or share of a ticket, or any other

2688 writing, certificate, bill, token or other device purporting or intended to entitle the holder, bearer
2689 or any other person to a prize or to a share of or interest in a prize to be drawn in a lottery, or in
2690 such disposal or property and whoever knowingly suffers money or other property to be raffled
2691 for or won by throwing or using dice or by any other game of chance that is not being conducted
2692 in a licensed gaming establishment under chapter 23K, shall be punished by a fine of not more
2693 than $2000 or by imprisonment in a jail or house of correction for not more than 1 year.

2694 SECTION 48. Section 14 of said chapter 271, as so appearing, is hereby further amended
2695 by inserting after the word "by", in line 3, the first time it appears, the following words:- illegal
2696 gaming, including games of.

2697 SECTION 48A. Section 16A of said chapter 271, as so appearing, is hereby amended by
2698 inserting after the word "wagerers", in line 14, the following words: - or to persons who
2699 organize, supervise, manage, or finance persons for the purpose of gaming conducted under
2700 chapter 23K.

2701 SECTION 49. Section 17 of said chapter 271, as so appearing, is hereby amended by
2702 adding the following sentence:- This section shall not apply to persons who organize, supervise,
2703 manage or finance persons for the purpose of licensed gaming conducted under chapter 23K.

2704 SECTION 50. Section 19 of said chapter 271, as so appearing, is hereby amended by
2705 adding the following words:- ; provided, however, that this section shall not apply to advertising
2706 of licensed gaming conducted under chapter 23K.

2707 SECTION 51. Section 20 of said chapter 271, as so appearing, is hereby amended by
2708 adding the following sentence:- Nothing in this section shall prohibit a gaming establishment
2709 licensed under chapter 23K from posting or exposing materials relevant to its gaming operations.

2710 SECTION 52. Section 22 of said chapter 271, as so appearing, is hereby amended by
2711 adding the following words:- or any receipt, carriage or delivery by a gaming establishment
2712 licensed under chapter 23K.

2713 SECTION 53. Section 23 of said chapter 271, as so appearing, is hereby amended by
2714 striking out the last sentence and inserting in place thereof the following sentence:- Chapter 276
2715 relative to the disposal of gaming articles seized upon search warrants shall apply to all articles
2716 and property seized under this section; provided, however, that such disposal shall not apply to
2717 licensed gaming conducted under chapter 23K.

2718 SECTION 54. Section 28 of said chapter 271, as so appearing, is hereby amended by
2719 inserting after the word ?of?, in line 3, the third time it appears, the following word:- illegal.

2720 SECTION 55. Section 31 of said chapter 271, as so appearing, is hereby amended by
2721 striking out in lines 3 and 4 the words "thereto by section fourteen of chapter one hundred and

2722 eighty" and inserting in place thereof the following words:- to conduct such trials or gaming
2723 establishments licensed under chapter 23K.

2724 SECTION 56. The General Laws are hereby amended by inserting after chapter 271 the
2725 following chapter:-

2726 Chapter 271A

2727 Enterprise Crime

2728 Section 1. As used in this chapter, the following words shall, unless the context clearly
2729 requires otherwise, have the following meanings:-

