

**HOUSE . . . . . No. 4068**

---

---

The Commonwealth of Massachusetts

—————  
**In the Year Two Thousand Nine**  
—————

An Act establishing and regulating resort-style entertainment 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:*

1           The general court finds and declares that:

2           promoting the economic viability of the commonwealth is a fundamental purpose of state  
3 government;

4           growing the commonwealth's economy is the best way to make the investments in those  
5 areas that will strengthen the commonwealth;

6           the creation of resort-style entertainment complexes is an important part of an overall  
7 strategy to ensure the state's economic growth;

8           authorizing 3 resort-style entertainment complexes will result in thousands of  
9 construction jobs and billions of dollars of construction-related spending in the commonwealth;

10          once constructed, the 3 resort-style entertainment complexes will create thousands of new  
11 jobs for residents of the commonwealth and offer a wide array of employment opportunities for  
12 individuals with diverse educational backgrounds and skills, while enhancing the

13 commonwealth's workforce development system by creating career advancement opportunities  
14 for casino employees;

15 ensuring that the resort casinos are located in distinct markets of the state expands  
16 economic development and job creation broadly throughout the whole commonwealth and  
17 recognizes that the needs of regional economies must be addressed;

18 revenue generated from resort casinos can be used to fund critical needs in the  
19 commonwealth, and our cities and towns;

20 such investment in infrastructure is an economic necessity and will facilitate economic  
21 development and job creation;

22 offsetting property tax burden, hitting middle and lower income homeowners the hardest,  
23 and providing local services;

24 retooling and modernizing the racing industry and workforce in the commonwealth is  
25 critical to the success of the resort-style entertainment industry and to the state's economic  
26 growth overall;

27 addressing the social costs of gaming is an important and necessary part of any  
28 comprehensive gaming plan and therefore this act provides for a high level of funding for these  
29 costs and an evaluation mechanism to ensure we understand fully the impacts of gaming in the  
30 commonwealth;

31 a rigorous gaming regulatory and enforcement scheme is needed to ensure fairness and  
32 integrity in the gaming industry, and therefore this act contains a detailed strategy to ensure  
33 proper oversight and evaluation of resort casinos in our commonwealth;

34 the success of gaming in this commonwealth requires public confidence and trust that  
35 licensed gaming will be conducted honestly and competitively, that the resort-style entertainment  
36 complexes licensed in the commonwealth will not unduly impact the quality of life enjoyed by  
37 residents of the surrounding communities, and that gaming will be free from criminal and  
38 corruptive elements;

39 public confidence and trust can only be maintained by strict regulation of all persons,  
40 locations, practices, associations and activities related to the operation of the resort casinos  
41 licensed in the commonwealth;

42 the resort-style entertainment complexes licensed in the commonwealth must therefore be  
43 controlled to protect the public health, safety, and well being of the inhabitants of the  
44 commonwealth, to foster the stability and success of gaming and to preserve the competitive  
45 economy of the commonwealth;

46 the Massachusetts gaming control authority is therefore created as the custodian of the  
47 public trust relative to the gaming industry and is explicitly granted broad powers within this act  
48 so it may have the full authority to oversee the gaming industry and ensure that resort casino  
49 operations are transparent; and

50 to delay or deny the commonwealth the opportunity to increase jobs, attain new revenue,  
51 and address critical needs would be contrary to the best interests of our residents.

52 Section 39 of chapter 3 of the General Laws, as appearing in the 2006 Official Edition, is  
53 hereby amended by inserting in line 63 after the words "Loan Authority" the following words:  
54 Massachusetts Gaming Control Authority.

55 Section 7 of chapter 4 of the General Laws, as so appearing, is hereby amended by  
56 deleting lines 63 through 65 and inserting in place thereof the following paragraphs:

57 Tenth, "Gaming," any banking or percentage game played with cards, dice, tiles,  
58 dominoes, or any electronic, electrical, or mechanical device or machine for money, property,  
59 checks, credit or any representative of value, but excluding:

60 the game of bingo conducted pursuant to chapter 271;

61 any charitable gaming, so called, conducted pursuant to chapter 271;

62 pari-mutuel wagering on horse and dog races, whether live or simulcast, authorized under  
63 chapter 128A and chapter 128C; and

64 any lottery game conducted by the state lottery commission, in accordance with section  
65 24 of chapter 10.

66 "Illegal gaming" or "unlawful gaming" shall include every act punishable under any law  
67 relative to lotteries and the buying and selling of pools or registering of bets, except those acts  
68 permitted under section 24 of chapter 10, chapter 12B, chapter 128A, chapter 128C, and chapter  
69 271.

70 Section 22B1/2 of chapter 7, is hereby amended by inserting in line 23 after the words  
71 "Massachusetts Educational Loan Authority" the following words: Massachusetts Gaming  
72 Control Authority.

73 Section 22G of chapter 7, is hereby amended by inserting in line 54 after the words  
74 "Massachusetts Educational Loan Authority" the following words: Massachusetts Gaming  
75 Control Authority.

76           The General Laws are hereby amended by striking out chapter 12B and inserting in place  
77 thereof the following chapter:

78           CHAPTER 12B. THE MASSACHUSETTS GAMING CONTROL AUTHORITY

79           Definitions

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

82           "Affiliate", any person that a licensee or applicant directly or indirectly controls or in  
83 which an applicant or licensee possesses an interest. For the purposes of this definition,  
84 "controls" means either (i) directly or indirectly holding more than 10 percent of voting  
85 membership rights or voting stock or partnership interests, or (ii) that a majority of the directors,  
86 general partners, trustees, or members of an entity's governing body are representatives of, or are  
87 directly or indirectly controlled by, the licensee or applicant. For the purposes of this definition,  
88 "possesses an interest in" means either (i) directly or indirectly holding more than 5 percent of  
89 voting membership rights or voting stock, or (ii) that at least 25 percent of the directors, general  
90 partners, trustees, or members of an entity's governing body are representatives of, or are directly  
91 or indirectly controlled by, the licensee or applicant.

92           "Applicant", a person who has applied for a casino license, work permit, or approval of  
93 any act or transaction pursuant to this chapter.

94           "Authority", the Massachusetts gaming control authority, established pursuant to this  
95 chapter.

96           "Board", the board of the Massachusetts gaming control authority.

97 "Casino license", a license issued by the authority under this chapter that authorizes the  
98 person named therein to operate a resort casino in the commonwealth.

99 "Casino licensee", any licensee holding a valid casino license issued under this chapter.

100 "Casino work permit", any permit issued by the authority authorizing the holder to be  
101 employed as an employee in a licensed casino.

102 "Controlled game" or "controlled gaming", any gaming conducted in a gaming  
103 establishment and located in a licensed casino in the commonwealth pursuant to this chapter.

104 "Division", the division of gaming investigation and enforcement, within the department  
105 of the attorney general, as established pursuant to this chapter.

106 "Electronic gaming device", any game of chance, mechanical, electronic or otherwise  
107 featuring coin drop and payout as well as printed tabulations or credits to a paper or electronic  
108 account, whereby the software or hardware of the device predetermines the presence or lack of a  
109 winning combination and payout, including microprocessor-controlled electronic devices that  
110 allow a player to play games of chance, which may be affected by an element of skill, activated  
111 by the insertion of a coin or currency or by the use of a credit and awards game credits, cash,  
112 tokens, replays or a written statement of the player's accumulated credits, which written  
113 statements are redeemable for cash; and including slot machines, video lottery terminals and  
114 video facsimile machines of any type.

115 "Employee", any natural person employed to perform services for compensation as an  
116 employee by a casino, including but not limited to casino employees, casino key employees,  
117 casino security employees, casino service employees, or any other person who works for any

118 ancillary service operating on the site of a casino, including but not limited to hotels, restaurants,  
119 gaming establishments, and entertainment facilities.

120 "Executive Director", the executive director of the Massachusetts gaming control  
121 authority, as established pursuant to this chapter.

122 "Gaming", as defined in section 7 of chapter 4.

123 "Gaming establishment", any building, room, place or other indoor or outdoor premises  
124 where any gaming occurs, including all public and non-public areas of any such establishment.

125 "Gaming equipment", any equipment, device, object or contrivance, or machine, whether  
126 mechanical, electromechanical, or electronic, which is specifically designed or manufactured for  
127 use in the operation of gaming.

128 "Gaming services", goods or services provided to any gaming establishment directly in  
129 conjunction with the operation of gaming, including security services, junket services, gaming  
130 schools or training activities, promotional services, printing or manufacture of betting tickets,  
131 gaming technology services, and manufacture, distribution, maintenance, testing or repair of  
132 electronic gaming devices, or goods or services provided by any person pursuant to which the  
133 person receives payments based on earnings, profits or net receipts from gaming.

134 "Gross gaming revenue", the total, prior to the deduction of any operating, capital or  
135 other expenses whatsoever, less only the total of all sums paid out as winnings, of all gaming  
136 establishment revenue generated by the gaming establishment of any casino licensed under this  
137 chapter derived from the conduct of any game conducted at a licensed casino.

138 "Holding company", any corporation, firm, partnership, trust, or other entity that, directly  
139 or indirectly, owns, has the power or right to control, or holds the power to vote on, all or any  
140 part of the partnership interests or outstanding voting securities of a corporation or any other  
141 business entity that holds or applies for a gaming license. In addition, a holding company  
142 indirectly owns, has, or holds such power or right mentioned in the preceding sentence if it does  
143 so through any interest in a subsidiary or affiliate or successive subsidiaries or affiliates, however  
144 many of these subsidiaries or affiliates may intervene between the holding company and the  
145 corporate licensees or applicant.

146 "Intermediary company", any corporation, firm, partnership, trust, or other entity, other  
147 than a natural person, that is both of the following:

148 (a) a subsidiary of a holding company, and

149 (b) a holding company with respect to a corporation or limited partnership or other  
150 entity that holds or applies for a gaming license.

151 "License", a license issued to operate electronic gaming devices, to persons employed by  
152 gaming establishments, to gaming suppliers, to parties in interest, and to gaming schools.

153 "Licensed casino", any resort casino licensed to conduct controlled gaming pursuant to  
154 this chapter.

155 "Licensed casino operator", any operating entity that conducts controlled gaming within a  
156 gaming establishment pursuant to a license issued under this chapter.

157 "Licensee", any person or party holding a valid license under this chapter.



158 "Licensing fee", the fee required to be paid to the commonwealth by a licensed casino  
159 operator to operate a resort casino.

160 "Local host community", 1 or more towns or cities in which a resort casino is located.

161 "Market", any one of the following three market areas: Bristol County, Hampden County,  
162 Suffolk County.

163 "Operating licensing payment", the payment, based on a percentage of gross gaming  
164 revenue, that a licensed casino operator makes to the commonwealth.

165 "Party in interest", any corporation, firm, partnership, trust, or other entity or person with  
166 any direct or indirect pecuniary interest in a licensed gaming establishment, or a person who  
167 owns any interest in the premises of a licensed gaming establishment, or land upon which such  
168 premises is licensed, whether he leases the property directly or through an affiliate.

169 "Person" or "party", a natural person, corporation, partnership, limited partnership,  
170 trustee, holding company, joint venture, association, or any business entity.

171 "Resort casino", a casino which shall include a gaming establishment and other non-  
172 gaming amenities, including but not limited to: hotels, entertainment venues, retail stores,  
173 recreational facilities, and restaurants all located at 1 site.

174 "Substantial party in interest", any person holding a greater than 1 percent direct or  
175 indirect pecuniary interest, whether as owner, mortgagee or otherwise, in an operating entity,  
176 premises, or any other licensee or applicant; but, excluding any shareholder holding less than a 5  
177 percent interest in a public company that is a substantial party in interest.

