HOUSE DOCKET, NO. FILED ON: 1/24/2012

HOUSE . . . . . No. 3697

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

An Act establishing expanded gaming in the commonwealth.

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

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

SECTION 1. To provide for certain unanticipated obligations of the commonwealth, to provide for an alteration of purpose for current appropriations, and to meet certain requirements of law, the sums set forth in this section 2A are hereby appropriated from the General Fund unless specifically designated otherwise, for the several purposes and subject to the conditions specified in this section, and subject to laws regulating the disbursement of public funds for the fiscal year ending June 30, 2012; provided, that notwithstanding any general or special law to the contrary, appropriations made herein shall not revert and shall be available for expenditure until June 30, 2013. The sums shall be in addition to any amounts previously appropriated and made available for the purposes of these items.

SECTION 2A.

OFFICE OF THE GOVERNOR

12 0411-1004 To provide for certain costs associated with the implementation of expanded
13 gaming in the commonwealth, including, but not limited to, costs related to legal, financial and
14 other professional services required for the negotiation and execution of a compact with a
15 federally recognized Indian tribe in the commonwealth to establish a tribal casino in region
16 C……..……..$5,000,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

70 No employee of the division and no person engaged by the division in the course of an
71 investigation, other than in the performance of their official duties, shall place a wager in a
72 gaming establishment licensed under chapter 23K during the period of their employment or
73 assignment with the division. The attorney general shall establish a code of ethics for all
74 division employees which shall be more restrictive than chapters 268A and 268B. A copy of the
75 code of ethics shall be filed with the state ethics commission. The code shall include provisions
76 reasonably necessary to carry out this section including, but not limited to: (i) prohibiting the

77 receipt of gifts by a division employee from a gaming licensee, applicant, close associate,
78 affiliate or other person or entity subject to the jurisdiction of the commission established by
79 chapter 23K; and (ii) prohibiting the participation by a division employee in a particular matter
80 as defined in section 1 of said chapter 268A that affects the financial interest of a relative within
81 the third degree of consanguinity or any other person with whom such employee has a significant
82 relationship as defined in the code.

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

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

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

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

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

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

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

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

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

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

117 CHAPTER 23K.

118 THE MASSACHUSETTS GAMING COMMISSION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

183 "Chair", the chair of the commission.

184 "Cheat", to alter the selection of criteria which determines the results of a game or the
185 amount or frequency of payment in a game.

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

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

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

206 “Commissioner”, a member of the commission.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

261 “Holding company”, a corporation, association, firm, partnership, trust or other form of
262 business organization, other than a natural person, which, directly or indirectly, owns, has the
263 power or right to control, or has the power to vote any significant part of the outstanding voting
264 securities of a corporation or other form of business organization which holds or applies for a

265 gaming license; provided, however, that "holding company", in addition to any other reasonable
266 use of the term, shall indirectly have, hold or own any such power, right or security if it does so
267 through an interest in a subsidiary or any successive subsidiaries, notwithstanding how many
268 such subsidiaries may intervene between the holding company and the gaming licensee or
269 applicant.

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

272 "Impacted live entertainment venue", a not-for-profit or municipally-owned performance
273 venue designed in whole or in part for the presentation of live concerts, comedy or theatrical
274 performances, which the commission determines experiences, or is likely to experience, a
275 negative impact from the development or operation of a gaming establishment.

276 "Institutional investor", any of the following entities having a 5 per cent or greater
277 ownership interest in a gaming establishment or gaming licensee: a corporation, bank, insurance
278 company, pension fund or pension fund trust, retirement fund, including funds administered by a
279 public agency, employees' profit-sharing fund or employees' profit-sharing trust, an association
280 engaged, as a substantial part of its business or operation, in purchasing or holding securities, or
281 any trust in respect of which a bank is a trustee or co-trustee, investment company registered
282 under the federal Investment Company Act of 1940, collective investment trust organized by
283 banks under part 9 of the Rules of the Comptroller of Currency, closed end investment trust,
284 chartered or licensed life insurance company or property and casualty insurance company,
285 investment advisor registered under the federal Investment Advisers Act of 1940, and such other

286 persons as the commission may reasonably determine to qualify as an institutional investor for
287 reasons consistent with this chapter.

288 "Intermediary company", a corporation, association, firm, partnership, trust or other form
289 of business organization other than a natural person which is a holding company with respect to a
290 corporation or other form of business organization which holds or applies for a gaming license,
291 and is a subsidiary with respect to a holding company.

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

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

303 "Junket representative", a person who negotiates the terms of, or engages in the referral,
304 procurement or selection of persons who may participate in, a junket to a gaming establishment,
305 regardless of whether or not those activities occur within the commonwealth.

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

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

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

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

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

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

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

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

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

329 “Qualification” or “qualified”, the process of licensure set forth by the commission to
330 determine that all persons who have a professional interest in a gaming license, or gaming
331 vendor license, or the business of a gaming licensee or gaming vendor, meet the same standards
332 of suitability to operate or conduct business with a gaming establishment in the commonwealth.