2730 "Criminal enterprise activity", the commission, attempt to commit or conspiracy to
2731 commit or the solicitation, coercion, aiding, abetting or intimidation of another to commit any of
2732 the following criminal activity under the laws of the commonwealth or equivalent crimes under
2733 the laws of any other jurisdiction: a violation of any criminal provision of chapter 23K; a felony
2734 offense under chapter 271; distributing, dispensing, manufacturing, or possessing with intent to
2735 distribute, dispense or manufacture a controlled substance in violation of chapter 94C; murder;
2736 rape; manslaughter, not including motor vehicle homicide; assault; assault and battery; assault
2737 and battery in order to collect a loan; assault with intent to rob or murder; poisoning; mayhem;
2738 robbery; extortion; stalking; criminal harassment; kidnapping; arson; burglary; malicious
2739 destruction of property; commission of a felony for hire; breaking and entering; child
2740 exploitation; assault and battery on a child; rape of a child; rape and abuse of a child; enticement
2741 of a child under 16; human trafficking; violation of constitutional rights under section 37 of
2742 chapter 265; usury; uttering; misuse or fraudulent use of credit cards under section 37C of
2743 chapter 266; identity fraud; misappropriation of funds; gross fraud; insurance fraud; unlawful
2744 prize fighting or boxing matches; counterfeiting; perjury; subornation of perjury; obstruction of
2745 justice; money laundering; witness intimidation; bribery; electronic eavesdropping; prostitution;
2746 receiving stolen property; larceny over $250; larceny by false pretenses or embezzlement;
2747 forgery; procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct
2748 defined as a racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

2749 "Enterprise", an entity including any individual, sole proprietorship, partnership,
2750 corporation, association, trust or other legal entity and any unchartered union or group of persons
2751 associated in fact although not a legally recognized entity.

2752 "Gaming establishment", an establishment licensed under chapter 23K.

2753 "Pattern of criminal enterprise activity", engaging in at least 3 incidents of criminal
2754 enterprise activity that have the same or similar pattern, intents, results, accomplices, victims or
2755 methods of commission, or are otherwise interrelated by distinguishing characteristics and are
2756 not isolated incidents; provided, however, that at least 1 of the incidents occurred after the

2757 effective date of this chapter, and the last incident occurred within 5 years of another incident of
2758 criminal enterprise activity.

2759 "Unlawful debt", a debt (i) which was incurred or contracted in an illegal gambling
2760 activity or business or (ii) which is unenforceable under state or federal law in whole or part as to
2761 principal or interest because of the law relating to usury.

2762 Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or
2763 through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest
2764 in or control of an enterprise which is engaged in, or the activities of which affect, licensed
2765 gaming under chapter 23K or ancillary industries which do business with a gaming
2766 establishment; (2) having received proceeds derived, directly or indirectly, from a pattern of
2767 criminal enterprise activity or through the collection of an unlawful debt, uses or invests, directly
2768 or indirectly, part of the proceeds including proceeds derived from the investment, in the
2769 acquisition of an interest in real property to be used in connection with licensed gaming, or in the
2770 establishment or operation of, an enterprise which is engaged in, or the activities of which affect,
2771 licensed gaming operations or ancillary industries which do business with a gaming
2772 establishment; (3) is employed by or associated with an enterprise to conduct or participate,
2773 directly or indirectly, in the conduct of the enterprise's affairs or activities which affect licensed
2774 gaming operations or ancillary industries which do business with a gaming establishment by
2775 engaging in a pattern of criminal enterprise activity or through the collection of an unlawful debt;
2776 or (4) conspires or attempts to violate subsections (1), (2), or (3) of this section; shall be guilty of
2777 enterprise crime and shall be punished by imprisonment in the state prison for not more than 15
2778 years or by a fine of not more than $25,000, or by both such imprisonment and fine.

2779 Nothing in this chapter shall prohibit the purchase of securities on the open market for
2780 purposes of investment made without the intention of controlling or participating in the control
2781 of the issuer, or of assisting another to do so, if the securities of the issuer held by the (i)
2782 purchaser; (ii) members of the purchaser?s immediate family; and (iii) the purchaser?s
2783 accomplices in any pattern of criminal activity or the collection of an unlawful debt after such
2784 purchase do not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1
2785 class and do not confer, either in law or in fact, the power to elect 1 or more directors of the
2786 issuer.

2787 Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained
2788 directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the
2789 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
2790 inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
2791 chapter 94C, the investigation and enforcement bureau of the gaming control board shall be
2792 considered a police department, entitled to a police department?s distribution of forfeiture
2793 proceedings.

2794 SECTION 57. Section 39 of chapter 272 of the General Laws, as appearing in the 2008
2795 Official Edition, is hereby amended by inserting after the word ?in?, in line 7, the following
2796 word:- illegal.

