

HOUSE No. 5001

The Commonwealth of Massachusetts

In the Year Two Thousand Ten

An Act establishing expanded gaming in the Commonwealth..

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

1 SECTION 1. Notwithstanding any general or special law rule or regulation to the
2 contrary the Massachusetts gaming commission shall have the power to:-

3 levy and collect assessments, fees and fines and impose penalties and sanctions for the
4 violation of this chapter and the regulations promulgated hereunder;

5 collect taxes pursuant to this chapter;

6 SECTION 2. Notwithstanding any general or special law rule or regulation to the
7 contrary:-

8 (a) In addition to any other tax or fee imposed by the Massachusetts gaming commission,
9 there shall be imposed an annual license fee of \$600 for each machine approved by the
10 commission for use by a gaming licensee at a gaming establishment; provided, however, that, no
11 sooner than 5 years after award of original license the commission may annually adjust the fee
12 for inflation. The fee shall be imposed as of July 1 of each year for all approved slot machines

13 on that date and shall be assessed on a pro rata basis for any slot machine approved for use
14 thereafter during the year.

15 (b) The commission shall, by regulation, establish fees for any investigation into a
16 violation of this chapter or regulation promulgated thereunder by a gaming licensee to be paid by
17 the licensee, including, but not limited to, billable hours by commission staff involved in the
18 investigation and the costs of services, equipment or other expenses that are incurred by the
19 commission during the investigation.

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

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

29 (e) In addition to the fees collected under this section and any additional costs of the
30 commission, the commission shall assess an annual fee of not less than \$5,000,000 in
31 proportional shares against each gaming licensee in proportion to the number of gaming
32 positions at each gaming facility for the costs of service and public health programs dedicated to
33 addressing problems associated with compulsive gambling. Such assessed fees shall be deposited
34 into the Public Health Trust Fund established pursuant to section 9.

35 (f) All fees and assessments collected under this section, except those collected pursuant
36 to subsection (e), shall be deposited into the Gaming Control Fund established pursuant to
37 section .

38 SECTION 3. Notwithstanding any general or special law rule or regulation to the
39 contrary:-

40 (a) There shall be established and set up on the books of the commonwealth a separate
41 fund to be known as the Massachusetts Gaming Control Fund, hereinafter in this section referred
42 to as the fund. The commission shall be the trustee of the fund expend monies to finance
43 operational activities of the commission. The fund shall be credited any appropriations, bond
44 proceeds or other monies authorized by the general court and specifically designated to be
45 credited thereto, the proceeds of the assessments levied pursuant to section 7, application fees for
46 licenses issued under this chapter and such additional funds as are subject to the direction and
47 control of the commission. All available monies in the fund that are unexpended at the end of
48 each fiscal year shall not revert to the General Fund and shall be available for expenditure in the
49 subsequent fiscal year. Any funds unexpended in any fiscal year for the purposes of which such
50 assessments were made shall be credited against the assessment to be made in the following
51 fiscal year and the assessment in the following fiscal year shall be reduced by any such
52 unexpended amount. The commission shall record all expenditures made by subsidiary on the
53 Massachusetts management and accounting reporting system, so-called according to regulations
54 established by the state comptroller.

55 (b) The commission shall, for the purposes of compliance with state finance law, operate
56 as a state agency as defined in section 1 of chapter 29 and shall be subject to the provisions

57 applicable to agencies under the control of the governor including, but not limited to, chapter 7A,
58 chapter 7, chapter 10 and chapter 29; provided, however, that the comptroller may identify any
59 additional instructions or actions necessary for the commission to manage fiscal operations in the
60 state accounting system and meet statewide and other governmental accounting and audit
61 standards. Unless otherwise exempted by law or the applicable central service agency, the
62 commission shall participate in any other available commonwealth central services including, but
63 not limited, to the state payroll system pursuant to section 31 of chapter 29, and may purchase
64 other goods and services provided by state agencies in accordance with comptroller provisions.
65 The comptroller may chargeback the commission for the transition and ongoing costs for
66 participation in the state accounting and payroll systems and may retain and expend such costs
67 without further appropriation for the purposes of this section. The commission shall be subject to
68 section 5D of chapter 29 and subsection (f) of section 6B of chapter 29.

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

72 SECTION 4. Notwithstanding any general or special law rule or regulation to the
73 contrary:-

74 There is hereby established and placed on the books of the commonwealth a separate
75 fund to be known as the Public Health Trust Fund. The public health trust fund shall consist of
76 fees assessed pursuant to section 7 and all other monies credited or transferred to said fund from
77 any other source pursuant to law. The secretary of health and human services shall be the trustee
78 of the public health trust fund and shall expend monies in the fund, without further appropriation,

79 to assist social service and public health programs dedicated to addressing problems associated
80 with compulsive gambling, including, but not limited to, gambling prevention and addiction
81 services, educational campaigns to mitigate the potential addictive nature of gambling and any
82 studies and evaluations necessary to ensure the proper and most effective strategies.

83 SECTION 5. Notwithstanding any general or special law rule or regulation to the
84 contrary:-

85 All applicants for a gaming license shall pay to the commission a non-refundable
86 application fee of \$350,000, to defray the costs associated with the processing of the application
87 and investigation of the applicant, provided further, that if the costs of the investigation exceed
88 the initial application fee, the applicant shall pay the additional amount to the commission within
89 30 days or the application shall be rejected.

90 SECTION 6. Notwithstanding any general or special law rule or regulation to the
91 contrary:-

92 Applicants for a category 1 license shall invest not less than \$600,000,000 into the
93 gaming establishment which shall include the gaming area, at least 1 hotel, and other amenities
94 as proposed in the application for a category 1 license. Upon award of a gaming license by the
95 commission, the applicant shall be required to deposit 10 per cent of the total investment
96 proposed in the application into an interest-bearing account. Monies received from the applicant
97 shall be held in escrow until the final stage of construction, as approved by the commission, at
98 which time the deposit shall be returned to the applicant to be applied for such final stage.
99 Should the applicant be unable to complete the gaming establishment, the deposit shall be
100 forfeited to the commonwealth. In place of a cash deposit, the commission may allow for an

101 applicant to secure a deposit bond insuring that 10 per cent of the proposed capital investment
102 shall be forfeited to the commonwealth.

103 (b) Any licensee who fails to begin gaming operations within 1 year after the date
104 specified in its application timeline, as approved by the commission, shall be subject to
105 suspension or revocation of said license by the commission, and may, after being found by the
106 commission subsequent to a hearing to have acted in bad faith in its application, be assessed a
107 fine, collectible by the commission, of up to \$50,000,000.

108 (c) Applicants for a category 1 license shall submit their proposed capital investment with
109 their application to the commission which shall include stages of construction of the category 1
110 establishment and the deadline by which construction and any infrastructure improvements will
111 be completed. In awarding a category 1 license, the commission shall determine at what stage of
112 construction a licensee shall be approved to open for business; provided, however, that a licensee
113 shall not be permitted to open for business until the commission has determined that at least the
114 gaming area and hotel have been built and are of a superior quality as set forth in the conditions
115 of licensure; provided, further, that total infrastructure improvements onsite and around the
116 vicinity of the gaming establishment, including projects to account for traffic mitigation, shall be
117 completed before the gaming establishment shall be approved for opening by the commission.