178 Establishment of the Massachusetts Gaming Control Authority

179           There is hereby created a body politic and corporate to be known as the Massachusetts  
180 gaming control authority. The authority is hereby constituted a public instrumentality and the  
181 exercise by the authority of the powers conferred by this chapter shall be deemed to be the  
182 performance of an essential governmental function. The purpose of the authority is to provide for  
183 the establishment of resort casinos, and to license, regulate, and oversee licensed casinos and  
184 controlled gaming at licensed casinos in the commonwealth.

185           The authority shall be governed and have its corporate powers exercised by a board of  
186 directors consisting of the auditor or his designee, and 6 members to be appointed by the  
187 governor, 1 of whom shall have experience in legal issues with respect to gaming establishments;  
188 1 of whom shall have experience in finance and financial markets; 1 of whom shall have  
189 experience with the regulatory aspects needed for gaming establishments; 1 of whom shall have  
190 experience in accounting; and 1 of whom shall have experience in public health.

191           With the exception of the auditor, no board member shall hold or be a candidate for  
192 elected political office. Each board member shall be a citizen of the United States and a resident  
193 of the commonwealth. No person who has been convicted of a felony or of a misdemeanor shall  
194 be eligible to serve on the board.

195           Three of the members appointed by the governor shall serve a term coterminous with that  
196 of the governor. The other 3 members appointed by the governor shall serve a term of 5 years.  
197 Any person appointed to fill a vacancy in the office of a member of the board shall be appointed  
198 in a like manner and shall serve for only the unexpired term of such member. Any member shall  
199 be eligible for reappointment but no member shall serve more than 2 terms of 5 years each. Any  
200 member may be removed from his appointment by the governor for cause. The governor shall

201 from time to time designate a member or members of the board as its chairperson or co-  
202 chairperson as applicable. Five of the members shall constitute a quorum and the affirmative  
203 vote of a majority of members present at a duly called meeting where a quorum is present shall  
204 be necessary for any action to be taken by the board. Any action required or permitted to be  
205 taken at a meeting of the board may be taken without a meeting if all of the members consent in  
206 writing to such action and such written consents are filed with the records of the minutes of the  
207 meetings of the board. Such consents shall be treated for all purposes as a vote at a meeting.

208           The members of the board shall serve without compensation, but each member shall be  
209 entitled to reimbursement for his actual and necessary expenses incurred in the performance of  
210 his official duties.

211           The board annually may elect 1 of its members as vice-chairperson, shall elect a secretary  
212 and a treasurer, and may elect or appoint other officers as it may deem necessary, none of whom,  
213 other than the vice-chairperson, are required to be members of the board. The secretary shall  
214 keep a record of the proceedings of the board and shall be custodian of all books, documents, and  
215 papers filed by the board and of its minute book and seal. The secretary shall cause copies to be  
216 made of all minutes and other records and documents of the authority and shall certify that such  
217 copies are true copies, and all persons dealing with the authority may rely upon such  
218 certification. The treasurer shall be the chief financial and accounting officer of the authority and  
219 shall be in charge of its funds, books of account and accounting records. The officers of the  
220 board shall be subject to the same requirements as the members of the board under this act.  
221 Meetings of the authority board shall be subject to sections 11A and 11A1/2 of chapter 30A,  
222 provided, however, that any discussion or consideration of law enforcement or investigatory  
223 information, trade secrets or commercial or financial information may be held by the board in

224 executive session closed to the public notwithstanding the provisions of section 11A1/2 of  
225 chapter 30A, but the purpose of any such executive session shall be set forth in the official  
226 minutes of the authority board and no business which is not directly related to such purpose shall  
227 be transacted nor shall any vote be taken during such executive session. A public record of every  
228 vote shall be maintained at the authority.

229         The board shall have the power to appoint and employ an executive director, and to fix  
230 the director's compensation and conditions of employment. The executive director shall be the  
231 chief executive, administrative and operational officer of the authority and shall direct and  
232 supervise administrative affairs and the general management of the authority. The executive  
233 director may, subject to the general supervision of the board, employ other employees,  
234 consultants, agents, including legal counsel, and advisors, and shall attend meetings of the board.

235         The authority shall be advised by an advisory committee consisting of 12 members,  
236 including: the secretary of health and human services, the secretary of administration and  
237 finance, the secretary of housing and economic development, the secretary of labor and  
238 workforce development, the secretary of public safety and security, or their designees; 3  
239 members of the committee who shall be appointed by the governor, 1 of whom shall be a  
240 representative of organized labor, 1 of whom shall be an expert on gaming addiction, and 1 of  
241 whom shall be a police chief; 2 of the members of the committee who shall be appointed by the  
242 senate president; and 2 members who shall be appointed by the speaker of the house of  
243 representatives. Each member of the advisory committee shall serve for a term of 3 years;  
244 provided, however, that of the initial appointed members, 1 of the senate president's and  
245 speaker's appointments, and 3 of the governor's appointments shall serve a term of 2 years. Any  
246 person appointed to fill a vacancy in the office of a member of the advisory committee shall be

247 appointed in a like manner and shall serve for only the unexpired term of such member. Any  
248 member shall be eligible for reappointment but no member shall serve more than 2 three-year  
249 terms. The governor shall from time to time designate a member or members of the advisory  
250 committee as its chairperson or co-chairperson as applicable. The members of the advisory  
251 committee shall serve without compensation, but each member shall be entitled to  
252 reimbursement for his actual and necessary expenses incurred in the performance of his official  
253 duties.

254 Board members, officers and members of the advisory committee who are not  
255 compensated employees of the authority shall not be liable to the commonwealth, to the  
256 authority, or to any other person as a result of their activities, whether ministerial or  
257 discretionary, as such board members, officers, or advisory committee members except for  
258 willful dishonesty or intentional violations of law. Neither members of the authority nor any  
259 person executing bonds or policies of insurance shall be liable personally thereon or be subject to  
260 any personal liability or accountability by reason of the issuance thereof. The board of directors  
261 may purchase liability insurance for board members, officers and employees and may indemnify  
262 these persons against claims of others.

263 Any documentary materials or data whatsoever made or received by any member or  
264 employee of the authority and consisting of, or to the extent that such materials or data consist  
265 of, law enforcement or investigatory information, trade secrets or commercial or financial  
266 information regarding the operation of any business conducted by an applicant for any form of  
267 assistance which the authority is empowered to render or regarding the competitive position of  
268 such applicant in a particular field of endeavor, shall not be deemed public records of the  
269 authority and specifically shall not be subject to the provisions of section 10 of chapter 66.

270 The Massachusetts gaming control authority board shall be the successor to the  
271 Massachusetts gambling advisory board established by section 39 of chapter 60 of the acts of  
272 1994.

273 Powers and Duties of the Authority

274 The authority shall have all powers necessary or convenient to carry out and effectuate its  
275 purposes, as defined in section 2(a), including, without limiting the generality of the foregoing,  
276 the powers to:

277 adopt an official seal;

278 sue and be sued, to initiate or defend civil actions relating to its properties and affairs, and  
279 to be liable in tort in the same manner as a private person; provided however, that the authority is  
280 not authorized to become a debtor under the United States Bankruptcy Code;

281 appoint officers and employees;

282 execute all instruments necessary or convenient thereto for accomplishing the purposes of  
283 this chapter;

284 enter into agreements or other transactions with any person, including without limitation  
285 any public entity or other governmental instrumentality or authority in connection with its  
286 powers and duties under this chapter;

287 appear in its own behalf before boards, commissions, departments or other agencies of  
288 municipal, state or federal government;

289 obtain insurance;

290           apply for and accept subventions, grants, loans, advances and contributions from any  
291 source of money, property, labor or other things of value, to be held, used and applied for its  
292 corporate purposes;

293           provide and pay for such advisory services and technical assistance, including but not  
294 limited to accountants, financial experts, architects, attorneys, engineers, planners, real estate  
295 experts and other consultants as may be necessary in its judgment to carry out the purposes of  
296 this chapter and fix their compensation;

297           prepare, publish and distribute, with or without charge, as the authority may determine,  
298 such studies, reports and bulletins and other material as the authority deems appropriate;

299           investigate and determine the percentage of population of minority groups in the  
300 commonwealth or in areas thereof from which the work force for the casino is or may be drawn;

301           establish and adopt such percentages as guidelines in determining the adequacy of  
302 affirmative-action programs submitted for approval pursuant to the provisions of this chapter;

303           determine the types of conduct performed by licensees or applicants for licenses. The  
304 authority may approve or disapprove transactions and events as provided in this chapter, approve  
305 or disapprove gaming contracts with casino licensees based on their commercial reasonableness  
306 or the demonstrated capacity and experience of gaming services providers to perform the  
307 requirements such contracts, take actions reasonably designed to ensure that no unsuitable  
308 persons are associated with controlled gaming, and take actions reasonably designed to ensure  
309 that gaming activities take place only in suitable premises within licensed casinos;

310 monitor the conduct of all licensees and other persons having a material involvement,  
311 directly or indirectly, with a licensee for the purpose of ensuring that licenses are not issued to,  
312 or held by, and there is no direct or indirect material involvement with a licensee by unqualified,  
313 disqualified, or unsuitable persons, or persons whose operations are conducted in unsuitable  
314 manner or in unsuitable or prohibited places, as provided herein;

315 annually determine the maximum number of electronic gaming devices and wagering  
316 games and the types of wagering games permitted in the commonwealth and the number  
317 permitted at each gaming establishment; provided however, that a licensee shall be permitted to  
318 petition the authority for approval of additional wagering games and new types of wagering  
319 games; and provided further that the number of devices and games permitted for any licensee  
320 shall not be reduced during the term of any license issued under this chapter or any renewal  
321 thereof or be less than a number necessary to obtain commercially reasonable financing for the  
322 development of a resort casino;

323 develop criteria, other than those outlined herein, to assess which bids submitted by  
324 applicants for casino licenses under this chapter will provide the highest and best value to the  
325 commonwealth;

326 determine which applicants shall be awarded casino licenses and other licenses in  
327 accordance with the terms of this chapter;

328 require any person to apply for a license as provided in this chapter and approve or  
329 disapprove any such application or other transactions, events, and processes as provided in this  
330 chapter;



331 gather facts and information applicable to its obligation to issue licenses, to suspend or  
332 revoke licenses, work permits, or registrations granted to any person for: violation of any  
333 provision of this chapter or regulations adopted hereunder; willfully violating an order of the  
334 authority directed to such person; the conviction of any criminal offense under this chapter; or  
335 the commission of any violation of this chapter or other offense which would disqualify such  
336 person from holding a license or registration; provided, however, that if the basis for any  
337 suspension or revocation of a casino license is any action or omission of a party in interest to a  
338 licensee, then the authority shall prior to enacting such suspension or revocation grant the  
339 licensee a reasonably opportunity to remove such party in interest or take such other actions as  
340 the authority may deem reasonable or appropriate to address the cause of the suspension or  
341 revocation. The authority may also suspend the license or registration of any person pending  
342 hearing and determination, in any case in which license or registration revocation could result;;

343 with the assistance of the state police unit assigned to the division, conduct investigations  
344 into the qualifications of all applicants for employment by the authority and by any gaming  
345 establishment in a resort casino and all applicants for licensure;

346 request and receive from the state police, the criminal history systems board, or other  
347 criminal justice agencies, including but not limited to the federal bureau of investigation and the  
348 federal internal revenue service, such criminal offender record information, criminal intelligence  
349 information and information relating to criminal and background investigations as necessary for  
350 the purpose of evaluating employees of, and applicants for employment by, the authority and any  
351 gaming establishment in a resort casino, and evaluating licensees and applicants for licensure.