2797 SECTION 58. Section 99 of said chapter 272, as so appearing, is hereby amended by
2798 striking out, in lines 68 to 69, the words:- section seventeen of chapter two hundred and seventy
2799 one of.

2800 SECTION 59. Said section 99 of said chapter 272, as so appearing, is hereby further
2801 amended by inserting after the word "perjury", in line 72, the following words:- , enterprise
2802 crime, money laundering.

2803 SECTION 60. Section 13 of chapter 494 of the acts of 1978, as most recently amended
2804 by section 2 of chapter 114 of the acts of 1991, is hereby amended by striking out clause (c).

2805 SECTION 61. Clause (d) of said section 13 of said chapter 494, as appearing in said
2806 section 2 of said chapter 114, is hereby amended by striking out, in line 21, the words "(b) or (c)"
2807 and inserting in place thereof the following words:- and (b).

2808 SECTION 62. Said section 13 of said chapter 494, as most recently amended by said
2809 section 2 of said chapter 114, is hereby further amended by striking out subsection (f).

2810 SECTION 63. Under section 2 of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171-1177,
2811 approved January 2, 1951, the Commonwealth, acting by and through duly elected and qualified
2812 members of the general court, does declare and proclaim that the Commonwealth shall be
2813 exempt from the provisions of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171 to 1178 for any
2814 gambling device authorized for use and transport under chapter 23K of the General Laws and
2815 any regulations promulgated under that chapter.

2816 SECTION 64. All shipments of gambling devices into the commonwealth, including slot
2817 machines, the registering, recording and labeling of which has been duly had by the
2818 manufacturer of dealer of such gambling device in accordance with sections 3 and 4 of an Act of
2819 Congress of the United States entitled "An act to prohibit transportation of gambling devices in
2820 interstate and foreign commerce," approved January 2, 1951, being chapter 1194, 64 Stat. 1134,
2821 and also designated as 15 USC ?? 1171-1177, shall be considered legal shipments of gambling
2822 devices into this commonwealth.

2823 SECTION 65. In making initial appointments to the Massachusetts gaming commission
2824 established in section 2 of chapter 23K of the General Laws, the governor shall appoint 1
2825 commissioner to serve for a term of 5 years, 1 commissioner to serve for a term of 6 years, and 1
2826 commissioner to serve for a term of 7 years. The attorney general and treasurer shall each
2827 appoint 1 commissioner to serve for a term of 5 years.

2828 SECTION 66. In making initial appointments to the Massachusetts gaming control board
2829 established in section 3 of chapter 23K of the General Laws, the governor shall appoint 1
2830 member to serve for a term of 5 years, 1 member to serve for a term of 6 years and 1 member to
2831 serve for a term of 7 years.

2832 SECTION 67. The chair of the Massachusetts gaming control board shall consider
2833 current employees of the state racing commission as eligible for employment with the board and
2834 shall, subject to all other requirements and conditions of employment under chapter 23K of the
2835 General Laws, give preference to such individuals when making employment decisions.

2836 SECTION 68. A gaming licensee awarded a gaming license for a specific region under
2837 section 16 of chapter 23K of the General Laws shall show preference in hiring to any qualified
2838 persons permanently employed as of June 1, 2010 at a facility authorized to conduct simulcasting
2839 under chapter 128C of the General Laws that is in operation on June 1, 2010 within the region
2840 for which the gaming license was granted if the facility authorized to conduct simulcasting
2841 terminates operation within 1 year of the commission awarding the gaming license, subject to all
2842 other requirements and conditions of employment under said chapter 23K; provided that said
2843 facility authorized to conduct simulcasting shall provide employment data on the number, names
2844 and addresses of employees in permanent employment with said facility as of June 1, 2010 to the
2845 board to assist the gaming licensee in meeting this obligation.