118 (d) A category 1 licensee shall pay to the commission a fee of \$85,000,000 within 30
119 days of the final award of the license which sets forth the conditions to be satisfied by the
120 licensee before the gaming establishment may be opened to the public. The commission shall set
121 any renewal fee for such license based on the cost of fees associated with the evaluation of a
122 category 1 licensee under this chapter, and such renewal fee will be exclusive of any subsequent

123 license fees under this section.(d) The commission shall determine the sources and total amount
124 of an applicant's proposed capitalization to develop, construct, maintain and operate a proposed
125 gaming establishment under this chapter. Upon award of a gaming license, the commission shall
126 continue to assess the capitalization of a licensee for the duration of construction of the proposed
127 gaming establishment and the term of the license.

128 (e) Applicants for a category 2 license who are permitted by the commission to operate
129 1000 slot machines shall invest not less than \$100,000,000 into the gaming establishment and
130 racecourse, if applicable. Applicants for a category 2 license who are permitted by the
131 commission to operate 1250 slot machines shall invest not less than \$125,000,000 into the
132 gaming establishment and racecourse, if applicable. The investment required under this section
133 shall be made within 2 years of receiving a gaming license; provided, however, that any
134 infrastructure improvements necessary to increase visitor capacity and account for traffic
135 mitigation, as determined by the commission, shall be completed before the category 2 licensee
136 shall be authorized to operate any slot machine at the gaming establishment.

137 (f) The required licensing fee for a category 2 license shall be not less than \$20,000,000
138 for 1000 slot machines or \$25,000,000 for 1250 slot machines.

139 (g) Upon award of a gaming license, the commission shall continue to assess the
140 capitalization of a licensee for the duration of construction of the proposed gaming establishment
141 and the term of the license.

142 SECTION 7. Notwithstanding any general or special law rule or regulation to the
143 contrary:-

144 A category 2 license issued by the Massachusetts gaming commission shall be for a
145 period of 5 years. The commission shall establish procedures for renewal and set the renewal fee
146 based on the cost of fees associated with the evaluation of a licensee; provided, however, that the
147 cost of renewal shall not be less than \$100,000.

148 SECTION 8. Notwithstanding and general or special law rule or regulation to the
149 contrary:-

150 A gaming licensee under chapter 23K shall pay daily to the commission the gross gaming
151 revenue payment.

152 SECTION 9. Notwithstanding and general or special law rule or regulation to the
153 contrary:-

154 No person including, but not limited to, a substantial party in interest, affiliates and those
155 entities established under the rules and regulations of the state secretary, shall transfer a license,
156 a direct or indirect real interest, structure, real property, premises, facility, personal interest or
157 pecuniary interest under a license issued under this chapter or enter into an option contract,
158 management contract or other agreement or contract providing for such transfer in the present or
159 future, without the notification to, and approval by, the Massachusetts gaming commission under
160 chapter 23K. The commission may promulgate rules and regulations, under section 5, that create
161 exemptions from the approval requirement; provided, that:

162 in no event shall a bona fide commercial financial institution licensed by the division of
163 banks which becomes a substantial party of interest with a licensee be considered a transferee;

164 the commission may require the transferor, transferee, or both, to pay to the board an
165 amount representing the commonwealth's share of the increased value for the transferred
166 licenses, property or interest; provided, further, that the commission shall consider as a factor in
167 determining the amount of the payment the market value of said license, property or interest
168 when it was acquired and at the time of the transfer; provided, further, that the commission may
169 place additional conditions or restrictions on said transfer that the commission considers suitable;
170 provided, further, that the commission may reject said transfer if the commission considers the
171 transfer unsuitable; and

172 any payments collected by the board on behalf of the commonwealth based on said
173 transfer shall be deposited in the same manner as license fees are deposited.

174 SECTION 10. Notwithstanding and general or special law rule or regulation to the
175 contrary:-

176 The Massachusetts gaming commission shall establish fees for a key gaming employee
177 and a gaming employee license which shall include costs incurred for conducting a background
178 investigation into an applicant for said license. The commission shall establish the term of a key
179 gaming employee and a gaming employee license. It shall be the responsibility of any gaming
180 employee to ensure that their license is current.

181 SECTION 11. Notwithstanding and general or special law rule or regulation to the
182 contrary:-

183 The Massachusetts gaming commission shall establish fees for gaming vendor licenses
184 and non-gaming vendor registrations which shall include costs incurred for conducting a
185 background investigation into an applicant for said license.

186 SECTION 12. Notwithstanding and general or special law rule or regulation to the
187 contrary:-

188 The fee for a gaming beverage license permitted under chapter 23K and any renewals of
189 the license shall be determined by the Massachusetts gaming commission. The application fee
190 shall be remitted with the gaming application fee.

191 A gaming licensee shall be responsible for violations of gaming beverage license in the
192 gaming establishment. The commission may revoke, suspend, refuse to renew or refuse to
193 transfer a gaming beverage license for violations of chapter 138, regulations promulgated by the
194 alcoholic beverages control commission and the regulations adopted by the commission. If, at
195 any time, a licensee elects temporary suspension of their gaming license due to violations of this
196 section, said licensee shall owe the commonwealth the average tax on gross gaming revenue
197 based on an appropriate period of time as determined by the commission for the number of days
198 operation was suspended.

199 SECTION 13. Notwithstanding and general or special law rule or regulation to the
200 contrary:-

201 Upon award of a new gaming license under chapter 23K, the new gaming licensee shall
202 pay the original licensing fee.

203 SECTION 14. Notwithstanding and general or special law rule or regulation to the
204 contrary:-

205 (a) The bureau of investigations and enforcement under the Massachusetts gaming
206 commission shall have the authority to issue orders requiring persons to cease any activity which

207 violates this chapter, a regulation adopted hereunder, or any law related to gaming in the
208 commonwealth. The bureau may, in its order, require compliance with such terms and conditions
209 as are reasonably necessary to effectuate the purposes of this chapter.

210 (b) If the bureau finds, that a person is not in compliance with any order issued pursuant
211 to this section, it shall assess a civil administrative penalty on such person as provided in said
212 section 35 and the regulations adopted thereunder. The penalty may be assessed whether or not
213 the violation was willful. In determining the amount of the civil penalty, the bureau shall
214 consider: (i) the nature of the violation; (ii) the length of time the violation occurred; (iii) the risk
215 to the public and to the integrity of gaming operations created by the conduct of the person; (iv)
216 the seriousness of the conduct of the person; (v) any justification or excuse for such conduct by
217 the person; (vi) the prior history of the particular person involved with respect to gaming
218 activity; (vii) any corrective action taken by the person to prevent future misconduct; (viii) and
219 other relevant factors.

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

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

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

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

241 (g) Any licensee shall have the right to an adjudicatory hearing on an order issued by the
242 bureau pursuant to chapter 30A.

243 SECTION 15. Notwithstanding and general or special law rule or regulation to the
244 contrary:-

245 (a) The bureau may assess a civil administrative penalty on a licensee or registrant who
246 fails to comply with any provision of this chapter or any regulation or order adopted by the
247 commission; provided, however, that such noncompliance occurred after the bureau had given
248 such person written notice of such noncompliance and the time stated in said notice for coming
249 into compliance had elapsed; provided, however, that the bureau may assess such penalty

250 without providing such written notice if such failure to comply: (i) was part of a pattern of
251 noncompliance and not an isolated instance; (ii) was willful or neglectful and not the result of
252 error; (iii) resulted in a significant breach to the integrity of the gaming establishment or gaming
253 laws of the commonwealth; and (iv) consisted of failure to promptly report to the board any
254 knowledge of evidence or circumstances that would cause a reasonable person to believe that a
255 violation of this chapter had been committed. The civil administrative penalty shall be in
256 addition to any other civil penalty that may be prescribed by law.