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

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

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

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

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

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

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

364 Section 3. (a) There shall be a Massachusetts gaming commission which shall consist of
365 5 commissioners, 1 of whom shall be appointed by the governor; 1 of whom shall be appointed
366 by the attorney general who shall have experience in criminal investigations and law
367 enforcement; 1 of whom shall be appointed by the treasurer and receiver general who shall have
368 experience in corporate finance and securities; and 2 of whom shall be appointed by the approval
369 of 2 of the 3 appointing authorities, 1 of whom shall have experience in legal and policy issues
370 related to gaming and 1 of whom may have professional experience in gaming regulatory

371 administration or gaming industry management. The governor shall designate the chair of the
372 commission. The chair shall serve in that capacity throughout the term of appointment and until
373 a successor shall be appointed. Prior to appointment to the commission, a background
374 investigation shall be conducted into the financial stability, integrity and responsibility of a
375 candidate, including the candidate's reputation for good character, honesty and integrity. No
376 person who has been convicted of a felony shall be eligible to serve on the commission.

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

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

390 (d) Three commissioners shall constitute a quorum and the affirmative vote of 3
391 commissioners shall be required for an action of the commission. The chair or 3 members of the
392 commission may call a meeting; provided, however, that notice of all meetings shall be given to

393 each commissioner and to other persons who request such notice. The commission shall adopt
394 regulations establishing procedures, which may include electronic communications, by which a
395 request to receive notice shall be made and the method by which timely notice may be given.

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

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

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

412 (h) All of the commissioners shall, if so directed by the chair, participate in the hearing
413 and decision of any matter before the commission; provided, however, that at least 2
414 commissioners shall participate in the hearing and decision of matters other than those of formal

415 or administrative character coming before the commission; provided further, that any such matter
416 may be heard, examined and investigated by an employee of the commission designated and
417 assigned by the chair, with the concurrence of 1 other commissioner. Such employee shall make
418 a report in writing relative to the hearing, examining and investigating of every such matter to
419 the commission for its decision. For the purposes of hearing, examining and investigating any
420 such matter, such employee shall have all of the powers conferred upon a commissioner by this
421 section. For each hearing, the concurrence of a majority of the commissioners participating in the
422 decision shall be necessary.

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

438 disability ceases. The acting executive director shall have all the powers and duties of the
439 executive director and shall have similar qualifications as the executive director. ¬¬

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

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

461 employee. During the period of such appointment, each person so appointed from a position in
462 the classified civil service shall be eligible to take any competitive promotional examination for
463 which such person would otherwise have been eligible.

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

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

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

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

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

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

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

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

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

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

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

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

538 (w) Neither the commission nor any of its officers, agents, employees, consultants or
539 advisors shall be subject to sections 9A, 45, 46 and 52 of chapter 30, chapter 31, or to chapter
540 200 of the acts of 1976.

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

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

545 (1) appoint officers and hire employees;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

706 Section 6. (a) There shall be within the commission an investigations and enforcement
707 bureau which shall be the primary enforcement agent for regulatory matters under this chapter.
708 The bureau shall perform such functions as the chair may determine in relation to enforcement,
709 including the investigation of all licensees under this chapter. The bureau shall be under the
710 supervision and control of the deputy director of investigations and enforcement. The deputy
711 director shall be the executive and administrative head of the bureau and shall be responsible for
712 administering and enforcing the laws relative to the bureau and to each administrative unit of the
713 bureau. The duties of the deputy director as provided in this chapter and in any other general or

714 special law shall be exercised and discharged subject to the direction, control and supervision of
715 the chair.

716 (b) The bureau shall be a law enforcement agency and its employees shall have such law
717 enforcement powers as necessary to effectuate the purposes of this chapter, including the power
718 to receive intelligence on an applicant or licensee under this chapter and to investigate any
719 suspected violations of this chapter.

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

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

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

735 (f) The gaming enforcement unit within the department of state police shall have
736 exclusive police jurisdiction over any criminal activity relating to the operation of a gaming
737 establishment or relating to games or gaming that occur inside a gaming establishment; provided,
738 however, that the state police shall have concurrent jurisdiction with the law enforcement agency
739 of the host community on all other policing matters and, in consultation with the commission,
740 shall execute a memorandum of understanding with the law enforcement agency of the host
741 community that shall include, but not be limited to, procedures involving: (i) assignment of
742 police officers of the host community to the gaming enforcement unit of the state police; (ii) first
743 responder calls from the gaming establishment; (iii) emergencies occurring within the gaming
744 establishment, including the gaming area; and (iv) criminal investigations involving employees
745 or patrons of a gaming establishment.

746 (g) Investigators and employees of the gaming liquor enforcement unit of the alcoholic
747 beverages control commission assigned to the commission under section 72A of chapter 10 shall
748 work with employees of the bureau, under the direction of the deputy director, to enforce,
749 regulate and control the distribution of alcoholic beverages in a gaming establishment.
750 Investigators assigned to work with the bureau shall record their time and submit their total hours
751 to the deputy director and the commission shall reimburse the alcoholic beverages control
752 commission.

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

757 Section 8. (a) The commission shall issue a request for applications for category 1 and
758 category 2 licenses; provided, however, that the commission shall first issue a request for
759 applications for the category 2 licenses. All requests for applications shall include: (i) the time
760 and date for receipt of responses to the request for applications, the manner they are to be
761 received and the address of the office to which the applications shall be delivered; (ii) the form
762 of the application and the method for submission; (iii) a general description of the anticipated
763 schedule for processing the application; (iv) the contact information of commission employees
764 responsible for handling applicant questions; and (v) any other information that the commission
765 determines.