352 Upon the written request of the executive director, the state authority may receive from the  
353 district and juvenile courts, the state police, or the criminal history systems board, such

354 information relating to juvenile proceedings as necessary for the purpose of evaluating  
355 employees of, and applicants for employment by, the authority and any gaming establishment in  
356 a resort casino, and evaluating licensees of, and applicants for, licensure;

357         conduct hearings in accordance with the provisions of chapter 30A;

358         levy and collect fees, taxes, and fines and impose penalties and sanctions for the violation  
359 of the provisions of the licensing provisions of this chapter and the regulations adopted  
360 hereunder. At any time within 5 years after any amount of fees, interest, penalties or tax required  
361 to be collected pursuant to the provisions of this chapter shall become due and payable, the  
362 commission may bring a civil action in the courts of this commonwealth or any other state or of  
363 the United States, in the name of the commonwealth of Massachusetts, to collect the amount  
364 delinquent, together with penalties and interest. An action may be brought whether or not the  
365 person owing the amount is at such time an applicant, licensee or registrant pursuant to the  
366 provisions of this act. If such action is brought in this commonwealth, a writ of attachment may  
367 be issued and no bond or affidavit prior to the issuance thereof shall be required. In all actions in  
368 this commonwealth, the records of the authority shall be prima facie evidence of the  
369 determination of the fee or tax or the amount of the delinquency. Each debt that is due and  
370 payable as a result of fees, interest, penalties, or taxes required to be collected pursuant to the  
371 provisions of this chapter or the regulations adopted thereunder, including any compensation  
372 authorized pursuant to this chapter, and each regulatory obligation imposed as a condition upon  
373 the issuance or renewal of a license which requires the licensee to maintain, as a fiduciary, a fund  
374 for a specific regulatory purpose, shall constitute a lien on the real property in this  
375 commonwealth owned or hereafter acquired by the applicant, licensee, or registrant owing such a  
376 debt or on whom such an obligation has been imposed. Except as otherwise provided in this

377 chapter, such a lien shall be a first lien paramount to all prior or subsequent liens, claims, or  
378 encumbrances on that property;

379 be present through its inspectors and agents at all times during the operation of any resort  
380 casino for the purpose of certifying the revenue thereof, receiving complaints from the public  
381 relating to the conduct of gaming and wagering operations, examining records of revenues and  
382 procedures, inspecting and auditing all books, documents, and records of any licensee,  
383 conducting periodic reviews of operations and facilities for the purpose of evaluating current or  
384 suggested provisions of this chapter and the regulations adopted thereunder, and otherwise  
385 exercising its oversight responsibilities with respect to resort casinos;

386 visit, have access to and inspect, examine, photocopy, and test, without prior notice or  
387 approval of any party, all equipment and supplies in any licensed gaming establishment or in any  
388 premises where gaming equipment is manufactured, sold or distributed;

389 have access to and inspect, examine, photocopy, and audit all relevant and material  
390 papers, books, and records of any affiliate of a licensed gaming establishment that the executive  
391 director knows or reasonably suspects is involved in the financing, operation, or management of  
392 any entity licensed pursuant to this chapter, either on the affiliate's premises or elsewhere, as  
393 practicable, in the presence of the affiliate or any agent thereof;

394 require that the books and financial or other records or statements of any licensee be kept  
395 in a manner that the authority or the bureau deems proper;

396 audit all relevant material papers, books, and records of an applicant for or person  
397 holding any license under this chapter, on such applicant or licensee's premises or elsewhere, as  
398 practicable, in the presence of the applicant or licensee or his agent;

399 provide access to records and cooperate with the division, including answering the  
400 division's requests for documents and refer to the division any evidence of a violation of this  
401 chapter or the regulations adopted thereunder;

402 establish licensure and work permits for employees working at the casino and minimum  
403 training requirements; provided further the authority may review the professional requirements  
404 of employees and update them as needed. The authority shall require that all casino employees  
405 be properly trained in their respective professions. The authority may recognize an employee's  
406 license from out of state gaming schools if they meet the minimum requirements for the  
407 authority and may establish a process for reciprocal licensing of out of state licensed casino  
408 employees;

409 refer to the Massachusetts commission against discrimination matters and information  
410 concerning possible violations of Massachusetts law;

411 require the designation by a licensee of an equal employment officer to enforce the  
412 provisions of this section and the regulations adopted hereunder;

413 ensure that there is no duplication of duties and responsibilities between it and the  
414 division, provided, however, that the authority may not place any restriction upon the division's  
415 ability to investigate or prosecute violations of this chapter or the regulations adopted hereunder;

416 enforce in a court of law the provisions of this section or to join in or assist any  
417 enforcement proceeding initiated by any aggrieved person;

418 refer any suspected criminal violation of this chapter to the division; provided, however,  
419 that nothing in this subsection shall be deemed to limit the investigatory and prosecutorial  
420 powers of other state and local officials and agencies;

421 provide technical assistance to towns, cities, and districts that are taking executive or  
422 legislative actions for the purposes of this chapter;

423 exercise any other powers of a corporation organized under chapter 156B;

424 make an annual report of its finance activities, including number of licenses, fines,  
425 penalties and violations and other relevant information and make recommendations for improved  
426 operations of the licensed casinos to the governor and the general court by March 31, for the  
427 prior calendar year; and,

428 adopt regulations, pursuant to sections 2 and 3 of chapter 30A, to carry out the powers  
429 and the provisions of this chapter; and specifically adopt regulations relating to the following  
430 matters:

431 the licensing of resort casinos, including regulations relating to the types of  
432 establishments, application process, background checks, license fees, bonding requirements, and  
433 revocation, suspension, and renewal of licenses;

434 the registration and licensing of gaming services suppliers and non-gaming suppliers,  
435 including regulations relating to the application process, background checks, license fees,  
436 bonding requirements, the commercial reasonableness of gaming contracts with casino licensees,  
437 the demonstrated capacity and experience of a supplier to perform the requirements a contract,  
438 and revocations and suspension of licenses;

439 the licensing of parties in interest, including regulations relating to the application  
440 process, background checks, license fees, bonding requirements, and revocation and suspension  
441 of licenses;

442 the issuance of 1 or more classes of work permits, criteria for different classes of work  
443 permits, including regulations relating to the application process, background checks, fees, and  
444 revocation and suspension of work permits;

445 the registration and licensing of labor organizations representing the employees of a  
446 resort casino;

447 the presentation and/or display of all licenses and work permits;

448 the licensing of gaming schools, if any such school is established in the commonwealth,  
449 including regulations relating to the application process, background checks, license fees, and  
450 revocation and suspension of licenses;

451 the monitoring of licensees to ensure compliance with this chapter and the regulations  
452 adopted thereunder, including but not limited to, requiring that licensees make readily available  
453 all documents, materials, equipment, personnel, and any other items that the division may wish  
454 to investigate;

455 the posting of applicable statutes at casinos regarding civil and criminal laws applicable  
456 to gaming;

457 minimum wage and benefits standards and other conditions of employment for resort  
458 casino employees, which standards or conditions may only be waived in a bona fide collective  
459 bargaining agreement;

460 the method for collecting any fines, fees, penalties and interest imposed by the authority;

461 the method and standards of operation of gaming establishments including, but not  
462 limited to, games, the type and manner of gaming, wagering limitations, odds, and hours of  
463 operation; provided, however, the authority shall not restrict the number of hours of operation of  
464 any gaming establishment to fewer hours than any competing gaming establishment in  
465 Massachusetts;

466 the manufacturing, distribution, sale, testing, servicing, regulation and inspection of  
467 gaming equipment for use in licensed casinos, including requirements for the identification and  
468 licensing of same;

469 any limitations on mortgage security interests and agreements relating to the property of  
470 licensed gaming establishments;

471 any limitations on transfers of interests in licenses;

472 advertising by licensed gaming establishments, including the monitoring of advertising,  
473 particularly to ensure that it is not directed at minors and other vulnerable populations; provided,  
474 however, licensees shall have the right to conduct reasonable advertising consistent with that of  
475 competing gaming facilities, and the state lottery;

476 the manner in which winnings, compensation from games, and gaming devices must be  
477 compiled and reported by the authority; provided further, that electronic gaming devices shall  
478 return as winnings at a minimum 85 percent of all sums wagered;

479 standards for protection of the health, safety, and security of the public at licensed  
480 gaming establishments;

481 the procedures for renewal of all licenses awarded under this chapter;  
482 the minimum procedures to be adopted by each gaming establishment to exercise  
483 effective supervisory and management control over its fiscal affairs, including the requirement of  
484 an annual audit undertaken in accordance with generally accepted accounting principles, and the  
485 requirement that quarterly reports be provided by gaming establishments to the authority no  
486 more than 30 days after the close of each quarter;

487 the persons to be excluded or ejected from gaming establishments, including the type of  
488 conduct prohibited and whether and under what conditions persons under age 21 may be  
489 permitted to enter casinos; and

490 the licensing and regulation of the central computer system provider which services  
491 electronic gaming devices and on and off site auditing of electronic gaming devices; provided  
492 that, the authority shall ensure that the central computer system shall employ a widely accepted  
493 gaming industry protocol to facilitate slot machine manufacturers' ability to communicate with  
494 the statewide system; and provided further, that the central computer system provider selected by  
495 the authority shall be prohibited from providing electronic gaming devices, or any other form of  
496 player activated terminal, for use in connection with the central computer system.

497 The commissioner of revenue shall act as the fiscal agent for the authority for the  
498 purposes of collecting all fees and assessments and for this purpose shall have all the powers  
499 provided in chapter 62C.

500 In emergencies, the authority may, without complying with sections 2 or 3 of chapter  
501 30A, summarily adopt, amend, or repeal any regulation, if, at the time, the authority makes a  
502 finding that such action is necessary for the preservation of the public peace, health, safety,



503 morals, good order, or general welfare, together with a statement of the facts constituting the  
504 emergency; provided, however, that no emergency action shall exceed 90 days.

505 Notwithstanding any other general or special law to the contrary, all files, records,  
506 reports, and other information in the possession of any state or local governmental agency  
507 including tax filings and related information that are relevant to an investigation by the authority  
508 conducted pursuant to this chapter shall be made available by such agency to the authority as  
509 requested, except that investigatory materials compiled by law enforcement out of the public  
510 view whose disclosure would materially prejudice the possibility of effective law enforcement  
511 shall not be subject to this requirement. Any tax or financial information received from a  
512 governmental agency shall be used solely for effectuating the purposes of this chapter. To the  
513 extent that these files, records, reports, or information are confidential or otherwise privileged  
514 from disclosure under any law, they shall not lose that confidential or privileged status for having  
515 been disclosed to the authority; provided further, that the authority shall consult with the division  
516 of public records regarding the handling of this information.

517 The authority shall make a continuous study and investigation of gaming throughout the  
518 commonwealth in order to ascertain the adequacy and effectiveness of state gaming law or  
519 regulations and may formulate recommendations for changes in such laws and regulations;  
520 provided further, that the study shall include economic, public health, security, taxation, traffic,  
521 regional housing, regional education, regional infrastructure and environmental impacts. The  
522 authority shall also make a continuous study and investigation of the operation and  
523 administration of similar laws in other states or countries, of any literature or reports on the  
524 subject, and of any federal laws which may affect the operation of gaming in the commonwealth,

525 all with a view to recommending or effecting changes that will tend to better serve and  
526 implement the purposes of this chapter.

527           Restrictions on prior employment and post employment by authority employees,  
528 members of the board, and executive branch employees; conflicts of interest and scope of  
529 employment.

530           Prior Employment. No person shall be appointed to or employed by the authority if,  
531 during the period commencing 3 years prior to appointment or employment, that person held any  
532 direct or indirect interest in, or any employment by, any person which is licensed as a casino  
533 licensee, a casino service industry licensee, or a dog or horse racing licensee in the  
534 commonwealth or in another state or has an application for a gaming establishment license  
535 pending before the authority.