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

269 (c) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or
270 registrant, the bureau shall cause to be served upon such licensee or registrant, either by service,
271 in hand, or by certified mail, return receipt requested, a written notice of its intent to assess a
272 civil administrative penalty which shall include a concise statement of the alleged act or

273 omission for which such civil administrative penalty is sought to be assessed, each law,
274 regulation, order, license or approval which has not been complied with as a result of such
275 alleged act or omission, the amount which the bureau seeks to assess as a civil administrative
276 penalty for each such alleged act or omission, a statement of such licensee's or registrant's right
277 to an adjudicatory hearing on the proposed assessment, the requirements such licensee or
278 registrant must comply with to avoid being deemed to have waived the right to an adjudicatory
279 hearing and the manner of payment thereof if such person elects to pay the penalty and waive an
280 adjudicatory hearing. After written notice of noncompliance or intent to assess a civil
281 administrative penalty has been given, each such day thereafter during which such
282 noncompliance occurs or continues shall constitute a separate offense and shall be subject to a
283 separate civil administrative penalty if reasonable efforts have not been made to promptly come
284 into compliance.

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

289 (e) Such licensee or registrant shall be deemed to have waived such right to an
290 adjudicatory hearing unless, within 21 days of the date of the bureau's notice that it seeks to
291 assess a civil administrative penalty, such licensee or registrant files with the bureau a written
292 statement denying the occurrence of any of the acts or omissions alleged by the bureau in such
293 notice, or asserting that the money amount of the proposed civil administrative penalty is
294 excessive. In any adjudicatory hearing authorized pursuant to chapter 30A, the bureau shall, by a

295 preponderance of the evidence, prove the occurrence of each act or omission alleged by the
296 bureau.

297 (f) If a licensee or registrant waives his right to an adjudicatory hearing, the proposed
298 civil administrative penalty shall be final immediately upon such waiver. If a civil
299 administrative penalty is assessed at the conclusion of an adjudicatory hearing, said civil
300 administrative penalty shall be final upon the expiration of 30 days if no action for judicial
301 review of such decision is commenced pursuant to chapter 30A.

302 (g) Any licensee or registrant who institutes proceedings for judicial review of the final
303 assessment of a civil administrative penalty shall place the full amount of the final assessment in
304 an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing
305 court. The establishment of such an interest-bearing escrow account shall be a condition
306 precedent to the jurisdiction of the reviewing court unless the party seeking judicial review
307 demonstrates in a preliminary hearing held within 20 days of the filing of the complaint either
308 the presence of a substantial question for review by the court or an inability to pay. Upon such a
309 demonstration, the court may grant an extension or waiver of the interest-bearing escrow account
310 or may require, in lieu of such interest-bearing escrow account, the posting of a bond payable
311 directly to the commonwealth in the amount of 125 per cent of the assessed penalty. If, after
312 judicial review, in a case where the requirement for an escrow account has been waived, and in
313 cases where a bond has been posted in lieu of such requirement, the court affirms, in whole or in
314 part, the assessment of a civil administrative penalty the commission shall be paid the amount
315 thereof together with interest at the rate set forth in section 6C of chapter 231. If, after such
316 review in a case where an interest-bearing escrow account has been established, the court affirms
317 the assessment of such penalty, in whole or in part, the commission shall be paid the amount

318 thereof together with the accumulated interest thereon in such interest-bearing escrow account. If
319 the court sets aside the assessment of a civil administrative penalty in a case where the amount of
320 such penalty has been deposited in an interest-bearing escrow account, the licensee or registrant
321 on whom the civil administrative penalty was assessed shall be repaid the amount so set aside,
322 together with the accumulated interest thereon.

323 (h) Each licensee or registrant who fails to pay a civil administrative penalty on time, and
324 each person who issues a bond pursuant to this section and who fails to pay to the commission on
325 time the amount required hereunder, shall be liable to the commonwealth for up to 3 times the
326 amount of the civil administrative penalty, together with costs, plus interest from the time the
327 civil administrative penalty became final and attorneys' fees, including all costs and attorneys'
328 fees incurred directly in the collection thereof. The rate of interest shall be the rate set forth in
329 section 6C of chapter 231. The bureau shall be authorized to require that the amount of a civil
330 administrative penalty imposed pursuant to this section exceed any economic benefit realized by
331 a person for noncompliance.

332 SECTION 16. Notwithstanding and general or special law rule or regulation to the
333 contrary:-

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

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

344 (c) Whoever works or is employed in a position, the duties of which require licensing or
345 registration under this chapter, without the required license or registration, shall be punished by
346 imprisonment in the house of correction for not more than 6 months or a fine not to exceed
347 \$10,000, or both.

348 (d) A gaming licensee who, without the permission of the commission: (i) places a
349 game or gaming device into play or displays a game or gaming device in a gaming
350 establishment; or (ii) receives, directly or indirectly, any compensation or reward or any
351 percentage or share of the revenue for keeping, running or carrying on a game, or owning the
352 real property upon, or the location within which any game occurs, shall be punished by
353 imprisonment in the house of correction for not more than 2½ years or by a fine not to exceed
354 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to
355 exceed \$100,000.

356 (e) Whoever conducts or operates any game or gaming device after the person's gaming
357 license has expired and prior to the actual renewal of the gaming license shall be punished by
358 imprisonment in the house of correction for not more than 1½ years or a fine not to exceed
359 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
360 \$100,000.

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

366 (g) Whoever willfully:

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

369 (ii) evades or defeats, or attempts to evade or defeat, a license fee or tax or payment of a
370 license fee or tax shall be punished by imprisonment in the state prison for not more than 5 years
371 or in the house of correction for not more than 2½ years or a fine not to exceed \$100,000, or
372 both, and in the case of a person other than a natural person, by a fine not to exceed \$5,000,000.

373 SECTION 17. Notwithstanding and general or special law rule or regulation to the
374 contrary:-

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

381 SECTION 18. Notwithstanding and general or special law rule or regulation to the
382 contrary:-

383 (a) Whoever, during a game in a gaming establishment, knowingly and by any trick or
384 sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other gaming
385 device, for himself, for another or for a representative of either:

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

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

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

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

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

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

400 (iii) if the value of the money, property or wager cheated and swindled is \$1,000 or more
401 but less than \$10,000, by imprisonment in the state prison for not more than 3 years or in

402 the house of correction for not more than 2½ years or by a fine not to exceed \$100,000, or both,
403 and in the case of a person other than a natural person, by a fine not to exceed \$1,000,000;

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

408 (d) Each episode or transaction of swindling and cheating may be the subject of a
409 separate prosecution and conviction. In the discretion of the commonwealth, multiple episodes
410 or transactions of swindling and cheating committed as part of a single scheme or course of
411 conduct may be treated as a single offense and the amounts involved in acts of swindling and
412 cheating committed according to a scheme or course of conduct, whether by the same person or
413 several persons, may be aggregated in determining the value of money, property or wager
414 involved in the offense.

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

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

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

419 (iii) permits to be conducted, operated or displayed, any cheating and swindling device or
420 game shall be punished by imprisonment in the state prison for not more than 5 years or
421 imprisonment in the house of correction for not more than 2½ years, or by a fine not to

422 exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to
423 exceed \$100,000.