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

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

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

773 (1) the name of the applicant;

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

777 (3) the identity of each person having a direct or indirect interest in the business and the
778 nature of such interest; provided, however, that if the disclosed entity is a trust, the application
779 shall disclose the names and addresses of all beneficiaries; provided further, that if the disclosed
780 entity is a partnership, the application shall disclose the names and addresses of all partners, both
781 general and limited; and provided further, that if the disclosed entity is a limited liability
782 company, the application shall disclose the names and addresses of all members;

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

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

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

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

795 (8) an agreement that the applicant shall mitigate the potential negative public health
796 consequences associated with gambling and the operation of a gaming establishment, including:
797 (i) maintaining a smoke-free environment within the gaming establishment under section 22 of
798 chapter 270; (ii) providing complimentary on-site space for an independent substance abuse and

799 mental health counseling service to be selected by the commission; (iii) prominently displaying
800 information on the signs of problem gambling and how to access assistance; (iv) describing a
801 process for individuals to exclude their names and contact information from a gaming licensee's
802 database or any other list held by the gaming licensee for use in marketing or promotional
803 communications; and (v) instituting other public health strategies as determined by the
804 commission;

805 (9) the designs for the proposed gaming establishment, including the names and
806 addresses of the architects, engineers and designers, and a timeline of construction that includes
807 detailed stages of construction for the gaming establishment, nongaming structures and
808 racecourse, where applicable;

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

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

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

816 (13) completed studies and reports as required by the commission, which shall include,
817 but not be limited to, an examination of the proposed gaming establishment's: (i) economic
818 benefits to the region and the commonwealth; (ii) local and regional social, environmental,
819 traffic and infrastructure impacts; (iii) impact on the local and regional economy, including the
820 impact on cultural institutions and on small businesses in the host community and surrounding

821 communities; (iv) cost to the host community and surrounding communities and the
822 commonwealth for the proposed gaming establishment to be located at the proposed location;
823 and (v) the estimated municipal and state tax revenue to be generated by the gaming
824 establishment;

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

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

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

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

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

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

840 (b) Applications for licenses shall be public records under section 10 of chapter 66;
841 provided however, that trade secrets, competitively-sensitive or other proprietary information

842 provided in the course of an application for a gaming license under this chapter, the disclosure of
843 which would place the applicant at a competitive disadvantage, may be withheld from disclosure
844 under chapter 66.

845 Section 10. (a) The commission shall set the minimum capital investment for all category
846 1 licenses; provided, however, that all gaming licensees shall make a capital investment of not
847 less than $500,000,000 into the gaming establishment which shall include, but not be limited to,
848 a gaming area, at least 1 hotel and other amenities as proposed in the application for a category 1
849 license; and provided further, that the commission shall determine whether it will include the
850 purchase or lease price of the land where the gaming establishment will be located or any
851 infrastructure designed to support the site, including, but not limited to, drainage, utility support,
852 roadways, interchanges, fill and soil or groundwater or surface water contamination issues,
853 whether or not the applicant is an eligible owner or operator under chapter 206 of the acts of
854 1998, and has suitable capital to finance its operations and the proposed capital investment. Upon
855 award of a gaming license by the commission, the applicant shall be required to deposit 10 per
856 cent of the total investment proposed in the application into an interest-bearing account. Monies
857 received from the applicant shall be held in escrow until the final stage of construction, as
858 detailed in the timeline of construction submitted with the licensee's application and approved by
859 the commission, at which time the deposit shall be returned to the applicant to be applied for the
860 final stage. Should the applicant be unable to complete the gaming establishment, the deposit
861 shall be forfeited to the commonwealth. In place of a cash deposit, the commission may allow
862 for an applicant to secure a deposit bond insuring that 10 per cent of the proposed capital
863 investment shall be forfeited to the commonwealth if the applicant is unable to complete the
864 gaming establishment.

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

870 (c) Applicants for a category 1 license shall submit their proposed capital investment with
871 their application to the commission which shall include stages of construction of the gaming
872 establishment and the deadline by which the stages and overall construction and any
873 infrastructure improvements will be completed. In awarding a category 1 license, the
874 commission shall determine at what stage of construction a licensee shall be approved to open
875 for business; provided, however, that a licensee shall not be approved to open for business until
876 the commission has determined that at least the gaming area and other ancillary entertainment
877 services and non-gaming amenities, as required by the commission, have been built and are of a
878 superior quality as set forth in the conditions of licensure; and provided further, that total
879 infrastructure improvements onsite and around the vicinity of the gaming establishment,
880 including projects to account for traffic mitigation as determined by the commission, shall be
881 completed before the gaming establishment shall be approved for opening by the commission.
882 The commission shall not approve a gaming establishment to open for business before the
883 completion of the permanent gaming area.

884 (d) The commission shall determine a minimum licensing fee for each region, which
885 shall not be less than $85,000,000, to be paid by a category 1 licensee within 30 days after the
886 final award of the license. The license shall set forth the conditions to be satisfied by the
887 licensee before the gaming establishment shall be opened to the public. The commission shall

888 set any renewal fee for such license based on the cost of fees associated with the evaluation of a
889 category 1 licensee under this chapter which shall be deposited into the Gaming Revenue Fund.
890 Such renewal fee will be exclusive of any subsequent licensing fees under this section.

891 (e) The commission shall determine the sources and total amount of an applicant's
892 proposed capitalization to develop, construct, maintain and operate a proposed gaming
893 establishment under this chapter. Upon award of a gaming license, the commission shall
894 continue to assess the capitalization of a licensee for the duration of construction of the proposed
895 gaming establishment and the term of the license.