536           Conflicts of Interest. Chapter 268A shall apply to all board members of the authority, all  
537 advisory committee members, and to all employees of the authority, except as specifically  
538 provided herein.

539           The authority shall adopt a code of ethics that governs relationships and dealings between  
540 authority employees and licensees or applicants for licensure under this chapter.

541           The codes of ethics adopted by the authority shall not be in conflict with the laws of the  
542 commonwealth, provided, however, that those codes of ethics may be more restrictive than any  
543 law of this commonwealth, including chapter 268A.

544           The codes of ethics adopted by the authority shall be subject to the approval of the state  
545 ethics commission.

546 All board members of the authority, all advisory committee members, all employees of  
547 the authority, and the spouse of each such individual, shall file a statement of financial interests  
548 for the preceding calendar year with the state ethics commission. The statement of financial  
549 interests filed pursuant to this section shall be on a form prescribed by the state ethics  
550 commission pursuant to chapter 268B and shall be signed under penalty of perjury by the  
551 reporting person. The statement of financial interests shall be filed with the state ethics  
552 commission within 30 days after the individual assumed his or her responsibilities with the  
553 authority, on or before May first of each year thereafter that such individual is associated with  
554 the authority as a board member, advisory committee member or employee, and on or before  
555 May first of the year after such individual ceases to be associated with the authority; provided,  
556 however, that no statement of financial interest shall be required to be filed for the year in which  
557 the individual ceased to be associated with the authority if he or she served less than thirty days  
558 in such year.

559 Restrictions on Post Employment.

560 No board member, including those board members who hold elected office, and no  
561 advisory committee member of the authority shall hold any direct or indirect interest in, or be  
562 employed by, any applicant or by any person licensed by or registered with the authority for a  
563 period of 3 years commencing on the date the membership on the authority terminates.

564 No employee of the authority may acquire any direct or indirect interest in, or accept  
565 employment with, any applicant or any person licensed by or registered with the authority, for a  
566 period of 3 years commencing at the termination of employment with the authority.

567 No authority employee shall represent any person or party other than the commonwealth  
568 before or against the authority for a period of 3 years from the termination of the employee's  
569 employment with the authority.

570 No partnership, firm or corporation in which a former authority board member or  
571 employee or former division employee or agent has an interest, nor any partner, officer or  
572 employee of any such partnership, firm or corporation shall make any appearance or  
573 representation which is prohibited to that former member, employee, or agent; provided,  
574 however, that nothing herein shall prohibit such partnership, firm or corporation from making  
575 such appearance or representation on behalf of a casino service industry licensed under this  
576 chapter.

577 No person who was an employee of the commonwealth's executive branch between  
578 January 4, 2007 and the date of enactment of this act, shall be employed by the authority, for a  
579 period of 3 years commencing at the termination of employment with the executive branch.

580 No person who was an employee of the commonwealth's executive branch between  
581 January 4, 2007 and the date of enactment of this act, shall be employed by any person which is  
582 licensed as a casino licensee, a casino service industry licensee, or a dog or horse racing licensee  
583 in the commonwealth or has an application for a gaming establishment license pending before  
584 the authority, for a period of 3 years commencing at the termination of employment with the  
585 executive branch.

586 Prior to appointment or employment, each board member of the authority, each advisory  
587 committee member, and each employee of the authority, shall swear or affirm that he possesses  
588 no interest in any business or organization licensed by, or registered with, the authority.

589           Scope of Employment. In addition to the requirements stated herein, all authority  
590 employees, authority board members, and advisory committee members shall be subject to  
591 chapter 268B. The stricter provisions of this section shall prevail over the provisions of chapter  
592 268A.

593           Neither the authority nor any of its officers, agents, employees, consultants or advisors  
594 shall be subject to the provisions of sections 9A, 45, 46 and 52 of chapter 30, or to chapter 31, or  
595 to chapter 200 of the acts of 1976.

596           All officers and employees of the authority having access to its cash or negotiable  
597 securities shall give bond to the authority at its expense in such amounts and with such surety as  
598 the board may prescribe. The persons required to give bond may be included in 1 or more  
599 blanket or scheduled bonds.

600           No employee, or member of the authority, or their family members shall be permitted to  
601 place a wager in any gaming establishment licensed by the authority except in the course of his  
602 duties.

### 603           Provisions for Applications of Casino Licenses

604           Forms of Application. Any person desiring to establish a resort casino in the  
605 commonwealth shall bid for one by making an application to the authority for a casino license.

606           Such application shall include, but shall not be limited to the following:

607           the name of the applicant;

608 the post office address of the applicant, and if a corporation, the name of the state under  
609 the laws of which it is incorporated, the location of its principal place of business and the names  
610 and addresses of its directors and stockholders;

611 an independent audit report of all the applicant's financial activities, including but not  
612 limited to the disclosure of all contributions, donations, loans or any other financial transactions  
613 to or from any gaming entity or operator in the past 5 years;

614 an independent audit report of all of the applicants' financial interests;

615 the location of the proposed resort casino, which shall include address(es), maps, and  
616 book and page numbers from the appropriate registry of deeds, assessed value of land to be  
617 purchased or currently in ownership, market value of the land at the time of application, the  
618 zoning of the site (including whether gaming facilities are allowed either as a matter of right or  
619 by special permit on any portion of the property), ownership status over the past 5 years,  
620 (including all interests, options, agreements in property), demographic, geographic, and  
621 environmental information, and any other information requested by the authority;

622 the proposed architects and designers for the resort casino, which shall include the name  
623 and addresses of the architects, engineers, and designers, and timeline of construction and phases  
624 of construction;

625 the types of games and gaming to be conducted at the resort casino, number of tables and  
626 electronic gaming devices that are proposed to be employed at the casino, and the specific  
627 location of the gaming at the casino site;

628 a description of the ancillary entertainment services and amenities to be provided at the  
629 proposed resort casino;

630 the number of hotels, rooms per hotel and other amenities located at the proposed resort  
631 casino;

632 the number of employees to be employed at the resort casino, including detailed  
633 information on the pay rate and benefits for employees, including any contractors;

634 the total amount of investment by the applicant in the resort casino, including all facilities  
635 located at the casino site and all infrastructure improvements related to the project;

636 completed studies and reports as required by the authority, which shall include, but are  
637 not limited to, an economic benefit study, both for the commonwealth and region; a study of the  
638 potential impact on the host community and other impacted communities; an environmental,  
639 traffic and local infrastructure impact study, a study on the impact of the proposed resort casino  
640 to the local and regional economy, the cost to the municipality and the state for the casino to be  
641 at its proposed location, and the total amounts of municipal and state tax revenue to be generated  
642 by the applicant;

643 whether the applicant's casino is part of a regional or local economic plan;

644 whether the applicant is partnering with a federally recognized native American tribe  
645 located in the commonwealth;

646 whether the applicant has a contract with organized labor and has the support of  
647 organized labor for its application;

648 whether the applicant will be using publicly owned land for the resort casino;

649 a statement that the applicant will comply, in case such a license is issued, with all  
650 applicable laws and with all applicable rules and regulations prescribed by the authority or any  
651 other relevant entity;

652 a statement that the applicant shall mitigate the potential negative public health  
653 consequences associated with gambling and the operation of a destination resort casino. As part  
654 of this submission, the applicant must agree to:

655 maintain as smoke free all indoor facilities operated by the licensee or anyone working  
656 for or under contract with the licensee;

657 provide complimentary on-site space for an independent substance abuse and mental  
658 health counseling service to be selected by the commonwealth;

659 prominently display information on the signs of problem gambling and how to access  
660 assistance;

661 describe a process for individuals to exclude their names and contact information from  
662 the licensee's database or any other list held by the licensee for use in marketing or promotional  
663 communications;

664 provide to the commonwealth aggregate demographic information with respect to its  
665 customers in a manner and pursuant to a schedule to be defined by the commonwealth;

666 institute other public health strategies as determined by the authority;

667 a detailed plan showing the levels of security and safety for its employees, guests,  
668 equipment and money; and



669 answers to such other questions as the authority may prescribe.

670 The authority may prescribe forms and additional information to be used in making such  
671 applications.

672 An applicant's request to receive a license under this chapter shall constitute a request for  
673 a determination of the applicant's general character, integrity, and ability to participate or engage  
674 in, or be associated with, gaming.

675 Such applications shall be signed and sworn to, if made by an individual, by such  
676 individual; if made by 2 or more individuals or a partnership, by 1 of such individuals or by a  
677 member of such partnership; if made by a trust, by a trustee of such trust; and if made by an  
678 association or corporation, by the chief executive and chief financial officers thereof.

679 The authority shall investigate the qualifications of each applicant under this chapter  
680 before any license is issued.

681 With each application, there shall be delivered to the authority a certified check or bank  
682 draft, payable to the authority, of a non-refundable deposit in the amount of \$350,000 for the  
683 processing, analysis and review of the application.

684 Eligibility. No person shall be eligible to bid on a resort casino license unless the person  
685 meets the following initial criteria and clearly states as part of an application that the person:

686 agrees to be a state lottery reseller for the purpose of lottery and keno games, and to  
687 demonstrate that state lottery and keno games are readily accessible to its guests;

688 shall invest no less than \$1 billion into the resort casino project, with at least  
689 \$300,000,000 in investment in the project and related improvements committed in an initial

690 phase and the balance being committed over the following five years, neither of which amounts  
691 shall include the purchase or lease price of the land where the casino will be located;

692 meets the licensee bonding requirement as set by the authority;

693 has a debt to equity ratio of not more than 4:1 when the application is submitted;

694 has ownership of land located in a market where the resort casino will be constructed and  
695 that all or some portion of the land is zoned to allow gaming as-of right or by special permit;

696 shall demonstrate that it is able to pay and shall commit to paying (y) the licensing fee of  
697 \$225,000,000, as established in section 6, and (z) the operating licensing payments of 27 percent  
698 of all gross gaming revenues;

699 has submitted certified copies of resolutions adopted after the effective date of this act by  
700 the legislative bodies of two-thirds of the municipalities in the applicable county, following  
701 recommendations from the respective chief executive municipal officials, which resolutions  
702 affirm that such legislative bodies approve the establishment of a resort casino within such  
703 county;

704 shall provide for a community impact fee for the local host community;

705 shall pay for infrastructure costs of the host and surrounding communities incurred in  
706 direct relation to the construction and operation of a resort casino;

707 shall provide to the authority a signed agreement between the host community and the  
708 applicant to have a resort casino located within the host community; provided that the agreement  
709 shall include the community impact fee for the local host community and all stipulations of  
710 responsibilities between the local host community and the applicant;

711 shall be able to comply with state and local building codes; and

712 shall formulate for authority approval and abide by an affirmative-action program of  
713 equal opportunity whereby the applicant guarantees to provide equal employment opportunities  
714 to all employees qualified for licensure in all employment categories, including a person with a  
715 disability, in accordance with Massachusetts law.

716 Bid Procedure for Each Market

717 The authority shall request bids for the purpose of awarding casino licenses in each  
718 market.

719 The authority shall accept bids only from applicants who have met the initial eligibility  
720 requirements pursuant to subsection (b) of this section.

721 Before applications are received, the authority shall adopt regulations setting forth criteria  
722 by which each bid shall be evaluated in each region.