424 SECTION 19. Notwithstanding and general or special law rule or regulation to the
425 contrary:-

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

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

435 SECTION 20. Notwithstanding and general or special law rule or regulation to the
436 contrary:-

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

443 SECTION 21. Notwithstanding and general or special law rule or regulation to the
444 contrary:-

445 (a) Any device, game or gaming device possessed, used, manufactured, distributed, sold
446 or serviced in violation of this chapter shall be subject to seizure and forfeiture by the division or
447 bureau. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
448 inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
449 chapter 94C, the commission shall be considered a police department, entitled to a police
450 department's distribution of forfeiture proceedings.

451 SECTION 22. Notwithstanding and general or special law rule or regulation to the
452 contrary:-

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

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

465 SECTION 22. Notwithstanding and general or special law rule or regulation to the
466 contrary:-

467 All penalties collected for pursuant to violations of this act and any renewal fees for a
468 gaming establishment licensed under chapter 23K shall be deposited into the gaming revenue
469 fund established by this act.

470 SECTION 23. Notwithstanding and general or special law rule or regulation to the
471 contrary:-

472 (a) The Massachusetts gaming commission shall, by regulation, provide for the
473 establishment of a list of excluded persons who are to be excluded or ejected from a gaming
474 establishment. In determining the list of excluded persons, the board may consider, but shall not
475 be limited to:

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

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

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

482 (ii) willful evasion of fees or taxes;

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

486 (4) the potential of injurious threat to the interests of the commonwealth in the
487 gaming establishment.

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

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

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

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

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

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

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

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

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

529 SECTION 24. Notwithstanding and general or special law rule or regulation to the
530 contrary:-

531 (a) A category 1 gaming licensee licensed under chapter 23K shall pay a daily tax of 25
532 per cent on gross gaming revenues.

533 (b) A category 2 licensee licensed under chapter 23K shall pay a daily tax of 40 per cent
534 on gross gaming revenue.

535 (c) In addition to the tax imposed under this act, a category 2 licensee shall pay a daily
536 assessment of 9 per cent of their gross gaming revenue to the Massachusetts race horse
537 development fund established by section 53.

538 (e) Taxes imposed under this section shall be remitted to the commission by a gaming
539 licensee the day following each day of wagering.

540 A category 1 licensee or a category 2 licensee shall be subject to chapters 62 through
541 62E, inclusive, and chapters 63 through 63B, inclusive.

542 SECTION 25. Notwithstanding and general or special law rule or regulation to the
543 contrary:-

544 Any liability to the commonwealth under chapter 23K shall constitute a debt to the
545 commonwealth. Once a statement naming a licensee is recorded, registered or filed, any such
546 debt shall constitute a lien on all commercial property owned by a gaming licensee in the
547 commonwealth and shall have priority over an encumbrance recorded, registered or filed with
548 respect to any site.

549 SECTION 26. Notwithstanding and general or special law rule or regulation to the
550 contrary:-

551 Prior to disbursement of a prize in excess of \$600 at a licensed gaming establishment, a
552 licensee shall review information furnished by the IV-D agency and by the department of
553 revenue, as set forth in chapter 119A and in this section to ascertain whether the holder of a
554 winning ticket owes past due child support to the commonwealth or to an individual to whom the
555 IV-D agency is providing services, and to ascertain whether the holder of a winning ticket owes
556 any past-due tax liability to the commonwealth. If the holder owes past-due child support or a
557 past-due tax liability, the licensee shall notify the IV-D agency or the commonwealth,
558 respectively, of the holder's name, address and social security number. Subsequent to statutory
559 state and federal tax withholding, the licensee shall first disburse to the IV-D agency the full
560 amount of the prize or such portion of the prize that satisfies the holder's past-due child support
561 obligation and, if funds remain available after that disbursement, the licensee shall disburse to
562 the department of revenue the full amount of the prize or such portion of the prize that satisfies
563 the holder's past-due tax liability. The licensee shall disburse to the holder only that portion of
564 the prize, if any, remaining after the holder's past-due child support obligation and the holder's
565 past-due tax liability have been satisfied.

566 SECTION 27. Notwithstanding and general or special law rule or regulation to the
567 contrary:-

568 Gaming licensees shall, on a monthly basis, transmit to the department of transitional
569 assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons who were the
570 holders of any winning ticket in excess of \$600.00 in the prior month. The information shall be

571 provided in a format which is compatible with the automated data processing systems of said
572 departments, to ensure the immediate identification of persons who may be receiving public
573 assistance benefits. The information provided shall include the name, address and social security
574 number of the person who was awarded the cash or prize valued in excess of \$600.

575 SECTION 28. Notwithstanding and general or special law rule or regulation to the
576 contrary:-

577 Unclaimed prize money shall be retained by the licensee for the person entitled thereto
578 for 1 year after the drawing in which the prize was won. If no claim is made for said money
579 within such year, the prize money shall be deposited in the gaming revenue fund established by
580 section 52.

581 SECTION 29. Notwithstanding and general or special law rule or regulation to the
582 contrary:-

583 If the person entitled to a prize or any winning ticket is under the age of 21 years said
584 prize shall be remitted to the commission and deposited into the gaming revenue fund established
585 by section 52.

586 There is hereby established and placed upon the books of the commonwealth a Gaming
587 Revenue Fund which shall receive revenues collected from the tax on gross gaming revenue
588 received from gaming licensees. The commission shall be the trustee of the fund and shall
589 transfer monies in the fund in accordance with the following provisions:-

590 (1) one hundred per cent of the revenue received from category 2 licensees shall be
591 transferred to the gaming local aid fund established by section 55.

592 (2) Upon the opening of a category 1 facility, all monies received into the fund shall be
593 transferred as follows:

594 (a) One per cent of revenues shall be transferred to the Massachusetts cultural council of
595 which one half of revenues received shall be dedicated to the organization support program of
596 the Massachusetts cultural council and of which not less than one half of revenues shall be
597 dedicated to support not-for-profit or municipally-owned performing arts centers impacted as a
598 result of the licensure of gaming facilities in the commonwealth of Massachusetts. Funds
599 dedicated to such performing arts centers shall be for the purpose of subsidizing fees paid to
600 touring shows or artists; provided, however that funding shall be appropriated through a
601 competitive grant process to be developed and administered by the Massachusetts cultural
602 council.

603 (b) one half percent shall be transferred to the Massachusetts tourism fund established
604 pursuant to section 35J of chapter 10 which shall fund tourist promotion agencies as defined in
605 subsection (c).

606 (c) Two per cent shall be transferred to the community mitigation fund established by
607 section 54; provided, however, that said fund balance shall not exceed \$15,000,000. Funds in
608 excess of \$15,000,000 shall be transferred to the local capital projects fund established by section
609 58;

610 (d) Three per cent shall be transferred to the local capital projects fund established by
611 section 58;

612 (e) Thirty per cent shall be transferred to the gaming local aid fund established by section
613 55;

614 (f) Fifteen per cent shall be transferred to the commonwealth stabilization fund
615 established by section 2H of chapter 29; provided, however, that in any fiscal year in which the
616 amount appropriated in item 7061-0008 of the general appropriation act, paid from the General
617 Fund, or the amount of unrestricted general government aid paid from the general fund,
618 including lottery aid distribution to cities and towns as paid from the General Fund in accordance
619 with clause (c) of the second paragraph of section 35 of chapter 10 of the General Laws and the
620 amount of additional funds distributed to cities and towns as additional assistance paid from the
621 General Fund, is less than that of the previous fiscal year, up to one-half of the funds otherwise
622 directed to the Commonwealth Stabilization Fund pursuant to this section, up to an amount equal
623 to the deficiency between said appropriations for the current and previous fiscal years, shall be
624 transferred to the gaming local aid fund in addition to the thirty percent provided for in
625 subsection (e);

626 (g) Fifteen per cent shall be transferred to the Education Fund established by section 59.