896 Section 11. (a) The commission shall set the minimum capital investment for a category 2
897 license; provided, however, that the gaming licensee shall make a capital investment of not less
898 than $125,000,000 into the gaming establishment, which shall include, but not be limited to, a
899 gaming area or other amenities as proposed in the application for a category 2 license; and
900 provided further, that the commission shall determine whether it will include the purchase or
901 lease price of the land where the gaming establishment will be located or any infrastructure
902 designed to support the site, including, but not limited to, drainage, utility support, roadways,
903 interchanges, fill and soil or groundwater or surface water contamination issues, whether or not
904 the applicant is an eligible owner or operator under chapter 206 of the acts of 1998, and has
905 suitable capital to finance its operations and the proposed capital investment. The investment
906 required under this section shall be made within 2 years after receiving a gaming license;
907 provided, however, that any infrastructure improvements necessary to increase visitor capacity
908 and account for traffic mitigation shall not be considered part of the required capital investment
909 and, as determined by the commission, shall be completed before the category 2 licensee shall be
910 authorized to operate a slot machine at the gaming establishment.

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

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

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

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

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

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

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

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

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

930 (7) whether the applicant is disqualified from receiving a license under section 16;
931 provided, however, that in considering the rehabilitation of an applicant for a gaming license, the
932 commission shall not automatically disqualify an applicant if the applicant affirmatively
933 demonstrates, by clear and convincing evidence, that the applicant has financial responsibility,
934 character, reputation, integrity and general fitness as such to warrant belief by the commission
935 that the applicant will act honestly, fairly, soundly and efficiently as a gaming licensee.

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

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

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

949 (b) All applicants, licensees, registrants and any other person who shall be qualified
950 under this chapter shall have the continuing duty to provide any assistance or information
951 required by the commission and to cooperate in any inquiry or investigation conducted by the

952 commission. Refusal to answer or produce information, evidence or testimony by an applicant,
953 licensee, registrant or other person required to be qualified under this chapter may result in denial
954 of the application or suspension or revocation of license or registration by the commission.

955 (c) No applicant, licensee, registrant or person required to be qualified under this chapter
956 shall willfully withhold information from, or knowingly give false or misleading information to,
957 the commission. If the commission determines that an applicant, or a close associate of an
958 applicant, has willfully provided false or misleading information, such applicant shall not be
959 eligible to receive a license under this chapter. Any licensee or other person required to be
960 qualified for licensure under this chapter who willfully provides false or misleading information
961 shall have its license conditioned, suspended or revoked by the commission.

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

967 (b) For each business that applies for a gaming license, the commission shall determine
968 whether each officer and director of a corporation, other than a publicly-traded corporation,
969 general partner and limited partner of a limited partnership, and member, transferee of a
970 member's interest in a limited liability company, director and manager of a limited liability
971 company which holds or applies for a gaming license meets the standards for qualification of
972 licensure pursuant to sections 12 and 16 and, in the judgment of the commission, any or all of a

973 business's individual stockholders, lenders, holders of evidence of indebtedness, underwriters,
974 close associates, executives, agents or employees.

975 (c) A person owning more than 5 per cent of the common stock of the applicant
976 company, directly or indirectly, or a holding, intermediary or subsidiary of an applicant company
977 may be required meet the qualifications for licensure under sections 12 and 16. The commission
978 may waive the licensing requirements for institutional investors holding up to 15 per cent of the
979 stock of the applicant company or holding, intermediary or subsidiary company of the applicant
980 company upon a showing by the person seeking the waiver that the applicant purchased the
981 securities for investment purposes only and does not have any intention to influence or affect the
982 affairs or operations of the applicant company or a holding, intermediary or subsidiary of the
983 applicant company. An institutional investor granted a waiver which subsequently determines to
984 influence or affect the affairs or operations of the applicant company or a holding, intermediary
985 or subsidiary of the applicant company shall provide not less than 30 days notice to the
986 commission of such intent and the commission shall ensure that the institutional investor meets
987 the qualifications for licensure under said sections 12 and 16 before the institutional investor may
988 take an action that may influence or affect the affairs of the applicant company or a holding,
989 intermediary or subsidiary of the applicant company. Any company holding over 15 per cent of
990 the applicant company, or a holding, intermediary or subsidiary of an applicant company, shall
991 be required to meet the qualifications for licensure under said sections 12 and 16.

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

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

999 (f) A person required to be qualified for licensure shall apply for qualification within 30
1000 days after taking a position with the business. A person who is required to be qualified for
1001 licensure pursuant to a decision of the commission shall apply for qualification within 30 days
1002 after that decision.

1003 (g) If a corporation or other form of business organization applying for a gaming license
1004 is, or if a corporation or other form of business organization holding a gaming license is to
1005 become, a subsidiary, each holding company, intermediary company and other entity having an
1006 interest in the applicant shall be required to be qualified for licensure under sections 12 and 16.

1007 (h) The commission shall require that a company or individual that can exercise control
1008 or provide direction to a gaming licensee or applicant for a gaming license or a holding,
1009 intermediary or subsidiary of a gaming licensee or applicant for a gaming license be qualified for
1010 licensure under sections 12 and 16; provided, however, that the commission may allow such
1011 person to seek a waiver under subsection (c).

1012 (i) The bureau shall investigate each person required to be qualified for licensure under
1013 this section and shall: (i) make a recommendation to the commission that the commission
1014 approve or deny the application for licensure; or (ii) extend the period for issuing a
1015 recommendation in order to obtain additional information necessary for a complete evaluation of
1016 the application for a license.