2846 SECTION 69. (a) Notwithstanding any general or special law, rule or regulation to the
2847 contrary, a contract negotiated by the governor under this section may waive the requirement that
2848 a gaming license granted under section 17 of chapter 23K of the General Laws be renewed.

2849 (b) Notwithstanding any general or special law, rule or regulation to the contrary, the
2850 governor may enter into a gaming contract with a federally recognized Native American tribe in
2851 the commonwealth.

2852 (c) If the governor enters into a gaming contract, it shall include, but not be limited to, the
2853 following terms:

2854 (i) the tribe shall be subject to all laws, statutes, and bylaws of the
2855 commonwealth, the host community and any other properly constituted legal body, including
2856 chapter 23K of the General Laws? provided, however, that a fair and comparable payment in lieu
2857 of taxes may be substituted for any tax or fee required by the commonwealth? and

2858 (ii) if the tribe receives or has received a license to operate a gaming
2859 establishment under said chapter 23K, the governor shall support the tribe?s application to obtain
2860 lands in trust on the site of the gaming establishment.

2861 (d) The contract may include, but shall not be limited to, the following terms:

2862 (i) a grant of permanent exclusivity in the applicable region if the tribe
2863 receives a license to operate a gaming establishment under said chapter 23K; and

2864 (ii) a waiver of the requirement that a gaming establishment license granted
2865 under section 17 of said chapter 23K be renewed.

2866 (e) If the contract includes either term in subsection (d), the contract shall also include an
2867 agreement that permanent regional exclusivity or a waiver of the license renewal requirement
2868 constitutes significant value.

2869 SECTION 70. (a) Upon receipt by the board of licensing fees from licensees, the board
2870 shall transfer monies from the Gaming Licensing Fund, established in section 62 of chapter 23K
2871 of the General Laws, as provided in this subsection. Between the effective date of this section
2872 and December 31, 2015, funds shall be transferred as follows:-

2873 (1) $15,000,000 in the aggregate shall be transferred to the Gaming Mitigation
2874 Trust Fund established by section 65 of chapter 23K of the General Laws;

2875 (2) $85,000,000 in the aggregate shall be remitted to the comptroller and the
2876 comptroller shall deposit into the Local Aid Stabilization Fund, established by section 2BBBB of
2877 chapter 29 of the General Laws;

2878 (3) $20,000,000 to the Massachusetts gaming control board to be used for
2879 start-up and operational costs; and

2880 (4) the remaining balance of the fund as of December 31, 2015 shall be
2881 remitted to the comptroller and the comptroller shall deposit that remaining balance into the
2882 Stabilization Fund established by section 2H of chapter 29 of the General Laws.

2883 (b) Upon receipt by the Massachusetts gaming control board of license fees from
2884 licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming
2885 Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no
2886 transfer or payment under said clauses (1) and (2) shall occur until the fund reimburses
2887 $20,000,000 to the Stabilization Fund as required by subsection (b) of section 71 of this act.

2888 SECTION 71. (a) Within 30 days of the effective date of this act, the comptroller shall
2889 transfer $20,000,000, as a loan with no interest, from the Stabilization Fund established by
2890 section 2H of chapter 29 of the General Laws, to the Massachusetts gaming control board for the
2891 start-up and operational costs of implementing chapter 23K of the General Laws.

2892 (b) Upon receipt by the Massachusetts gaming control board of sufficient license fees
2893 from licensees under said chapter 23K, the board shall remit $20,000,000 to the comptroller from
2894 the Gaming Licensing Fund established in section 62 of said chapter 23K to repay the
2895 Stabilization Fund established by said section 2H of said chapter 29.

2896 SECTION 72. Not more than $42,500,000 shall be expended from the Local Aid
2897 Stabilization Fund, created in section 2BBBB of chapter 29 of the General Laws, in fiscal year
2898 2012.,

2899 SECTION 73. Section 69 is hereby repealed.

2900 SECTION 74. Section 14 shall take effect on December 31, 2015.

2901 SECTION 75. Section 73 shall take effect on December 31, 2011.