627 Fifteen per cent shall be transferred to the economic development fund established by
628 section xx.

629 Fifteen per cent shall be used for debt reduction through a program of debt defeasance
630 and accelerated debt payments; provided, that, this program shall be developed jointly by the
631 state treasurer and the secretary of administration and finance and shall be implemented in
632 compliance with state finance law; provided, further, that this program shall prioritize the
633 reduction of risk in the commonwealth's debt portfolio; provided further, that the state secretary
634 and state treasurer shall provide a written description of the program to the finance advisory
635 board established in section 97 of chapter 6 for the board's review and comment before the

636 program is implemented and shall file a copy of that description with the house and senate
637 committees on ways and means and the house and senate committees on bonding, capital
638 expenditures and state assets when it is submitted to the finance advisory board;

639 Five per cent shall be transferred to the gaming mitigation trust fund established under
640 section XX.

641 Two per cent shall be transferred to the public health trust fund established under section
642 xx.

643 SECTION 30. Notwithstanding and general or special law rule or regulation to the
644 contrary:-

645 (a) There is hereby established and placed upon the books of the commonwealth a Race
646 Horse Development Fund to be administered by the commission. The commission shall make
647 distributions from the race horse fund to each of the active and operating category 2 licensees
648 conducting live racing.

649 (b) Funds from the race horse development fund shall be distributed in proportion to the
650 gross gaming revenue of each category 2 licensee; provided that the funds received by each
651 licensee shall be allocated in accordance with the following provisions:

652 (i) eighty per cent shall be deposited weekly into a separate, interest-bearing purse
653 account to be established by and for the benefit of the horsemen. The earned interest on the
654 account shall be credited to the purse account. Licensees shall combine these funds with
655 revenues from existing purse agreements to fund purses for live races consistent with those
656 agreements with the advice and consent of the horsemen;

657 (ii) for a thoroughbred track, 16 per cent shall be deposited on a monthly basis into the
658 Massachusetts thoroughbred breeding program authorized by the commission pursuant to section
659 2 of chapter 128;

660 (iii) for a harness track, 8 per cent shall be deposited on a monthly basis into the
661 Massachusetts standardbred breeding program authorized by the commission pursuant to section
662 2 of chapter 128 and an additional 8 per cent shall be deposited on a monthly basis into a
663 standardbred breeder development program authorized by the commission;

664 (iv) four per cent shall be used to fund health and pension benefits for the members of the
665 horsemen's organizations representing the owners and trainers at the racetrack at which the
666 category 2 licensee operates for the benefit of the organization's members, their families,
667 employees and others in accordance with the rule and eligibility requirements of the
668 organization, as approved by the commission. This amount shall be deposited within 5 business
669 days of the end of each month into a separate account to be established by each respective
670 horsemen's organization at a banking institution of its choice. Of this amount, the commission
671 shall determine how much should be paid annually by the horsemen's organization to the
672 thoroughbred jockeys or standardbred drivers organization at the racetrack at which the licensed
673 racing entity operates for health insurance, life insurance or other benefits to active and disabled
674 thoroughbred jockeys or standardbred drivers in accordance with the rules and eligibility
675 requirements of that organization.

676 SECTION 31. Notwithstanding and general or special law rule or regulation to the
677 contrary:-

678 Section 54 (a) There shall be established and set up on the books of the commonwealth a
679 separate fund to be known as the Community Mitigation Fund. The community fund shall
680 consist of monies transferred under section 52 and all other monies credited or transferred to the
681 fund from any other fund or source pursuant to law; provided, however, that the balance of the
682 fund shall not exceed \$15,000,000.

683 (b) The commission shall administer the fund and, without further appropriation, shall
684 expend monies in the fund to assist contiguous communities in offsetting costs related to the
685 construction and operation of a gaming facility including, but not limited to, communities and
686 water and sewer districts in the vicinity of a gaming facility and public safety, including the
687 office of the county district attorney.

688 (c) Parties requesting appropriations from the community fund shall submit a written
689 request for funding to the commission before February 1 of each year. The commission may
690 hold a public hearing in the region of a gaming facility to provide parties with the opportunity to
691 provide further information about their request for funds and shall distribute funds to requesting
692 parties based on demonstrated need.

693 SECTION 32. Notwithstanding and general or special law rule or regulation to the
694 contrary:-

695 There shall be established and set up on the books of the commonwealth a fund to be
696 known as the Gaming Local Aid Fund. The gaming local aid fund shall consist of monies
697 transferred under section 52 and all monies credited or transferred to the fund from any other
698 fund or source pursuant to law.

699 Notwithstanding any general or special law, rule or regulation to the contrary, monies
700 from the gaming local aid fund shall be used in addition to the balance of the state lottery fund
701 for distribution to cities and towns in accordance with the provisions of clause (c) of section 35
702 of chapter 10 and any monies so distributed shall be considered part of “General revenue sharing
703 aid” for purposes of annual aid and contribution requirements established pursuant to chapter 70
704 or section 3 of the annual general appropriation act. Notwithstanding any law or regulation to the
705 contrary, beginning the first year that Gaming Local Aid funding is available for distribution to
706 cities and towns, no city or town shall receive as a combination of “General Revenue Sharing
707 Aid” and “Gaming Local Aid”, in any year, an amount that is less than 25 percent of the total
708 lottery sales made within that community. Notwithstanding any special or general law to the
709 contrary, the provisions of this paragraph shall not take effect until such time as the executive
710 office of administration and finance and the department of revenue has furnished a study of its
711 impact on the state’s economy and revenue cost to the commonwealth and its cities and towns,
712 including, but not limited to, a distributional analysis showing the impact on taxpayers of varying
713 income levels, the current practice of other states, any anticipated change in employment and
714 ancillary economic activity to the joint committee on revenue and until legislation has been filed
715 and passed pursuant to Part 2, Chap. 1, Sec. 1, Art. II of the Constitution.

716 SECTION 33. Notwithstanding and general or special law rule or regulation to the
717 contrary:-

718 There is hereby established and set up on the books of the commonwealth a fund to be
719 known as the Education Fund. The education fund shall be credited any monies transferred under
720 section 52 and all monies credited to or transferred to the fund from any other fund or source
721 pursuant to law. Expenditures from said fund for the purposes of K-12 education shall be used to

722 supplement, and not offset, any reduction in line item 7061-0008 of the general appropriations
723 act.

724 SECTION 34. Notwithstanding and general or special law rule or regulation to the
725 contrary:-

726 (a) There is hereby established and set up on the books of the board a fund to be known
727 as the Gaming Mitigation Trust Fund. The Gaming Mitigation Trust Fund shall consist of
728 monies transferred from the Gaming Revenue Fund and all other monies credited or transferred
729 to the fund from any other fund or source and proceeds from the investment of such funds. The
730 board shall be the trustee of the fund.