723 The bids shall be evaluated to determine which proposal provides the highest and best  
724 value to the market and to the commonwealth. The criteria for determining the highest and best  
725 value to each market and the commonwealth shall include, but shall not be limited to, the  
726 following:

727 the overall economic benefit to the commonwealth;

728 the amount of the operating licensing payment projected by the application based on  
729 payment of 27 percent of gross gaming revenue;

730 the proposed infrastructure improvements and economic development opportunities to  
731 the commonwealth, the local host community and the region where the resort casino is located  
732 and the timeline for commencement and completion of such improvements and opportunities;

733 the extent to which the applicant shall contract with Massachusetts business owners for  
734 the provision of services and goods at the casino;

735 whether, in the Bristol County market, the applicant is, or partners with, a federally  
736 recognized Native American tribe situated and with governmental offices in Massachusetts with  
737 land held in trust by the United States of America for the use and benefit of said tribe and which  
738 land is otherwise gaming eligible under the Indian Gaming Regulatory Act, that seeks and agrees  
739 to accept a commercial license consistent with the terms and conditions of this chapter and any  
740 regulations promulgate hereunder and waives its sovereign immunity and rights under the Indian  
741 Gaming Regulatory Act, in which case such applicant shall be given preference for a license in  
742 the Bristol market;

743 the extent to which the proposed project is consistent with the commonwealth's  
744 sustainable development principles. For purposes of this section, consistency with these  
745 principles means at a minimum the following:

746 the resort casino has been certified or is capable of being certified as gold or higher  
747 pursuant to the U.S. Green Building Council Neighborhood Development Rating System. The  
748 authority may prescribe an alternative, independent, third-party rating after consultation with the  
749 secretary of the executive office and energy and environmental affairs, if, for example, that  
750 rating system is not in effect at the time of the license application;

751 the resort casino's proposed buildings have been certified or are capable of being certified  
752 as gold or higher pursuant to the green building rating system established by Leadership in  
753 Environmental and Energy Design (LEED). The authority may prescribe an alternative  
754 independent, third-party rating after consultation with the secretary of the executive office of  
755 energy and environmental affairs, if, for example, that rating system is not in effect at the time of  
756 the license application;

757 the electrical equipment and appliances used by the casino meet United States  
758 Environmental Protection Agency efficiency standards;

759 the casino shall procure 10 percent of its annual electricity consumption from renewable  
760 sources identified by the division of energy resources pursuant to section 11F of chapter 25A.  
761 This requirement may be achieved through procurement of renewable energy supply, through the  
762 production of on-site renewable power, and/or the purchase of renewable energy certificates;

763 should the casino develop open space land, the applicant shall purchase, or impose a  
764 conservation restriction upon, open space land of equal or greater size to the open space land  
765 developed by the casino. Any such conservation restriction shall comply with section 32 of  
766 chapter 184; and

767 there are alternative transportation options for patrons to access the casino so that carbon  
768 emissions are minimized.

769 the number of permanent jobs created by the casino licensee; provided, that the licensee  
770 shall create at least 5,000 new permanent jobs at the casino, or through casino service providers,  
771 over a 5-year period;

772 whether the applicant agrees to work collaboratively with the Massachusetts workforce  
773 development system, including the appropriate local workforce entities, to create a workforce  
774 development plan to recruit and train residents of the commonwealth for the casinos, including  
775 those who face barriers in finding employment, such as people with low incomes or receiving  
776 public assistance, the long-term unemployed, veterans, individuals with disabilities, and  
777 participants in federal and state workforce programs;

778 whether the applicant shall establish, fund, and maintain internal human resource hiring  
779 and training practices that promote the development of a skilled and diverse workforce with  
780 access to promotion opportunities by a workforce-training program designed to foster a skilled  
781 and diverse workforce by:

782 establishing transparent career paths with measurable criteria within the casinos that lead  
783 to increased responsibility and higher pay grades that are designed to allow employees to pursue  
784 career advancement and promotion;

785 establishing employee access to additional resources, such as tuition reimbursement or  
786 stipend policies, to enable employees to acquire the education or job training needed to advance  
787 career ladders based on increased responsibility and pay grades;

788 establishing an on-site child day care program;

789 establishing a program to train the casino workforce in the identification of and  
790 intervention with customers exhibiting problem gaming behavior;

791 where appropriate, applying for and using workforce training funds grants established  
792 under section 2RR of chapter 29 to enhance employee skills; and

793           establishing access to "career coaches" to assist employees with understanding career  
794 advancement opportunities within the resort casino, as well as where appropriate, establishing an  
795 employee mentoring program to train and retain entry level employees.

796           the architectural plans or site plans of all structures and facilities to be used as part of the  
797 resort casino;

798           whether the applicant is including in its application contracts with labor organizations and  
799 a provision assuring labor harmony during all phases of such construction, renovation, or  
800 reconstruction of the resort casino;

801           whether all contracts and subcontracts to be awarded in connection therewith shall  
802 contain appropriate provisions by which contractors and subcontractors or their assignees agree  
803 to afford an equal employment opportunity to all prospective employees and to all actual  
804 employees to be employed by the contractor or subcontractor in accordance with an affirmative  
805 action program approved by the authority and consonant with the provisions of Massachusetts  
806 and federal law; and

807           the extent to which the applicant shall mitigate public safety effects;

808           the extent to which the applicant shall provide funding for the marketing of  
809 Massachusetts as a tourist destination.

810           In assessing the highest and best value to the commonwealth, the authority shall take into  
811 account the commonwealth's policy determination that the commonwealth shall have no more  
812 than 3 gaming establishments.

813           It shall be the burden of the applicant to provide convincing evidence in its application, to  
814 the satisfaction of the authority, that a resort casino shall provide the highest and best value to the  
815 market in which it is located and to the commonwealth.

816           As part of its determination for licensure, the authority shall investigate and consider the  
817 positive and negative effects a casino facility will have to the host community and communities  
818 impacted by the project, provided further, that factors to consider include, but are not limited to,  
819 the regional and local economy, the number and location of resort casinos, job creation or loss,  
820 road and traffic, public access (including public transportation), water, drainage, sewer, fire  
821 department coverage, police department coverage and other public safety coverage, emergency  
822 access, housing, public education influx, state and municipal creation or reduction and other  
823 infrastructure related issues.

#### 824           Awarding of and Conditions of Licenses

825           The authority may award casino licenses based on the applications and bids submitted to  
826 the authority.

827           Number of Casino Licenses. Notwithstanding any general or special laws to the contrary,  
828 the authority shall award no more than 3 casino licenses in the commonwealth, with no more  
829 than 1 license awarded per market; subject to the limitations set forth in Section 6(j)(2).

830           Nothing in this chapter shall require the awarding of a license to a market. If the authority  
831 is not convinced that an applicant has both met the eligibility criteria and provided convincing  
832 evidence that the applicant shall provide the highest and best value to the market in which the  
833 resort casino is located and to the commonwealth, no casino license may be awarded in that  
834 market.



835 For the purposes of determining which applicant may be awarded a license, each  
836 applicant's bid shall be evaluated to determine which will provide the highest and best value to  
837 the market and to the commonwealth based on the criteria set out in section 5, and any other  
838 terms the authority determines by regulation.

839 If there is more than 1 applicant in a market who is determined by the authority to be  
840 eligible for a casino license pursuant to section 5, the authority shall determine which application  
841 presents the highest and best value to the market and the commonwealth according to the criteria  
842 set forth in section 5.

843 If an applicant is awarded a casino license, the casino licensee shall pay the  
844 commonwealth the following fees:

845 a licensing fee in the amount of \$225,000,000;

846 an annual operating licensing payment in the amount equal to 27 percent of all gross  
847 gaming revenues. Following the initial issuance of a casino license, so long as the casino license  
848 remains in good standing, and to enable the applicant to secure commercially reasonable  
849 financing of the project, no casino licensee shall be required to make annual operating license  
850 payments at a rate in excess of the amount set forth in the preceding sentence.

851 Provided that a casino licensee has first entered a memorandum of understanding with the  
852 Secretaries of Transportation and Environmental Affairs regarding the gaming establishment,  
853 related public infrastructure improvements and environmental impacts, and except for any permit  
854 or approval required by local zoning and a building permit and certificate of occupancy with  
855 respect to matters directly regulated by the state building code, notwithstanding any general or  
856 special laws to the contrary an applicant receiving a casino license shall not be required to apply

857 for, file for, obtain or maintain any permit, license or approval from, and shall not be required to  
858 apply for, file for or undergo any impact or other review process with or by the commonwealth  
859 or any political subdivision thereof or any agency, department, commission or authority of any of  
860 the foregoing, for or directly or indirectly in connection with the permitting, financing,  
861 construction, renovation, maintenance, use and occupation of a resort casino and related site  
862 improvements and amenities on the approved site of the gaming establishment and related public  
863 infrastructure improvements.

864 No person or affiliate may be awarded more than 1 license and no person directly, or  
865 indirectly through an affiliate, may have an interest in more than 1 license.

866 Each license is renewable every 10 years, from the date of first issuance. The first 10-  
867 year renewal shall be automatic and shall not require any gaming license fee or renewal fee. The  
868 authority shall adopt regulations to establish standards and the process concerning the  
869 renewability of licenses subsequent to the second 10-year term.

870 Conditions of Casino Licensure.

871 Every casino licensee shall have an affirmative obligation to abide by every statement  
872 made in its application to the authority and every statement made in its bid submission to the  
873 authority pursuant to subsection (c) of section 5.

874 No license for the Bristol County market shall be issued if a federally recognized Native  
875 American tribe situated and with governmental offices in commonwealth with land held in trust  
876 by the United States of America for the use and benefit of said tribe and which land is otherwise  
877 gaming eligible under the Indian Gaming Regulatory Act, enters a compact recommended by the  
878 Governor and approved by a two-thirds majority of both chambers of the Legislature; said

879 compact shall replace the award of a license for the Bristol Market; provided further, any  
880 compact with a federally recognized Native American tribe situated and with governmental  
881 offices in the commonwealth with land held in trust by the United States of America for the use  
882 and benefit of said tribe and which land is otherwise gaming eligible under the Indian Gaming  
883 Regulatory Act, shall be recommended by the Governor and approved by a two-thirds majority  
884 of both chambers of the Legislature.

885         The authority shall make an assessment in each fiscal year against each licensee  
886 operating a casino in the commonwealth. This assessment is in addition to the licensing fee and  
887 the operating licensing payment paid by each licensee. This assessment shall be reasonable and  
888 made at a rate as shall be reasonably determined and certified annually by the authority as  
889 sufficient to produce revenue to reimburse the commonwealth for funds appropriated for the  
890 operation of the authority and the division, including the dedicated state police units attached to  
891 the division, and public safety costs, including amounts sufficient to cover the cost of fringe  
892 benefits as established by the secretary of administration and finance under section 6B of chapter  
893 29. This assessment shall be made proportionately against each licensee based on the  
894 proportionate number of gaming devices and tables operated by that licensee. Each licensee  
895 against whom an assessment is made shall pay over daily to the authority a pro rata share of the  
896 assessment as determined by the authority. If the authority fails to expend in any fiscal year the  
897 total amount assessed under this section, any amount unexpended shall be credited against the  
898 assessment to be made in the following year and the assessment in such following year shall be  
899 reduced by that unexpended amount.

900         Each licensee shall pay the total amount of the licensing fee set forth in subsection 6(f)(1)  
901 in three equal annual installments, the first such installment to be paid within 60 days of the grant

902 of the resort casino license and receipt of all other licenses and permits reasonably necessary (as  
903 determined by the authority) for the applicant to secure commercially reasonable financing of the  
904 project, the second installment to be paid on or before the first anniversary of the first payment,  
905 and the third installment to be paid on or before the second anniversary of the first payment.

906 Each licensee shall pay daily to the commissioner of the department of revenue as the  
907 agent of the authority, the operating licensing payment, as provided in section 5.

908 No licensee shall operate, invest or own, in whole or in part, another licensee's license or  
909 casino. If a licensee is found in violation of this section, they will be fined up to \$5,000 per day  
910 for violations.