1017 Section 15. No applicant shall be eligible to receive a gaming license unless the applicant
1018 meets the following criteria and clearly states as part of an application that the applicant shall:

1019 (1) agree to be a licensed state lottery sales agent under chapter 10 to sell or operate the
1020 lottery, multi-jurisdictional and keno games; demonstrate that the lottery and keno games shall
1021 be readily accessible to the guests of the gaming establishment and agree that, as a condition of
1022 its license to operate a gaming establishment, that it will not create, promote, operate or sell
1023 games that are similar to or in direct competition, as determined by the commission, with games
1024 offered by the state lottery commission, including the lottery instant games or its lotto style
1025 games such as keno or its multi-jurisdictional games;

1026 (2) in accordance with the design plans submitted with the licensee's application to the
1027 commission, invest not less than the required capital under this chapter into the gaming
1028 establishment;

1029 (3) own or acquire, within 60 days after a license has been awarded, the land where the
1030 gaming establishment is proposed to be constructed; provided, however, that ownership of the
1031 land shall include a tenancy for a term of years under a lease that extends not less than 60 years
1032 beyond the term of the gaming license issued under this chapter;

1033 (4) meet the licensee deposit requirement;

1034 (5) demonstrate that it is able to pay and shall commit to paying the gaming licensing fee;

1035 (6) demonstrate to the commission how the applicant proposes to address lottery
1036 mitigation, compulsive gambling problems, workforce development and community

1037 development as well as host and surrounding community impact and mitigation issues as set
1038 forth in the memoranda of understanding required under this chapter;

1039 (7) identify the infrastructure costs of the host and surrounding communities incurred in
1040 direct relation to the construction and operation of a gaming establishment and commit to a
1041 community mitigation plan for those communities;

1042 (8) provide to the commission a signed agreement between the host community and the
1043 applicant setting forth the conditions to have a gaming establishment located within the host
1044 community; provided, however, that the agreement shall include a community impact fee for the
1045 host community and all stipulations of responsibilities between the host community and the
1046 applicant, including stipulations of known impacts from the development and operation of a
1047 gaming establishment;

1048 (9) provide to the commission signed agreements between the surrounding communities
1049 and the applicant setting forth the conditions to have a gaming establishment located in
1050 proximity to the surrounding communities and documentation of public outreach to those
1051 surrounding communities; provided, however, that the agreement shall include a community
1052 impact fee for each surrounding community and all stipulations of responsibilities between each
1053 surrounding community and the applicant, including stipulations of known impacts from the
1054 development and operation of a gaming establishment;

1055 (10) provide to the commission signed agreements between the impacted live
1056 entertainment venues and the applicant setting forth the conditions to have a gaming
1057 establishment located in proximity to the impacted live entertainment venues; provided,

1058 however, that the agreement shall include, but not be limited to, terms relating to cross marketing
1059 and coordination of performance schedules;

1060 (11) pay to the commission a nonrefundable application fee of $350,000 to defray the
1061 costs associated with the processing of the application and investigation of the applicant;
1062 provided, however, that if the costs of the investigation exceed the initial application fee, the
1063 applicant shall pay the additional amount to the commission within 30 days after notification of
1064 insufficient fees or the application shall be rejected;

1065 (12) comply with state and local building codes and local ordinances and bylaws,
1066 including sections 61 to 62H, inclusive, of chapter 30;

1067 (13) have received a certified and binding vote on a ballot question at an election in the
1068 host community, in favor of such license; provided, however that the vote shall take place after
1069 the effective date of this chapter; provided further that upon receipt of a request for an election,
1070 the governing body of the municipality shall call for the election to be held not less than 35 days
1071 but not more than 90 days from the date that the request was received; provided further, that a
1072 binding vote shall be conducted not less than 60 days after the execution of a signed agreement
1073 between the host community and the applicant as provided in clause (8); provided further, that
1074 the municipality that holds an election shall be reimbursed for its expenses related to the election
1075 by the applicant; provided further, that, for purposes of this clause, if the gaming establishment is
1076 proposed to be located in a city with a population of at least 125,000 residents according to the
1077 most recent enumerated federal census, “host community” shall mean the ward in which the
1078 gaming establishment is to be located for the purpose of receiving a certified and binding vote on
1079 a ballot question at an election; provided further, that, upon the signing of an agreement between

1080 the host community and the applicant, and upon the request of the applicant, the city or town
1081 clerk shall set a date certain for an election on the ballot question in the host community;
1082 provided further, that at such election, the question submitted to the voters shall be worded as
1083 follows: "Shall the (city/town) of _____ permit the operation of a gaming establishment
1084 licensed by the Massachusetts Gaming Commission to be located at ____[description of
1085 site]_____? YES _____ NO _____" ; provided further, that if a majority of the votes cast in a
1086 host community in answer to the ballot question is in the affirmative, the host community shall
1087 be taken to have voted in favor of the applicant's license; provided further, that if a proposed
1088 gaming establishment is situated in 2 or more cities or towns, the applicant shall execute an
1089 agreement with each host community, or a joint agreement with both communities, and receive a
1090 certified and binding vote on a ballot question at an election held in each host community, in
1091 favor of such a license;

1092 (14) provide a community impact fee to the host community;

1093 (15) formulate for commission approval and abide by a marketing program by which the
1094 applicant shall identify specific goals, expressed as an overall program goal applicable to the
1095 total dollar amount of contracts, for utilization of: (i) minority business enterprises, women
1096 business enterprises and veteran business enterprises to participate as contractors in the design of
1097 the gaming establishment; (ii) minority business enterprises, women business enterprises and
1098 veteran business enterprises to participate as contractors in the construction of the gaming
1099 establishment; and (iii) minority business enterprises, women business enterprises and veteran
1100 business enterprises to participate as vendors in the provision of goods and services procured by
1101 the gaming establishment and any businesses operated as part of the gaming establishment; and