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

733 (1) Two and one half per cent of fund revenues in a fiscal year shall be expended for
734 community mitigation including, but not limited to, the areas of local and regional education,
735 transportation, infrastructure, housing, environmental issues and public safety, including police,
736 fire, and emergency services, in impacted communities, that may include host and surrounding
737 communities;

738 (2) One and one half per cent of fund revenues in a fiscal year shall be expended for
739 social mitigation including, but not limited to, problem gambling prevention, intervention and
740 treatment services, substance abuse services and gaming-related research;

741 (3) One and one half per cent of fund revenues in a fiscal year shall be expended for
742 cultural mitigation including, but not limited to, assistance to not-for-profit or municipally-
743 owned performing arts centers

744 SECTION 35. Notwithstanding and general or special law rule or regulation to the
745 contrary:-

746 Chapter 29 of the General Laws is hereby amended by inserting after section 2AAAA the
747 following 3 sections:

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

755 Section 2CCCC. There shall be established and set up on the books of the commonwealth
756 a separate fund to be known as the Gaming Economic Development Fund. The fund shall be
757 credited with revenues transferred to it from the Gaming Revenue Fund, established in section 64
758 of chapter 23K. Amounts credited to the fund shall be expended, subject to appropriation, to
759 support economic development and job growth in the commonwealth including, but not limited
760 to: (1) workforce training, including transfers to the Workforce Competitiveness Trust Fund; (2)
761 tourism promotion, including regional tourism promotion agencies and cultural and recreational
762 attraction promotion; (3) summer jobs; (4) the Massachusetts Marketing Partnership; (5) higher

763 education scholarships; (6) regional economic development initiatives; (7) support for small
764 businesses, including small business lending; (8) green jobs promotion; (9) science, technology,
765 engineering and mathematics career pipeline initiatives; and (10) agricultural development
766 programs, including youth agricultural education.

767 SECTION 36. Notwithstanding and general or special law rule or regulation to the
768 contrary:-

769 Section 5A of chapter 62 of the General Laws, as appearing in the 2008 Official Edition,
770 is hereby amended by inserting after the word “commonwealth”, in line 24, the following
771 words:- ,including gaming winnings acquired at or through a gaming establishment under
772 chapter 23K.

773 SECTION 37. Notwithstanding and general or special law rule or regulation to the
774 contrary:-

775 The seventh paragraph of section 2 of chapter 62B of the General Laws, as so appearing,
776 is hereby amended by striking out the first 2 sentences and inserting in place thereof the
777 following 2 sentences:-

778 SECTION 38. Notwithstanding and general or special law rule or regulation to the
779 contrary:-

780 Said chapter 62B is hereby further amended by striking out section 5, as so appearing,
781 and inserting in place thereof the following section:-

782 Section 5. Every employer required to deduct and withhold from an employee or payee a
783 tax under section 2, or who would have been required under said section in the case of an

784 employee to deduct and withhold a tax if the employee had not claimed any personal exemption
785 or dependency exemptions, shall furnish to each such employee or payee in respect of the wages
786 or other payments paid by such employer to such employee or payee during the calendar year, on
787 or before January 31 of the succeeding year, or, if an employee's employment is terminated
788 before the close of such calendar year, within 30 days from the day on which the last payment of
789 wages is made, a written statement in duplicate showing the name of the employer, the name of
790 the employee or payee and his social security account number, if any, the total amount of wages
791 or other amounts subject to taxation under chapter 62, and the total amount deducted and
792 withheld as tax. This statement may contain such other information as the commissioner may
793 prescribe. The commissioner may grant reasonable extensions of time, not exceeding 60 days,
794 for the furnishing of the statement.

795 Every employer who fails to withhold or pay to the commissioner any sums required by
796 this chapter to be withheld or paid shall be personally and individually liable therefore to the
797 commonwealth. The term "employer," as used in this section and in section 11, includes any
798 person or entity required to withhold tax from any payee, and includes an officer or employee of
799 a corporation, or a member or employee of a partnership or limited liability company, who as
800 such officer, employee or member is under a duty to withhold and pay over taxes in accordance
801 with this section and section 2. Any sum withheld in accordance with section 2 shall be
802 considered to be held in trust for the commonwealth.

803 If an employer in violation of the provisions of this chapter fails to withhold the tax in
804 accordance with section 2, and thereafter the tax against which such tax may be credited,
805 pursuant to section 9, is paid, the tax so required to be withheld shall not be collected from the

806 employer; but this paragraph shall in no case relieve the employer from liability for any penalties
807 or addition to the tax otherwise applicable in respect of such failure to withhold.

808 SECTION 39. Notwithstanding and general or special law rule or regulation to the
809 contrary:-

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

815 SECTION 40. Notwithstanding and general or special law rule or regulation to the
816 contrary:-

817 Subsection (f) of section 38 of chapter 63 of the General Laws, as so appearing, is
818 hereby amended by striking out the third paragraph and inserting in place thereof the following
819 paragraph:- “,

820 For the purposes of this subsection: (1) in the case of the licensing of intangible property,
821 the income-producing activity shall be considered to be performed in the commonwealth to the
822 extent that the intangible property is used in the commonwealth; (2) the corporation shall be
823 considered to be taxable in the state of the purchaser if the tangible personal property is delivered
824 or shipped to a purchaser in a foreign country; (3) sales of tangible personal property to the
825 United States government or any agency or instrumentality thereof for purposes of resale to a
826 foreign government or any agency or instrumentality thereof are not sales made in the
827 commonwealth; (4) in the case of the sale, exchange or other disposition of a capital asset, as

828 defined in paragraph (m) of section 1 of chapter 62, used in a taxpayer's trade or business,
829 including a deemed sale or exchange of such asset, "sales" are measured by the gain from the
830 transaction; (5) "security" means any interest or instrument commonly treated as a security as
831 well as other instruments which are customarily sold in the open market or on a recognized
832 exchange, including, but not limited to, transferable shares of a beneficial interest in any
833 corporation or other entity, bonds, debentures, notes, and other evidences of indebtedness,
834 accounts receivable and notes receivable, cash and cash equivalents including foreign currencies,
835 and repurchase and futures contracts; (6) in the case of a sale or deemed sale of a business, the
836 term "sales" does not include receipts from the sale of the business "good will" or similar
837 intangible value, including, without limitation, "going concern value" and "workforce in place.";
838 (7) to the extent authorized pursuant to the life sciences tax incentive program established by
839 section 5 of chapter 23I, a certified life sciences company may be deemed a research and
840 development corporation for purposes of exemptions under chapters 64H and 64I; and (8) in the
841 case of a business deriving receipts from operating a gaming establishment or otherwise deriving
842 receipts from conducting a wagering business or activity, income-producing activity shall be
843 considered to be performed in this commonwealth to the extent that the location of wagering
844 transactions or activity that generated the receipts is in this commonwealth.

845 SECTION 41. Notwithstanding and general or special law rule or regulation to the
846 contrary:-

847 The General Laws are hereby amended by inserting after chapter 267 the following
848 chapter:-

849 Chapter 267A

850 Money Laundering

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

853 “Criminal activity”, a criminal offense punishable under the laws of the commonwealth
854 by imprisonment in a state prison or a criminal offense committed in another jurisdiction
855 punishable under the laws of that jurisdiction as a felony.

856 “Financial institution”, a: (1) bank as defined in section 1 of chapter 167; (2) national
857 banking association, bank, savings and loan, savings bank, cooperative bank, building and loan
858 or credit union organized under the laws of the United States; (3) banking association, bank,
859 savings and loan, savings bank, cooperative bank, building and loan or credit union organized
860 under the laws of any state; (4) agency, agent or branch of a foreign bank; (5) currency dealer or
861 exchange; (6) person or business engaged primarily in the cashing of checks; (7) person or
862 business regularly engaged in the issuing, selling or redeeming of traveler's checks, money
863 orders or similar instruments; (8) broker or dealer in securities or commodities; (9) licensed
864 transmitter of funds or other person or business regularly engaged in the transmission of funds to
865 a foreign nation for others; (10) investment banker or investment company; (11) insurer; (12)
866 dealer in precious metals, stones or jewels; (13) pawnbroker or scrap metal dealer; (14) telegraph
867 or other communications company; (15) personal property or real estate broker; (16) dealer in
868 vehicles including, but not limited to, automobiles, aircraft and vessels; (17) operator of a betting
869 or gaming establishment; (18) travel agent; (19) thrift institution; (20) operator of a credit card
870 system; or (21) loan or finance company.