911 No licensee shall be permitted to transfer its casino license or any interest such licensee  
912 may have in the gaming establishment or the real property upon which it is located, and no  
913 substantial party in interest shall be permitted to transfer its interest in the licensee, whether  
914 through a sale, option contract, or other agreement or contract providing for such transfer in the  
915 present or future, without the notification of and approval by the authority. The authority shall  
916 adopt rules and regulations for determination of the approval of any such transfer. In the event  
917 that within the first five years following the issuance of a casino license to a licensee there is  
918 either (i) a transfer by a licensee of its casino license or any interest such licensee may have in  
919 the gaming establishment or the real property upon which it is located, or (ii) a transfer by a  
920 substantial party in interest of a controlling interest in the licensee, the authority may require  
921 either the transferor or transferee or both, as determined by the authority, to pay to the  
922 commonwealth an amount representing the increased value attributable specifically to the casino  
923 license; provided, that the authority shall consider as a factor in determining the amount of the

924 payment the difference in value of the licensee's property and the improvements thereon (which  
925 shall be excluded from the value of the license) between the time when the licensee received the  
926 license and the time of or anticipated time of the transfer through the average of 3 separate  
927 assessments made by the licensee, the authority and an independent assessor chosen by the  
928 authority, and the cost of that assessment shall be part of the payment of the transfer; provided  
929 further, that the authority shall consider as a factor in determining the amount of the payment the  
930 increased value of the property, land, establishment, management agent, entity or business value  
931 as a result of possessing a gaming operator's license; provided further, that the authority shall  
932 consider as a factor in determining the amount of the payment the prior capital investments made  
933 by the licensee, the marketing and other business development expenses incurred by the licensee,  
934 the financing costs incurred by the licensee prior to such transfer, and any additional economic  
935 value created by the licensee. In no event shall a transfer of any rights to a bona fide commercial  
936 financial institution pursuant to any commercially reasonable financing be deemed to be a  
937 transfer; provided further, that the authority may reject such transfer if it deems the transferee to  
938 be unsuitable. The authority shall adopt rules and regulations for the reasonable determination of  
939 the payment which serves the best interest of the commonwealth as a result of the transfer;  
940 provided that the authority may consider the actual increase or decrease in the pecuniary value of  
941 the license, the real property, and the shares of interest among the time it was initially purchased,  
942 the time of receiving a license and the time of the transfer; provided further, that any payments  
943 collected by the authority on behalf of the Commonwealth are deposited in the same manner as  
944 license fees are deposited with the commonwealth.

945           The authority may place any condition or restriction on the transfer of a license or interest  
946 held by a substantial party in interest, and in all instances it shall consider whether additional  
947 compensation is owed to the Commonwealth pursuant to the foregoing paragraph.

948           No casino licensee shall be permitted to change its form of business governing structure  
949 on file with the secretary of state as of the date of its license application without the notification  
950 and approval of the authority.

951           The authority shall monitor the conduct of all licensees and other persons having a  
952 material involvement, directly or indirectly, with a licensee for the purpose of ensuring that  
953 licenses are not issued to, or held by, and there is no direct or indirect material involvement with  
954 a licensee by unqualified, disqualified, or unsuitable persons.

955           Each licensee shall be required to have an office available to the authority. The authority  
956 shall establish the minimum requirements for the office.

957           Each licensee shall be required to have an office available for the division's state police  
958 personnel. The authority shall establish the minimum requirements for square footage for the  
959 state police office, office furnishings, and parking space.

960           All licensees shall make readily available all documents, materials, equipment, personnel  
961 and any other items that the attorney general may desire to conduct an investigation. A licensee  
962 may withhold material that may be considered a trade secret or detrimental to the licensee if it  
963 were made public and have it adjudicated before the authority as to its protected status, and  
964 require non-disclosure agreements between the attorney general and the authority for such  
965 material.

966           The licensee shall cooperate with the division with respect to the investigation of any  
967 criminal matter that is discovered on its property. The licensee shall, upon receipt of criminal or  
968 civil process compelling testimony or production of documents in connection with any civil or  
969 criminal investigation, immediately disclose such information to the authority. This section does  
970 not prohibit private persons or public entities from seeking any remedy or damages against a  
971 licensee.

972           All licensees shall have a duty to inform the authority of any action which they  
973 reasonably believe would constitute a violation of this chapter, and shall assist the authority and  
974 any federal or state law enforcement agency in the investigation and prosecution of such  
975 violation. No person who so informs the authority shall be discriminated against by an applicant  
976 or licensee because of the supplying of such information.

977           All licensees shall collect and annually report to the authority a statistical report on the  
978 number of candidates hired and retained in employment in connection with the workforce  
979 development plan and the affirmative action program respectively required by sections 5(b).  
980 Failure to comply with this section shall cause a licensee to forfeit any state workforce training  
981 funds or economic incentives.

982           All licensees shall agree to make a good faith effort to identify and recruit candidates  
983 from the local labor market area and other nearby labor market areas to ensure a diverse  
984 workforce. Failure to comply with this section shall cause a licensee to forfeit any state  
985 workforce training funds or economic incentives.

986           Every casino licensee shall keep conspicuously posted on his premises a notice  
987 containing the name and numbers of the council on compulsive gambling and a statement of its

988 availability to offer assistance. The authority may require the licensee to provide this information  
989 in 1 or more languages.

#### 990 Storage of Documents and Non-Disclosure of Sensitive Documents and Materials

991 The authority shall maintain a file of applications for licenses under this chapter, together  
992 with a record of all action taken by the authority on those applications. Such applications shall be  
993 open to public inspection; provided however, that the executive director shall prohibit access to  
994 information that contains law enforcement or investigatory information, is a trade secret, or puts  
995 the applicant for a license at an unfair disadvantage with other applicants; provided further, that  
996 the executive director shall consult with the division on public records on the appropriate manner  
997 of distributing or withholding of such information. The authority may maintain any other files  
998 and records as it deems appropriate.

#### 999 Authority Operating Account

1000 There shall be established upon the books of the commonwealth a separate fund to be  
1001 known as the Massachusetts gaming control authority trust fund to be expended, without prior  
1002 appropriation, by the Massachusetts gaming control authority. The fund shall consist of the  
1003 application fees collected pursuant to section 5(a)(6), and all assessment payments collected  
1004 from section 6. The executive director of the authority shall make necessary expenditures from  
1005 this account for the shared administrative costs of the operations and programs of the authority.  
1006 The executive director shall further direct that funds from the account shall be expended to  
1007 provide services in an amount reasonably related to the functions of the authority and the  
1008 comptroller may certify for payment amounts in anticipation of expected receipts; but no  
1009 expenditure shall be made from the fund which shall cause the fund to be in deficit at the close of



1010 each fiscal year. The authority shall pay the attorney general the amount it requested under  
1011 section 14(b) by July first of each year.

1012 Gaming License Fee Trust Fund

1013 There shall be established and set up on the books of the commonwealth a separate fund,  
1014 to be known as the gaming license fee trust fund, in this section called the license fee trust fund.  
1015 The license fee trust fund shall consist of all license fees received in consideration of the award  
1016 of licenses under section 6, and all other monies credited or transferred to the fund from any  
1017 other fund or source pursuant to law.

1018 The secretary of administration and finance shall be the trustee of the license fee trust  
1019 fund, and shall transfer monies in the fund, without further appropriation, as of June 30 of each  
1020 fiscal year, only as follows and in the following order:

1021 only if and to the extent determined by the secretary of administration and finance, initial  
1022 payments to the authority and to the division for start-up expenses;

1023 the remaining one-half of the balance in the fund, to the general fund; and

1024 the other remaining one-half of the balance in the fund, to the local taxpayer relief aid  
1025 trust fund established by section 14.

1026 Gaming Operating Licensing Payment Trust Fund

1027 There shall be established and set up on the books of the commonwealth a separate fund,  
1028 to be known as the gaming operating license payment trust fund, in this section called the  
1029 operating licensing payment fund. The operating licensing payment fund shall consist of all  
1030 operating licensing payments received in consideration of the award of licenses under section 6,

1031 and all other monies credited or transferred to the fund from any other fund or source pursuant to  
1032 law.

1033 The secretary of administration and finance shall be the trustee of the license proceeds  
1034 fund, and shall transfer monies in the fund, without further appropriation, as of June 30 of each  
1035 fiscal year, only as follows and in the following order:

1036 to the host community mitigation trust fund established by section 11, an amount that is 2  
1037 percent of all operating licensing payments made to the operating licensing payment fund under  
1038 this section;

1039 to the regional community mitigation trust fund established by section 12, an amount that  
1040 is 1 percent of all operating licensing payments made to the operating licensing payment fund  
1041 under this section;

1042 to the public health trust fund established by section 13, an amount that is 2.5 percent of  
1043 all operating licensing payments made to the operating licensing payment fund under this  
1044 section, but in no event more than \$45,000,000 in any fiscal year;

1045 to the public safety trust fund established by section 14, an amount that is 0.5 percent of  
1046 all operating licensing payments made to the operating licensing payment fund under this  
1047 section;

1048 to the tourism promotion trust fund established by section 15, an amount that is 0.5  
1049 percent of all operating licensing payments made to the operating licensing payment fund under  
1050 this section;

1051 to the live racing industry preservation trust fund established by section 16, an amount  
1052 that is 1 percent of all operating licensing payments made to the operating licensing payment  
1053 fund under this section, but in no event more than \$20,000,000 in any fiscal year;

1054 to fund any reduction in local aid payments made by the state lottery, an amount that is  
1055 the difference between the average of the total amounts funded to local cities and towns in the  
1056 three fiscal years prior to enactment of this Act, adjusted in each fiscal year after fiscal year 2009  
1057 by the average increase for the above period, and the total amount local aid payments made by  
1058 the state lottery in the current fiscal year if less than that adjusted average amount;

1059 half of the remaining balance in the fund, to the general fund;

1060 the remaining balance in the fund, to the local taxpayer relief aid trust fund established by  
1061 section 17.

#### 1062 Host Community Mitigation Trust Fund

1063 There shall be established and set up on the books of the commonwealth a separate fund,  
1064 to be known as the host community mitigation trust fund, in this section called the mitigation  
1065 fund. The mitigation fund shall consist of the monies transferred under sections 10, and all other  
1066 monies credited or transferred to the fund from any other fund or source pursuant to law.

1067 The secretary of administration and finance shall be the trustee of the mitigation fund and  
1068 shall expend monies in the fund, without further appropriation, to assist the local host  
1069 communities in which any resort casino facilities are located, to address any increases in police,  
1070 fire, transportation, water, sewer, enforcement and prosecution costs, or other services directly

1071 related to the construction and operation of the facilities. The secretary of administration and  
1072 finance may adopt regulations, after a public hearing, governing these expenditures.

### 1073 Regional Community Mitigation Trust Fund

1074 There shall be established and set up on the books of the commonwealth a separate fund,  
1075 to be known as the regional community mitigation trust fund, in this section called the mitigation  
1076 fund. The mitigation fund shall consist of the monies transferred under section 10, and all other  
1077 monies credited or transferred to the fund from any other fund or source pursuant to law.

1078 The secretary of administration and finance shall be the trustee of the mitigation fund and  
1079 shall expend monies in the fund, without further appropriation, to assist the local host  
1080 community, cities, towns (other than the specific municipalities in which any resort casino  
1081 facilities are located, which shall be eligible for funds from the host community mitigation fund  
1082 under section 11) and district attorneys in the vicinity of resort casino facilities, to address any  
1083 increases in police, fire, transportation, water, sewer, enforcement and prosecution costs, or other  
1084 services directly related to the construction and operation of the facilities; provided, however,  
1085 that the authority shall determine which towns and cities will be affected by construction and  
1086 operation of the facilities. The secretary of administration and finance may adopt regulations,  
1087 after a public hearing, governing these expenditures.

### 1088 Public Health Trust Fund

1089 There shall be established and set up on the books of the commonwealth a separate fund,  
1090 to be known as the public health trust fund, in this section called the public health fund. The  
1091 public health fund shall consist of the monies transferred under section 10, and all other monies  
1092 credited or transferred to the public health fund from any other fund or source pursuant to law.