1102 (16) formulate for commission approval and abide by an affirmative-action program of
1103 equal opportunity whereby the applicant establishes specific goals for the utilization of
1104 minorities, women and veterans on construction jobs; provided, however, that such goals shall be
1105 equal to or greater than the goals contained in the executive office for administration and finance
1106 Administration Bulletin Number14. In furtherance of specific goals for the utilization of
1107 minorities and women on construction jobs, the licensee shall send to each labor union or
1108 representative of workers with which the applicant has a collective bargaining agreement or
1109 other contract or understanding, a notice advising the labor union or workers' representative of
1110 the applicant's commitments.

1111 Section 16. The commission shall deny an application for a gaming license, or any
1112 license or registration issued under this chapter, if the applicant: (i) has been convicted of a
1113 felony or other convictions involving embezzlement, theft, fraud or perjury; provided, however,
1114 that for convictions which occurred before the 10-year period immediately preceding application
1115 for licensure, an applicant may demonstrate, and the commission shall consider, the applicant's
1116 rehabilitation and whether such conviction should not be an automatic disqualification under this
1117 section; (ii) submitted an application for a license under this chapter that contains false or
1118 misleading information; (iii) committed prior acts which have not been prosecuted or in which
1119 the applicant was not convicted but form a pattern of misconduct that makes the applicant
1120 unsuitable for a license under this chapter; or (iv) has affiliates or close associates that would not
1121 qualify for a license or whose relationship with the applicant may pose an injurious threat to the
1122 interests of the commonwealth in awarding a gaming license to the applicant.

1123 Section 17. (a) After a review of the entire application and any independent evaluations,
1124 the commission shall identify which communities shall be designated as the surrounding

1125 communities of a proposed gaming establishment; provided, however, that any community that
1126 has negotiated a surrounding community memorandum of understanding with the applicant that
1127 was submitted with the application shall be considered a surrounding community by the
1128 commission. In making that determination, the commission shall consider the detailed plan of
1129 construction submitted by the applicant, information received from the public and factors which
1130 shall include, but not be limited to, population, infrastructure and distance from the gaming
1131 establishment and political boundaries. If the commission determines a city or town to be a
1132 surrounding community and the applicant has not included a signed agreement with that
1133 community in its application, the applicant shall negotiate a signed agreement with that
1134 community within 30 days and no action shall be taken on its application prior to the execution
1135 of that agreement. When necessary the commission may facilitate the negotiation of fair and
1136 reasonable agreements between the applicant and surrounding communities.

1137 (b) After a review of the entire application and any independent evaluations, the
1138 commission shall identify which live entertainment venues shall be designated as impacted live
1139 entertainment venues of a proposed gaming establishment; provided, however, that any live
1140 entertainment venue that has negotiated an agreement with the applicant that was submitted with
1141 the application shall be considered an impacted live entertainment venue by the commission. If
1142 the commission determines an live entertainment venue to be an impacted live entertainment
1143 venue and the applicant has not included a signed agreement with that live entertainment venue
1144 in its application, the applicant shall negotiate a signed agreement with that live entertainment
1145 venue within 30 days and no action shall be taken on its application prior to the execution of that
1146 agreement. A gaming licensee's compliance with such agreements shall be considered upon a
1147 gaming licensee's application for renewal of the gaming license. When necessary the

1148 commission may facilitate the negotiation of fair and reasonable agreements between the
1149 applicant and impacted live entertainment venues.

1150 (c) The commission shall conduct a public hearing on the application pursuant to section
1151 11 ½ of chapter 30A. An applicant for a gaming license and a municipality designated as a host
1152 or surrounding community shall be given at least 30 days notice of the public hearing. The
1153 commission shall hold the public hearing within the host community; provided, however, that the
1154 host community may request that the commission hold the hearing in another city or town.

1155 (d) The public hearing shall provide the commission the opportunity to address questions
1156 and concerns relative to the proposal of a gaming applicant to build a gaming establishment,
1157 including the scope and quality of the gaming area and amenities, the integration of the gaming
1158 establishment into the surrounding community and the extent of required mitigation plans, as
1159 well as receive input from members of the public from the impacted community or communities.
1160 During the hearing, the commission may take the opportunity to read into the record any letters
1161 of support, opposition or concern from members of the communities in the vicinity of the
1162 proposed gaming establishment.

1163 (e) Not later than 90 days after the conclusion of the public hearing, the commission shall
1164 take action on the application. The commission may: (i) grant the application for a gaming
1165 license; (ii) deny the application; or (iii) extend the period for issuing a decision in order to
1166 obtain any additional information necessary for a complete evaluation of the application;
1167 provided, however, that the extension shall be not longer than 30 days.

1168 (f) Upon denial of an application, the commission shall prepare and file the commission's
1169 decision and, if requested by the applicant, shall further prepare and file a statement of the

1170 reasons for the denial, including specific findings of fact by the commission and the
1171 recommendation from the bureau with respect to the suitability of the applicant pursuant to
1172 sections 12 and 16. Applicants may request a hearing before the commission to contest any
1173 findings of fact by the bureau into the suitability of the applicant.

1174 (g) The commission shall have full discretion as to whether to issue a license.
1175 Applicants shall have no legal right or privilege to a gaming license and shall not be entitled to
1176 any further review if denied by the commission.