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

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

885 Section 2. Whoever knowingly:

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

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

890 with the intent to promote, carry on or facilitate criminal activity; or

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

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

898 shall be guilty of the crime of money laundering and shall be punished by imprisonment
899 in the state prison for not more than 6 years or by a fine of not more than \$250,000 or twice the
900 value of the property transacted, whichever is greater, or by both such imprisonment and fine;
901 and for any subsequent offense shall be punished by imprisonment in the state prison for not less
902 than 2 years, but not more than 8 years or by a fine of not more than \$500,000 or 3 times the
903 value of the property transacted, whichever is greater, or by both such imprisonment and fine.

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

907 (b) A financial institution, or any officer, employee, or agent of a financial institution that
908 maintains and files a record or report under this section shall not be liable to its customer, to a
909 state or local agency, or to any person for any loss or damage caused in whole or in part by the
910 making, filing or governmental use of the record or report, or any information contained in the
911 record or report. Nothing in this chapter shall be construed to give rise to a private cause of
912 action for relief or damages. This subsection shall not preclude a financial institution, in its

913 discretion, from instituting contact with, and then communicating with and disclosing customer
914 financial records to appropriate federal, state or local law enforcement agencies if the financial
915 institution has reason to suspect that the records or information demonstrate that the customer
916 has violated this chapter.

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

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

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

926 Section 4. All monetary instruments or other property, real, intellectual or personal,
927 obtained directly as a result of a violation of section 2 of this chapter, shall be subject to
928 forfeiture to the commonwealth. Forfeiture proceedings shall be conducted as provided in
929 subsections (b) to (j), inclusive of section 47 of chapter 94C. For purposes of subsection (d) of
930 said section 47 of said chapter 94C, the investigation and enforcement bureau of the gaming
931 control board shall be considered a police department, entitled to a police department's
932 distribution of forfeiture proceedings.

933 SECTION 42. Notwithstanding and general or special law rule or regulation to the
934 contrary:-

935 Said chapter 271 is hereby further amended by striking out section 8, as so appearing, and
936 inserting in place thereof the following section:

937 Section 8. Whoever owns, occupies, or is in control of a house, shop or building and
938 knowingly permits the establishing, managing or drawing of such lottery, or such disposal or
939 attempt to dispose of property, or the sale of a lottery ticket or share of a ticket, or any other
940 writing, certificate, bill, token or other device purporting or intended to entitle the holder, bearer
941 or any other person to a prize or to a share of or interest in a prize to be drawn in a lottery, or in
942 such disposal or property, and whoever knowingly suffers money or other property to be raffled
943 for or won by throwing or using dice or by any other game of chance that is not being conducted
944 in a legalized gaming facility pursuant to chapter 23K, shall be punished by a fine of not more
945 than \$2000 or by imprisonment in a jail or house of correction for not more than 1 year.

946 SECTION 43. Notwithstanding and general or special law rule or regulation to the
947 contrary:-

948 The General Laws are hereby amended by inserting after chapter 271 the following new
949 chapter:-

950 Chapter 271A

951 Enterprise Crime

952

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

955 “Criminal enterprise activity”, the commission, attempt to commit or conspiracy to
956 commit or the solicitation, coercion, aiding, abetting or intimidation of another to commit any of
957 the following criminal activity under the laws of the commonwealth or equivalent crimes under
958 the laws of any other jurisdiction: a violation of any criminal provision of chapter 23K; a felony
959 offense under chapter 271; distributing, dispensing, manufacturing, or possessing with intent to
960 distribute, dispense or manufacture a controlled substance in violation of chapter 94C; murder;
961 rape; manslaughter, not including motor vehicle homicide; assault; assault and battery; assault
962 and battery in order to collect a loan; assault with intent to rob or murder; poisoning; mayhem;
963 robbery; extortion; stalking; criminal harassment; kidnapping; arson; burglary; malicious
964 destruction of property; commission of a felony for hire; breaking and entering; child
965 exploitation; assault and battery on a child; rape of a child; rape and abuse of a child; enticement
966 of a child under 16; human trafficking; violation of constitutional rights under section 37 of
967 chapter 265; usury; uttering; misuse or fraudulent use of credit cards under section 37C of
968 chapter 266; identity fraud; misappropriation of funds; gross fraud; insurance fraud; unlawful
969 prize fighting or boxing matches; counterfeiting; perjury; subornation of perjury; obstruction of
970 justice; money laundering; witness intimidation; bribery; electronic eavesdropping; prostitution;
971 receiving stolen property; larceny over \$250; larceny by false pretenses or embezzlement;
972 forgery; procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct
973 defined as a racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

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

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

978 “Pattern of criminal enterprise activity”, engaging in at least 3 incidents of criminal
979 enterprise activity that have the same or similar pattern, intents, results, accomplices, victims or
980 methods of commission, or are otherwise interrelated by distinguishing characteristics and are
981 not isolated incidents; provided, however, that at least 1 of the incidents occurred after the
982 effective date of this chapter, and the last incident occurred within 5 years of another incident of
983 criminal enterprise activity.

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

987 Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or
988 through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest
989 in or control of an enterprise which is engaged in, or the activities of which affect, licensed
990 gaming under chapter 23K or ancillary industries which do business with a gaming
991 establishment; (2) having received proceeds derived, directly or indirectly, from a pattern of
992 criminal enterprise activity or through the collection of an unlawful debt, uses or invests, directly
993 or indirectly, part of the proceeds including proceeds derived from the investment, in the
994 acquisition of an interest in real property to be used in connection with licensed gaming, or in the
995 establishment or operation of, an enterprise which is engaged in, or the activities of which affect,
996 licensed gaming operations or ancillary industries which do business with a gaming
997 establishment; (3) is employed by or associated with an enterprise to conduct or participate,
998 directly or indirectly, in the conduct of the enterprise's affairs or activities which affect licensed
999 gaming operations or ancillary industries which do business with a gaming establishment by
1000 engaging in a pattern of criminal enterprise activity or through the collection of an unlawful debt;

1001 or (4) conspires or attempts to violate subsections (1), (2), or (3) of this section shall be guilty of
1002 enterprise crime and shall be punished by imprisonment in the state prison for not more than 15
1003 years or by a fine of not more than \$25,000, or by both such imprisonment and fine.

1004 Nothing in this chapter shall prohibit the purchase of securities on the open market for
1005 purposes of investment made without the intention of controlling or participating in the control
1006 of the issuer, or of assisting another to do so, if the securities of the issuer held by the (i)
1007 purchaser; (ii) members of the purchaser's immediate family; and (iii) the purchaser's
1008 accomplices in any pattern of criminal activity or the collection of an unlawful debt after such
1009 purchase do not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1
1010 class and do not confer, either in law or in fact, the power to elect 1 or more directors of the
1011 issuer.

1012 Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained
1013 directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the
1014 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
1015 inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
1016 chapter 94C, the investigation and enforcement bureau of the gaming control board shall be
1017 considered a police department, entitled to a police department's distribution of forfeiture
1018 proceedings.