1093           The secretary of health and human services shall be the trustee of the public health fund  
1094 and shall expend monies in the fund, without further appropriation but subject to approval of an  
1095 annual spending plan by the secretary of administration and finance, to meet increased demand  
1096 for social service and public health programs resulting from gaming, including but not limited to  
1097 gambling prevention and new substance abuse and addiction services, services to address other  
1098 problems such as domestic violence and child welfare services, an educational campaign to  
1099 mitigate the potential addictive nature of gambling, and on an annual basis, a comprehensive  
1100 study and evaluation system to ensure proper and most effective mitigation of any negative  
1101 public health costs. The secretary of health and human services may adopt regulations, after a  
1102 public hearing, governing these expenditures.

1103           Public Safety Trust Fund

1104           There shall be established and set up on the books of the commonwealth a separate fund,  
1105 to be known as the public safety trust fund, in this section called the public safety fund. The  
1106 public safety fund shall consist of the monies transferred under section 10, and all other monies  
1107 credited or transferred to the fund from any other fund or source pursuant to law.

1108           The commissioner of public safety shall be the trustee of the public safety fund and shall  
1109 expend monies in the fund, without further appropriation, to address any increases in police, fire,  
1110 enforcement and prosecution costs, or other services directly related to the operation of the  
1111 facilities. The commissioner of public safety may adopt regulations, after a public hearing,  
1112 governing these expenditures.

1113           Tourism Promotion Trust Fund

1114           There shall be established and set up on the books of the commonwealth a separate fund,  
1115 to be known as the tourism promotion trust fund, in this section called the tourism fund. The  
1116 tourism fund shall consist of the monies transferred under section 10, and all other monies  
1117 credited or transferred to the fund from any other fund or source pursuant to law.

1118           The secretary of housing and economic development shall be the trustee of the tourism  
1119 fund and shall expend monies in the fund, without further appropriation, to assist with the  
1120 promotion of tourism in the commonwealth. The secretary of housing and economic  
1121 development may adopt regulations, after a public hearing, governing these expenditures.

1122           Live Racing Industry Preservation Trust Fund

1123           There shall be established and set up on the books of the commonwealth a separate fund,  
1124 to be known as the live racing industry preservation trust fund, in this section called the live  
1125 racing fund. The live racing fund shall consist of the monies transferred under section 10, and all  
1126 other monies credited or transferred to the fund from any other fund or source pursuant to law.

1127           The secretary of housing and economic development shall be the trustee of the live racing  
1128 fund and shall expend monies in the fund, without further appropriation, to assist with the  
1129 promotion and preservation of the live racing industry in the commonwealth, including by  
1130 making payments to the purse accounts of racing facilities licensed pursuant to Chapter 128A  
1131 and to Massachusetts based breeders associations. The secretary of housing and economic  
1132 development may adopt regulations, after a public hearing, governing these expenditures.

1133           Local Taxpayer Relief Aid Trust Fund

1134           There shall be established and set up on the books of the commonwealth a separate fund,  
1135 to be known as the local taxpayer relief aid trust fund, in this section called the local taxpayer  
1136 relief aid fund. The local taxpayer relief aid fund shall consist of the monies transferred under  
1137 sections 9 and sections 10 of this act, and all other monies credited or transferred to the local  
1138 taxpayer relief aid fund from any other fund or source pursuant to law.

1139           The secretary of administration and finance shall be the trustee of the local taxpayer relief  
1140 aid fund and shall allocate monies in the fund to municipalities, without further appropriation, to  
1141 supplement local aid payments otherwise made by the commonwealth pursuant to section 18C of  
1142 chapter 58.

#### 1143           Division of Gaming Investigation and Enforcement

1144           There is hereby established in the department of the attorney general a division of gaming  
1145 investigation and enforcement. The attorney general shall designate an assistant attorney general  
1146 as director of the division. The director of the division may appoint and remove, subject to the  
1147 approval of the attorney general, such expert, clerical or other assistants as the work of the  
1148 division may require. The attorney general may purchase any necessary equipment for the  
1149 purpose of conducting an investigation. Subject to the approval of the secretary of public safety  
1150 and security, the colonel of the state police shall assign such supervisory and investigative  
1151 personnel and other resources to the division as may be necessary to fulfill its obligations under  
1152 this chapter. The powers and duties of the division shall be as follows:

1153           investigate allegations of crimes committed on the premises, crimes involving or  
1154 impacting the operation of the casino or games, and violations of this chapter;

1155           be on the premises at any time that it deems appropriate and inspect and examine all  
1156 operations, books, records, and any other documents;

1157           inspect all gaming devices and equipment used or to be used in a resort casino at any time  
1158 it deems appropriate;

1159           have access to all records of the authority;

1160           investigate all applications, certificates and permits issued pursuant to the provisions of  
1161 this chapter;

1162           conduct all background checks on applicants for employment by the authority and any  
1163 gaming establishment in a resort casino and applicants for licensure, including obtaining criminal  
1164 record information, and share such information as necessary with the authority; provided that  
1165 such background checks shall be conducted by the state police unit assigned to the division;

1166           conduct audits of casino operations at such times, under such circumstances, and to such  
1167 extent as the director shall determine, including reviews of accounting, administrative and  
1168 financial records, and management control systems, procedures and records utilized by a casino  
1169 licensee;

1170           receive and take appropriate action on any referral from the authority relating to any  
1171 evidence of a violation of this chapter or the regulations adopted thereunder;

1172           initiate, prosecute, intervene and defend proceedings before the authority, or appeals  
1173 therefrom, as the division may deem appropriate;

1174           investigate and enforce the provisions of this chapter and any regulations adopted  
1175 hereunder or any gaming related statutes, rules or regulations adopted by any agency,



1176 department, board, commission, division or authority of the commonwealth or any political  
1177 subdivision thereof that is involved in controlled gaming pursuant to this chapter, and prosecute  
1178 all proceedings for violations of this chapter or any regulations adopted hereunder;

1179 be entitled to request and receive information, materials and any other data from any  
1180 licensee or registrant, or applicant for a license or registration under this chapter;

1181 ensure that there is no duplication of duties and responsibilities between it and the  
1182 authority; and

1183 report to the attorney general recommendations that promote more efficient operations of  
1184 the division.

1185 The division shall be compensated for its duties through the assessment pursuant to  
1186 section 6. The attorney general shall submit a budget to the authority by January first for an  
1187 annual appropriation, and the authority shall make such appropriation to the division by July first  
1188 of each year.

1189 Penalties for Licensing and Gaming Violations

1190 Willful evasion of license fees; other acts and omissions.

1191 any person who willfully fails to report, pay, or truthfully account for and pay over any  
1192 license fee or tax imposed by the provisions of this chapter or by the regulations adopted by the  
1193 authority, or willfully attempts in any manner to evade or defeat any such license fee, tax, or  
1194 payment thereof shall be punished by imprisonment in state prison for not more than 5 years or  
1195 in a house of correction for not more than 2 and one-half years, or a fine of not more than

1196 \$100,000, or both, and in the case of a person other than a natural person, the amount of a fine  
1197 may be up to \$5,000,000.

1198 any person who willfully resists, prevents, impedes, interferes with, or makes any false,  
1199 fictitious, or fraudulent statement or representation to the authority or to the division or to their  
1200 agents or employees in the performance of duties pursuant to this chapter shall be punished by  
1201 imprisonment in state prison for not more than 5 years or in a house of correction for not more  
1202 than 2 years and one-half years, or a fine of not more than \$25,000, or both.

1203 Unlicensed gaming unlawful.

1204 any person who conducts or operates, or permits to be conducted or operated, any game,  
1205 electronic gaming device, or gaming equipment in violation of the licensing provisions of this  
1206 chapter or the regulations adopted by the authority shall be punished by imprisonment in state  
1207 prison for not more than 5 years or imprisonment in a house of correction for not more than 2  
1208 and one-half years, or a fine of not more than \$25,000, or both such fine and imprisonment, and  
1209 in the case of a person other than a natural person, the amount of a fine may be up to \$100,000.

1210 any licensee who, without the permission of the authority, (1) places controlled games,  
1211 electronic gaming devices, or gaming equipment into play or displays such controlled games,  
1212 electronic gaming devices, or gaming equipment in a casino or gaming establishment or (2)  
1213 receives, directly or indirectly, any compensation or reward or any percentage or share of the  
1214 revenue, for keeping, running, or carrying on any controlled game, or owning the real property or  
1215 location in which any controlled game occurs, shall be punished by imprisonment in a house of  
1216 correction for not more than 2 and one-half years, or a fine of not more than \$25,000, or both,

1217 and in the case of a person other than a natural person, the amount of a fine may be up to  
1218 \$100,000.

1219 any person who conducts or operates any controlled game, electronic gaming device, or  
1220 gaming equipment after his license has expired and prior to the actual renewal thereof shall be  
1221 punished by imprisonment in a house of correction for not more than 1 and one-half years, or a  
1222 fine of not more than \$25,000, or both, and in the case of a person other than a natural person,  
1223 the amount of a fine may be up to \$100,000.

1224 Swindling and cheating.

1225 In addition to the provisions of section 75 of chapter 266, a person is guilty of swindling  
1226 and cheating if the person purposely or knowingly by any trick or sleight of hand performance or  
1227 by a fraud or fraudulent scheme, cards, dice, or other gaming equipment, for himself or for  
1228 another, wins or attempts to win money or property, or a representative of either, or reduces a  
1229 losing wager or attempts to reduce a losing wager in connection to controlled gaming.

1230 The penalties for swindling and cheating offenses shall be as follows:

1231 any person who swindles or cheats where the amount involved is \$75,000 or more shall  
1232 be punished by imprisonment in state prison for not more than 10 years, or a fine of not more  
1233 than \$1,000,000, or both.

1234 any person who swindles or cheats where the amount involved is \$10,000 or more and  
1235 less than \$75,000 shall be punished by imprisonment in state prison for not more than 5 years, or  
1236 a fine of not more than \$500,000, or both.

1237           any person who swindles or cheats where the amount involved is \$1,000 or more and less  
1238 than \$10,000 shall be punished by imprisonment in state prison for not more than 3 years or  
1239 imprisonment in a house of correction for not more than 2 and one-half years, or a fine of not  
1240 more than \$100,000, or both such fine and imprisonment.

1241           any person who swindles or cheats where the amount involved is less than \$1,000 shall  
1242 be punished by imprisonment in a house of correction for not more than 2 and one-half years, or  
1243 by a fine of not more than \$10,000, or both.

1244           Each episode or transaction of swindling or cheating may be the subject of a separate  
1245 prosecution and conviction. In the discretion of the prosecutor, multiple episodes or transactions  
1246 of swindling and cheating committed as part of a single scheme or course of conduct may be  
1247 treated as a single offense, and the amounts involved in acts of swindling and cheating  
1248 committed pursuant to a scheme or course of conduct, whether by the same person or several  
1249 persons, may be aggregated in determining the amount involved in the offense.

1250           Unlawful use or possession of devices to obtain an advantage.

1251           Any person who in playing, conducting or operating a game in a licensed casino or  
1252 gaming establishment, uses or assists another in the use of (1) a computerized, electronic,  
1253 electrical, or mechanical device, which is designed, constructed, or programmed specifically for  
1254 use in obtaining an advantage in any game in a licensed casino or gaming establishment or (2)  
1255 any other cheating or thieving device, including, but not limited to, bogus or counterfeit chips,  
1256 coins or dice; coins or tokens attached to strings or wires; marked cards; electronic or magnetic  
1257 devices; or tools, drills, wires, keys, or devices designed for the purpose of and suitable for  
1258 opening, entering, or affecting the operation of any gaming equipment, or for removing money

1259 or other contents therefrom, shall be punished by imprisonment in state prison for not more than  
1260 5 years or imprisonment in a house of correction for not more than 2 and one-half years, or a fine  
1261 of not more than \$25,000, or both such fine and imprisonment.