1177 Section 18. In determining whether an applicant shall receive a gaming license, the
1178 commission shall evaluate and issue a statement of findings of how each applicant proposes to
1179 advance the following objectives:

1180 (1) protecting the lottery from any adverse impacts due to expanded gaming including,
1181 but not limited to, developing cross-marketing strategies with the lottery and increasing ticket
1182 sales to out-of-state residents;

1183 (2) promoting local businesses in host and surrounding communities, including
1184 developing cross-marketing strategies with local restaurants, hotels, retail outlets and impacted
1185 live entertainment venues;

1186 (3) realizing maximum capital investment exclusive of land acquisition and infrastructure
1187 improvements;

1188 (4) implementing a workforce development plan to utilize the existing labor force,
1189 including the estimated number of construction jobs a proposed gaming establishment will

1190 generate, the development of workforce training programs that serve the unemployed and
1191 methods for accessing employment at the gaming establishment;

1192 (5) building a gaming establishment of high caliber with a variety of quality amenities to
1193 be included as part of the gaming establishment and operated in partnership with local hotels
1194 and dining, retail and entertainment facilities so that patrons experience the diversified regional
1195 tourism industry;

1196 (6) taking additional measures to address problem gambling including, but not limited to,
1197 training of gaming employees to identify patrons exhibiting problems with gambling and
1198 prevention programs targeted toward vulnerable populations;

1199 (7) providing a market analysis detailing the benefits of the site location of the gaming
1200 establishment and the estimated recapture rate of gaming-related spending by residents travelling
1201 to out of state gaming establishments;

1202 (8) utilizing sustainable development principles including, but not limited to: (i) being
1203 certified as gold or higher under the appropriate certification category in the Leadership in
1204 Environmental and Energy Design program created by the United States Green Building
1205 Council; (ii) meeting or exceeding the stretch energy code requirements contained in Appendix
1206 120AA of the Massachusetts building energy code or equivalent commitment to advanced
1207 energy efficiency as determined by the secretary of energy and environmental affairs; (iii) efforts
1208 to mitigate vehicle trips; (iv) efforts to converse water and manage storm water; (v)
1209 demonstration that electrical and HVAC equipment and appliances will be EnergyStar labeled
1210 where available; (vi) procuring or generating on-site 10 per cent of its annual electricity
1211 consumption from renewable sources qualified by the department of energy resources under

1212 section 11F of chapter 25A; and (vii) developing an ongoing plan to submeter and monitor all
1213 major sources of energy consumption and undertake regular efforts to maintain and improve
1214 energy efficiency of buildings in their systems;

1215 (9) establishing, funding and maintaining human resource hiring and training practices
1216 that promote the development of a skilled and diverse workforce and access to promotion
1217 opportunities through a workforce training program that: (i) establishes transparent career paths
1218 with measurable criteria within the gaming establishment that lead to increased responsibility
1219 and higher pay grades that are designed to allow employees to pursue career advancement and
1220 promotion; (ii) provides employee access to additional resources, such as tuition reimbursement
1221 or stipend policies, to enable employees to acquire the education or job training needed to
1222 advance career paths based on increased responsibility and pay grades; and (iii) establishes an
1223 on-site child day-care program;

1224 (10) contracting with local business owners for the provision of services and goods to the
1225 gaming establishment, including developing plans designed to assist businesses in the
1226 commonwealth in identifying the needs for goods and services to the establishment;

1227 (11) maximizing revenues received by the commonwealth;

1228 (12) providing a high number of quality jobs in the gaming establishment;

1229 (13) offering the highest and best value to create a secure and robust gaming market in
1230 the region and the commonwealth;

1231 (14) mitigating potential impacts on host and surrounding communities which might
1232 result from the development or operation of the gaming establishment;

1233 (15) purchasing, whenever possible, domestically manufactured slot machines for
1234 installation in the gaming establishment;

1235 (16) implementing a marketing program that identifies specific goals, expressed as an
1236 overall program goal applicable to the total dollar amount of contracts, for the utilization of: (i)
1237 minority business enterprises, women business enterprises and veteran business enterprises to
1238 participate as contractors in the design of the gaming establishment; (ii) minority business
1239 enterprises, women business enterprises and veteran business enterprises to participate as
1240 contractors in the construction of the gaming establishment; and (iii) minority business
1241 enterprises, women business enterprises and veteran business enterprises to participate as
1242 vendors in the provision of goods and services procured by the gaming establishment and any
1243 businesses operated as part of the gaming establishment; and

1244 (17) implementing a workforce development plan that: (i) incorporates an affirmative
1245 action program of equal opportunity by which the applicant guarantees to provide equal
1246 employment opportunities to all employees qualified for licensure in all employment categories,
1247 including persons with disabilities; (ii) utilizes the existing labor force in the commonwealth,;
1248 (iii) estimates the number of construction jobs a gaming establishment will generate and provides
1249 for equal employment opportunities and which includes specific goals for the utilization of
1250 minorities and women on those construction jobs; (iv) identifies workforce training programs
1251 offered by the gaming establishment; and (v) identifies the methods for accessing employment at
1252 the gaming establishment.

1253 Section 19. (a) The commission may issue not more than 3 category 1 licenses based on
1254 the applications and bids submitted to the commission. Not more than 1 license shall be awarded
1255 per region. Regions shall be established as follows:

1256 (1) region A: suffolk, middlesex, essex, norfolk and worcester counties;

1257 (2) region B: hampshire, hampden, franklin and berkshire counties; and

1258 (3) region C: bristol, plymouth, nantucket, dukes and barnstable counties.