1019 SECTION 44. Notwithstanding and general or special law rule or regulation to the
1020 contrary:-

1021 (a) There is hereby established and placed upon the books of the commonwealth a
1022 Gaming Licensing Fund which shall receive all licensing fees collected from applicants in

1023 receipt of a category 1 or category 2 gaming license. The fund shall expire on December 31,
1024 2015. The commission shall be the trustee of the fund and shall transfer monies in the fund in
1025 order of the following provisions:-

1026 \$20,000,000 to the community mitigation fund established by section 54;

1027 \$20,000,000 to the Massachusetts gaming commission to be used for start up and
1028 operational costs

1029 \$22,500,000 to the local capital projects fund established under section XX.

1030 \$32,000,000 to the manufacturing fund established under section XX.

1031 \$20,000,000 to the community college fund established under section xx.

1032 \$3,000,000 to the tourism fund established under section xx.

1033 \$77,500,000 in the aggregate shall be remitted to the comptroller and the comptroller
1034 shall deposit into the Local Aid Stabilization Fund, established by section 2BBBB of chapter 29
1035 of the General Laws;

1036 \$100,000,000 and any additional monies in the fund after disbursement to sections 1
1037 through 6 shall be transferred to the commonwealth stabilization fund established by section 2H
1038 of chapter 29;

1039 (b) Upon receipt by the Massachusetts gaming control board of license fees from
1040 licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming
1041 Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no

1042 transfer or payment under said clauses (1) and (2) shall occur until the fund reimburses
1043 \$20,000,000 to the Stabilization Fund as required by subsection (b) of section 71 of this act.

1044 SECTION 45. Notwithstanding and general or special law rule or regulation to the
1045 contrary:-

1046 (a) Within 30 days of the effective date of this act, the comptroller shall transfer
1047 \$20,000,000, as a loan with no interest, from the Stabilization Fund established by section 2H of
1048 chapter 29 of the General Laws, to the Massachusetts gaming control board for the start-up and
1049 operational costs of implementing chapter 23K of the General Laws.

1050 (b) Upon receipt by the Massachusetts gaming control board of sufficient license fees
1051 from licensees under said chapter 23K, the board shall remit \$20,000,000 to the comptroller from
1052 the Gaming Licensing Fund established in section 62 of said chapter 23K to repay the
1053 Stabilization Fund established by said section 2H of said chapter 29.

1054 SECTION 46. Notwithstanding and general or special law rule or regulation to the
1055 contrary:-

1056 Not more than \$38,750,000 shall be expended from the Local Aid Stabilization Fund,
1057 created in section 2BBBB of chapter 29 of the General Laws, in fiscal year 2012.

1058 SECTION 47. Notwithstanding and general or special law rule or regulation to the
1059 contrary:-

1060 There is hereby established and set up on the books of the commonwealth a fund to be
1061 known as the Manufacturing Fund. The manufacturing fund shall be credited any monies

1062 transferred under section 51 and all monies credited to or transferred to the fund from any other
1063 fund or source pursuant to law.

1064 SECTION 48. Notwithstanding and general or special law rule or regulation to the
1065 contrary:-

1066 There is hereby established and set up on the books of the commonwealth a fund to be
1067 known as the Community College Fund. The community college fund shall be credited any
1068 monies transferred under section 51 and all monies credited to or transferred to the fund from
1069 any other fund or source pursuant to law.

1070 SECTION 49. Notwithstanding and general or special law rule or regulation to the
1071 contrary:-

1072 The Massachusetts gaming commission, hereinafter the commission, with the advice of
1073 the gaming policy advisory committee, hereinafter the committee, shall develop an annual
1074 research agenda in order to understand the social and economic effects of expanding gaming in
1075 the commonwealth and to obtain scientific information about the neuroscience, psychology,
1076 sociology, epidemiology and etiology of gambling. The commission may expend funds from the
1077 Gaming Mitigation Trust Fund to implement the objectives of the research agenda which shall
1078 include, but not be limited to, the following:

1079 (1) a baseline study of the existing occurrence of problem gambling in the
1080 commonwealth. The study shall examine and describe the current levels of problem gambling
1081 as well as the current programs in the commonwealth that prevent and address the harmful
1082 consequences of problem gambling. The commission shall contract with scientists and medical
1083 doctors to examine the current research as to the causes for problem gambling and the health

1084 effects of problem gambling and the treatment methods currently available in the
1085 commonwealth. The commission shall report on the findings of the baseline study and provide
1086 recommendations to the house committee on ways and means, the senate committee on ways and
1087 means, the joint committee on economic development and emerging technologies, the joint
1088 committee on mental health and substance abuse and the joint committee on public health on
1089 methods to supplement or improve current problem gambling prevention and treatment services
1090 not later than 2 years from the effective date of this act;

1091 (2) comprehensive legal and factual studies of the social and economic impacts of
1092 gambling in the commonwealth on (a) state, local and Native American tribal governments; and
1093 (b) communities and social institutions generally, including individuals, families and businesses
1094 within such communities and institutions. The matters to be examined in such studies shall
1095 include, but not be limited to: -

1096 (i) a review of existing federal, state, local and Native American tribal government
1097 policies and practices with respect to the legalization or prohibition of gambling, including a
1098 review of the costs of such policies and practices;

1099 (ii) an assessment of the relationship between gambling and levels of crime and of
1100 existing enforcement and regulatory practices that are intended to address any such relationship;

1101 (iii) an assessment of pathological or problem gambling, including its impact on
1102 individuals, families, businesses, social institutions and the economy;

1103 (iv) an assessment of the impacts of gambling on individuals, families, businesses, social
1104 institutions and the economy generally, including the role of advertising in promoting gambling
1105 and the impact of gambling on depressed economic areas;

1106 (v) an assessment of the extent to which gaming has provided revenues to other state,
1107 local, and Native American tribal governments;

1108 (vi) an assessment of the costs of added infrastructure, police force, increased
1109 unemployment, increased health care and dependency on public assistance; and

1110 (vii) the costs of implementing chapter 23K of the General Laws;

1111 (3) individual studies conducted by academic institutions in the commonwealth and
1112 individual researchers located in the commonwealth to study topics which include, but shall not
1113 be limited to: (i) reward and aversion, neuroimaging and neuroscience in humans, addiction
1114 phenotype genotype research, gambling-based experimental psychology, and mathematical
1115 modeling of reward-based decision-making; (ii) the sociology and psychology of gambling
1116 behavior, gambling technology, and marketing; (iii) the epidemiology and etiology of gambling
1117 and problem gambling in the general population. When contracting with researchers to study
1118 these issues, the commission shall encourage the collaboration among researchers in the
1119 commonwealth and other states and jurisdictions.

1120 The commission and the committee shall annually make scientifically-based
1121 recommendations which reflect the results of this research to the house committee on ways and
1122 means, the senate committee on ways and means, the joint committee on economic development
1123 and emerging technologies, the joint committee on mental health and substance abuse and the
1124 joint committee on public health. The commission shall consider any such recommendations,
1125 research and findings in all decisions related to enhancing responsible gambling and mitigating
1126 problem gambling.

1127 SECTION 50. Notwithstanding and general or special law rule or regulation to the
1128 contrary:-

1129 There is hereby established and set up on the books of the commonwealth a fund to be
1130 known as the Local Capital Projects Fund. The local capital projects fund shall be credited any
1131 monies transferred under sections 51 or 52 and all monies credited to or transferred to the fund
1132 from any other fund or source pursuant to law.