

HOUSE No. 330

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Authorizing The State Lottery Commission to Implement a wide area network system of video lottery terminals..

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

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

3 Section 1. Chapter 10 of the General Laws, as appearing in the 2002 Official Edition, is
4 amended by adding after Section 27A the following new section:

5 Section 27B. (a) The lottery commission is hereby authorized and directed to implement
6 a wide area network system of video lottery gaming on a statewide basis. A license to operate a
7 video lottery terminal shall be issued by the commission only, and subject to the approval of the
8 commission, may be issued to any licensee who is licensed pursuant to section 12 of chapter one
9 hundred and thirty-eight, and any licensee who is licensed by the state racing commission
10 pursuant to section three of chapter one hundred and twenty-eightA to conduct a racing meeting,
11 excluding those licensed to conduct a racing meeting at a state or county fair; provided however,
12 that such licensee does not owe a financial obligation to the commonwealth and such licensee
13 has not been convicted of a felony. A license to operate one or more video lottery terminals

within said wide area network system shall not be issued to any person, business, corporation, or other entity, except as provided herein.

(b) The commission shall issue a request for proposals to implement a statewide wide area network of video lottery terminals. The request for proposals shall include, but not be limited to, the following:

(1) any qualifying proposal must employ electronic gaming machines that each incorporate networked interactive digital technology that embodies the use of a card to begin individual game play and in support of a responsible gaming context provides a suite of play safe options, including play time limits, wager limits and self-exclusion at the players own choosing; (2) that any proposal must provide a central computer technology to which individual gaming machines will be networked, be capable of accommodating and tracking individual game play, individual player play safe selections, player self-exclusion and individual player account data such as wagers, wins and losses and reporting same to the individual player on command; (3) any proponent or principal of a proponent's business shall not have been convicted of a felony; and (4) any proponent must be operating within a wide area network system in at least one other jurisdiction at the time that proposals are due. The commission shall award a contract to operate a statewide wide area network for a video lottery terminal gaming system no later than June thirtieth of two-thousand nine.

(c) A license to operate one or more video lottery terminals shall be granted to any licensee pursuant to section 12 of chapter 138 provided that not less than twenty-one days before issuing any such license to operate a video lottery terminal, said chairman of said commission or his designee shall send a notification by certified mail to the mayor or the board of selectmen,

36 whichever is applicable, of the municipality in which such facility to be licensed to operate a
37 video lottery terminal is so located and shall publish, in newspaper of general circulation in the
38 area including the municipality where said video lottery terminal will operate, notice that an
39 application for such license has been filed with said commission. Said notice shall include the
40 name and business address of said video lottery terminal applicant; and the address wherein said
41 video lottery terminal applicant will operate. No such license shall be issued by said chairman of
42 said commission or his designee to which the local licensing authority, as defined pursuant to
43 section one of chapter one hundred and thirty-eight, has objected in writing as a result of an
44 official action of said authority, except after a hearing under chapter thirty A and unless said
45 chairman of said commission or his designee thereafter determines in writing, after considering
46 all relevant circumstances, that such license to operate a video lottery terminal is in the public
47 interest and approves in writing the issuance of such license, notwithstanding the objection of the
48 local licensing authority.

49 (d) A license to operate one or more video lottery terminals shall be granted to any
50 licensee licensed pursuant to section three of chapter one hundred and twenty eight A, except
51 those licensed to conduct a racing meeting at a state or county fair, provided that not less than
52 twenty-one days before issuing any such license to operate a video lottery terminal, said
53 chairman of said commission or his designed shall send a notification by certified mail to the
54 mayor or the board of selectmen, whichever is applicable, of the municipality in which such
55 facility to be licensed to operate one or more video lottery terminals is so located and shall
56 publish, in newspaper of general circulation in the area including the municipality where said
57 video lottery terminals will operate, notice that an application for such license has been filed with
58 said commission. Said notice shall include the name and business address of said video lottery

terminal applicant; and the address wherein said video lottery terminal applicant will operate. No such license shall be issued by said chairman of said commission or his designee to which the local licensing authority, as defined pursuant to section one of chapter one hundred and thirty-eight, has objected in writing as a result of an official action of said authority, except after a hearing under chapter thirty A and unless said chairman of said commission or his designee thereafter determines in writing, after considering all relevant circumstances, that such license to operate one or more video lottery terminals is in the public interest and approves in writing the issuance of such license, notwithstanding the objection of the local licensing authority.

The commission and the racing commission shall enter into an agreement in writing and filed with the Attorney General designating the area of the premises licensed pursuant to section three of chapter one hundred and twenty eightA, which shall be dedicated to one or more video lottery terminals, and the number of terminals to be placed on the premises. In the event that the license issued pursuant to section three of chapter one hundred and twenty-eight A for the premises is suspended, revoked or not renewed by the racing commission, the lottery commission shall suspend, revoke or not renew the license for one or more video lottery terminals on the premise.

All revenues generated by the implementation of a statewide wide area network of video lottery terminals, after payout of prizes and the cost of operation and administration shall be distributed pursuant to section (c) of section thirty-five. The payout structure and cost of operation and administration of the wide area network of video lottery terminals shall be consistent with current industry standards as of January first two-thousand nine at the time of implementation. Said payout structure and cost of operation and administration shall be updated every two years.