1262 Any person who possesses any computerized, electronic, electrical, or mechanical device  
1263 or other cheating or thieving device described in subsection (1) with the intent to defraud, cheat,  
1264 or swindle shall be punished by imprisonment in a house of correction for not more than 2 and  
1265 one-half years, or a fine of not more than \$10,000, or both. Possession of any computerized,  
1266 electronic, electrical, or mechanical device or other cheating or thieving device described in  
1267 subsection (1) within a casino or gaming establishment shall constitute prima facie evidence of  
1268 an intent to defraud, cheat or swindle, except that possession by any licensee, or employee of a  
1269 licensee, acting in furtherance of his employment within a licensed casino or gaming  
1270 establishment shall not constitute such prima facie evidence.

1271 Any cheating or thieving device used or possessed in violation of this section shall be  
1272 subject to seizure and forfeiture by the division.

1273 Unlawful operation of cheating games and devices by a licensee or employee; penalties.

1274 It shall be unlawful for any licensee or employee to:

1275 knowingly conduct or operate, or allow to be conducted or operated, any cheating or  
1276 thieving game or device; or

1277 knowingly conduct or operate or expose for play any game or games played with cards,  
1278 dice, or any electronic or mechanical device, or any combination of games or devices, which  
1279 have in any manner been marked or tampered with, or placed in a condition, or operated in a

1280 manner, the result of which tends to deceive the public or tends to alter the normal random  
1281 selection of characteristics or the normal chance of the game or to alter the result of the game.

1282 Any person who violates this section shall be punished by imprisonment in state prison  
1283 for not more than 5 years or imprisonment in a house of correction for not more than 2 and one-  
1284 half years, or a fine of not more than \$25,000, or both such fine and imprisonment, and in the  
1285 case of a person other than a natural person, the amount of a fine may be up to \$100,000.

1286 Any cheating or thieving game or device used in violation of this section shall be subject  
1287 to seizure and forfeiture by the division.

1288 Unlawful manufacture, distribution, sale, or service of gaming equipment; penalties.

1289 Any person who manufactures, distributes, sells, or services any gaming equipment in  
1290 violation of the provisions of this chapter or the regulations adopted by the authority for the  
1291 purposes of defrauding, cheating, or swindling any person playing, operating, or conducting a  
1292 controlled game at a casino or gaming establishment shall be punished by imprisonment in state  
1293 prison for not more than 5 years or imprisonment in a house of correction for not more than 2  
1294 and one-half years, or a fine of not more than \$25,000, or both such fine and imprisonment.

1295 Any such unlawfully manufactured, distributed, sold, or serviced gaming equipment shall  
1296 be subject to seizure and forfeiture by the division.

1297 Employment without license or registration; penalties.

1298 Any person who, without obtaining the requisite license or registration as provided in this  
1299 chapter, works or is employed in a position whose duties would require licensing or registration

1300 under the provisions of this chapter shall be punished by imprisonment in a house of correction  
1301 for not more than 6 months, or a fine of not more than \$10,000, or both.

1302 Any person who employs or continues to employ an individual not duly licensed or  
1303 registered under the provisions of this chapter in a position whose duties require a license or  
1304 registration under the provisions of this chapter shall be punished by imprisonment in a house of  
1305 correction for not more than 6 months, or a fine of not more than \$10,000, or both, and in the  
1306 case of a person other than a natural person, the amount of a fine may be up to \$100,000.

1307 Gaming by certain persons prohibited; penalties.

1308 Any person under the age of 21 who plays, places wagers at, or collects winnings from,  
1309 whether personally or through an agent, any controlled game shall be punished by  
1310 imprisonment in a house of correction for not more than 6 months, or a fine of not more than  
1311 \$1,000, or both.

1312 Any licensee or employee who knowingly allows a person under the age of 21 to play,  
1313 place wagers at, or collect winnings, whether personally or through an agent, shall be punished  
1314 by imprisonment in a house of correction for not more than 1 year, or a fine of not more than  
1315 \$10,000, or both, and in the case of a person other than a natural person, the amount of a fine  
1316 may be up to \$500,000. A subsequent violation of this section shall subject the licensee or  
1317 employee to imprisonment in a house of correction for not more than 2 years, or a fine of not  
1318 more than \$50,000, or both, and in the case of a person other than a natural person, the amount of  
1319 a fine may be up to \$1,000,000.

1320 Placing, sending, transmitting, relaying wagers to another person prohibited under certain  
1321 circumstances; penalties.

1322 Any person who, except in accordance with section 5C of chapter 128A, knowingly  
1323 transmits or receives a wager of any type by any telecommunication device, including telephone,  
1324 cellular phone, Internet, local area network, including wireless local networks, or any other  
1325 similar device or equipment or other medium of communication, or knowingly installs or  
1326 maintains said device or equipment for the transmission or receipt of wagering information shall  
1327 be punished by imprisonment in a house of correction for not more than 2 years, or a fine of not  
1328 more than \$25,000, or both.

1329 This section shall apply to any person who, from within this commonwealth, transmits a  
1330 wager to, or receives a wager from, another person or gaming establishment within or outside of  
1331 this commonwealth and any person who, from outside this commonwealth, transmits a wager to,  
1332 or receives a wager from, another person or gaming establishment within this commonwealth.

1333 This section shall not apply to the use of a local area network as a means to place  
1334 authorized wagers in a licensed gaming establishment, or use of said devices or equipment by the  
1335 authority in its duties in regulating, enforcing, or auditing a licensed gaming operator.

1336 Post employment restrictions; penalties.

1337 Any person who knowingly violates any of the provisions contained in subsection (a) or  
1338 subsection (c) of section 4 shall be punished by imprisonment in state prison for not more than 5  
1339 years or in a house of correction for not more than 2 and one-half years, or a fine of not more  
1340 than \$100,000, or both.

1341 Withholdings from Winnings for Child Support and Tax Payments



1342 Prior to disbursement of gambling winnings in excess of \$600, all licensed casinos shall  
1343 review information furnished by the IV-D agency, as set forth in chapter 119A, and the  
1344 department of revenue to ascertain whether the individual collecting such winnings owes past-  
1345 due child support to the commonwealth or to an individual to whom the IV-D agency is  
1346 providing services, and to ascertain whether the individual owes any past-due tax liability to the  
1347 commonwealth. If the individual owes past-due child support or a past-due tax liability, after  
1348 withholding state and federal taxes pursuant to this section, the casino shall first disburse to the  
1349 IV-D agency the full amount of the winnings or such portion of the winnings that satisfies the  
1350 individual's past-due child support obligation and, if funds remain available after that  
1351 disbursement, the casino shall disburse to the department of revenue the full amount of the  
1352 winnings or such portion of the winnings that satisfies the individual's past-due tax liability, and  
1353 the casino shall notify the IV-D agency or the department of revenue, respectively, of the  
1354 individual's name, address, and social security number. The casino shall disburse to the  
1355 individual only that portion of the winnings, if any, remaining after the individual's past-due  
1356 child support obligation and the individual's past-due tax liability have been satisfied.

1357 Other Tax Benefits Unavailable to Resort Casinos

1358 A casino or business located on casino property cannot be a certified project within the  
1359 meaning of section 3F of chapter 23 A. Resort casinos may not be designated an economic  
1360 opportunity area within the meaning of section 3E of chapter 23 A. Resort casinos are not  
1361 eligible for tax increment financing as set forth in section 59 of chapter 40 or special tax  
1362 assessments set forth in section 3E of chapter 23 A. Resort casinos may not be classified and  
1363 taxed as recreational land under the provisions of chapter 61B. Resort casinos may not be  
1364 designated as a development district within the meaning of chapter 40Q. Unless otherwise

1365 provided, a resort casino or any business located or to be located within a resort casino is not  
1366 eligible for the following credits or deductions listed in chapter 62 or chapter 63: the investment  
1367 tax credit under section 31A of chapter 63, the employment credit under section 31C of chapter  
1368 63, the van pool credit under section 31E of chapter 63, the deduction for expenditures for  
1369 industrial waste treatment or air pollution control under section 38D of chapter 63, the deduction  
1370 for compensation paid to an eligible business facility's employees domiciled in a section of  
1371 substantial poverty under section 38F of chapter 63, the alternative energy sources deduction  
1372 under section 38H of chapter 63, the research expense credit under section 38M of chapter 63,  
1373 the economic opportunity area credit under section 6(g) of chapter 62, and section 38N of  
1374 chapter 63, the abandoned building deduction under section 3B(a)(10) of chapter 62, and section  
1375 380 of chapter 63, the harbor maintenance tax credit under section 38P of chapter 63, the  
1376 brownfields credit under section 6(j) of chapter 62, and section 38Q of chapter 63, the historic  
1377 rehabilitation tax credit under section 6J of chapter 62 and section 38R of chapter 63, the  
1378 automatic sprinkler system depreciation deduction under section 38S of chapter 63, and the  
1379 credit for a solar water heating system under section 38T of chapter 63.

1380 Economic Assistance to Racing Licensees Not Obtaining Licenses

1381 Notwithstanding any general or special law to the contrary, any race track licensed in  
1382 accordance with section 3 of chapter 128A that is not selected for a casino license under this Act  
1383 and that is no longer conducting racing meetings in accordance with chapter 128A or accepting  
1384 paramutuel wagers in accordance with chapter 128C, shall automatically be:

1385 (a) designated as an economic opportunity area within the meaning of section 3E of  
1386 chapter 23A,

1387 (b) eligible for infrastructure financing for the purpose of stimulating economic  
1388 development pursuant to:

1389 (i) the Public Works Economic Development (PWED) Program, as regulated by 7.01  
1390 CMR 5.00 et seq.;

1391 (ii) the Infrastructure Investment Incentive (I-Cubed) program, as established by St. 2006,  
1392 c. 293 §§ 5 - 12, as amended by St. 2008, c. 129; and

1393 (c) granted a property tax exemption of up to 100% of the tax increment, as authorized by  
1394 section 59 of chapter 40, for any added value of new construction, rehabilitation or new  
1395 equipment or machinery.

1396 Employees displaced by the termination of racing meetings at any such race track will  
1397 receive reasonable priority job placement opportunities at any resort casino licensed under this  
1398 Act during the two years immediately following said termination, and shall automatically be  
1399 eligible for all state job training and education programs.

1400 The host municipality of said site, and if two or more municipalities host said site, then  
1401 all such host municipalities, shall automatically:

1402 (a) qualify for a grant of not less than \$1,000,000, pursuant to the Community  
1403 Development Action Grant (CDAG) program, to support activities including but not limited to  
1404 workforce housing development, streetscape upgrades, publicly-owned infrastructure  
1405 rehabilitation and construction, and local utility improvements; and

1406 (b) receive certification from the State Economic Assistance Coordinating Council to  
1407 utilize tax increment District Improvement Financing (DIF), as authorized by chapter 40Q, for

1408 activities including but not limited to acquiring land, reconstructing improvements, and incurring  
1409 indebtedness to finance development projects.

1410 Subsection (d)(1) of section 2 of chapter 62, as appearing in the 2006 Official Edition, is  
1411 hereby amended by inserting after paragraph (P) the following paragraph:-

1412 (Q) Any deduction for losses from wagering transactions allowed by section 165 of  
1413 the Code.

1414 Subsection (k) of section 6 of chapter 62, as appearing in the 2006 Official Edition, is  
1415 hereby amended by inserting after subsection (9) the following subsection :-

1416 (10) A person who is otherwise eligible to claim the credit under subsection (m) of this  
1417 section may elect the credit available under this subsection or under subsection (m), but not both.