1259 Gaming licenses shall only be issued to applicants who are qualified under the criteria set
1260 forth in this chapter, as determined by the commission. Within any region, if the commission is
1261 not convinced that there is an applicant that has both met the eligibility criteria and provided
1262 convincing evidence that the applicant will provide value to the region in which the gaming
1263 establishment is proposed to be located and to the commonwealth, no gaming license shall be
1264 awarded in that region.

1265 (b) No other gaming license shall be issued by the commission for a period of 15 years
1266 after the initial awarding of gaming licenses.

1267 (c) No gaming licensee shall transfer a gaming license or any direct or indirect interest in
1268 the gaming license or a gaming establishment without the majority approval of the commission.
1269 A person seeking to acquire a gaming license through a transfer shall qualify for licensure under
1270 this chapter. The commission shall reject a gaming license transfer or a transfer of interest in the
1271 gaming establishment to an unsuitable person and may reject a proposed transfer that, in the
1272 opinion of the commission, would be disadvantageous to the interests of the commonwealth.

1273 (d) The commission shall take into consideration the physical distance in selecting the
1274 locations of the gaming establishments as they relate to each other and how they maximize
1275 benefits to the commonwealth.

1276 (e) If a category 1 license is awarded to an applicant with a simulcasting license under
1277 chapter 128C as of July 1, 2011, a condition of the gaming license shall be to maintain the
1278 simulcasting license under said chapter 128C. Upon failure to conduct simulcast wagering, the
1279 commission shall suspend the category 1 license.

1280 (f) If a category 1 license is awarded to an applicant with live racing under chapter 128A
1281 as of July 1, 2011, a condition of the gaming license shall be to maintain and complete the annual
1282 live racing season under said chapter 128A. Upon failure to conduct live racing the commission
1283 shall suspend the category 1 license.

1284 (g) For the purposes of subsections (e) and (f), an applicant for a gaming license shall be
1285 considered to be the holder of a license under chapter 128A or chapter 128C if the applicant: (i)
1286 owns 50.1 or more per cent of the common stock of the company which obtained a license under
1287 said chapter 128A or 128C; and (ii) is a person who owns more than 5 per cent of the common
1288 stock of the applicant company, directly or indirectly, or is an institutional investor in the gaming
1289 license.

1290 Section 20. (a) The commission may issue not more than 1 category 2 license; provided,
1291 however, that the category 2 license shall only be issued to an applicant who is qualified under
1292 the criteria set forth in this chapter as determined by the commission. If the commission is not
1293 convinced that there is an applicant that has both met the eligibility criteria and provided

1294 convincing evidence that the applicant will provide value to the commonwealth, no category 2
1295 license shall be awarded.

1296 (b) If a category 2 license is awarded to an applicant with a simulcasting license under
1297 chapter 128C as of July 1, 2011, a condition of said license shall be to maintain the simulcasting
1298 license.pursuant to said chapter 128C. Upon failure to conduct simulcast wagering the
1299 commission shall suspend the category 2 license.

1300 (c) If a category 2 license is awarded to an applicant with live racing, pursuant to chapter
1301 128A as of July 1, 2011, a condition of the license shall be to maintain and complete the annual
1302 live racing season pursuant to said chapter 128A. Upon failure to conduct live racing, the
1303 commission shall suspend the category 2 license.

1304 (d) For the purposes of subsections (b) and (c), an applicant for a gaming license shall be
1305 considered to be the holder of a license under chapter 128A or chapter 128C if the applicant: (i)
1306 owns 50.1 or more per cent of the common stock of the company which obtained a license under
1307 chapter 128A or 128C; and (ii) includes a person who owns more than 5 per cent of the common
1308 stock of the applicant company, directly or indirectly, or is an institutional investor in the gaming
1309 license.

1310 (e) A category 2 license issued pursuant to this chapter shall not be transferrable or
1311 assignable without the approval of the commission; provided, however, that for 5 years after the
1312 initial issuance of a category 2 license, the commission shall only approve such a transfer if: (i)
1313 the licensee experiences a change in ownership; or (ii) the licensee fails to maintain suitability or
1314 other circumstances which the commission may consider, which, in the opinion of a majority of

1315 members of the commission, impact a licensee's ability to successfully operate a gaming
1316 establishment.

1317 (f) A category 2 license issued pursuant to this chapter shall be for a period of 5 years.
1318 The commission shall establish procedures for renewal and set the renewal fee based on the cost
1319 of fees associated with the evaluation of a licensee; provided, however, that the cost of renewal
1320 shall not be less than $100,000. Any renewal fees shall be deposited into the Gaming Revenue
1321 Fund.

1322 Section 21. (a) The commission shall prescribe the form of the gaming license, which
1323 shall include, but not be limited to, the following license conditions for each licensee. The
1324 licensee shall:

1325 (1) have an affirmative obligation to abide by every statement made in its application to
1326 the commission including all evaluation criteria and eligibility requirements;

1327 (2) comply with all laws of the commonwealth, the laws of the United States and all rules
1328 and regulations promulgated under this chapter;

1329 (3) pay daily to the commission the gross gaming revenue payment;

1330 (4) make, or cause to be made, capital expenditures to its gaming establishment in a
1331 minimum aggregate amount equal to or greater than 3.5 per cent of the net gaming revenues
1332 derived from the establishment;

1333 (5) change its business governing structure without the notification and approval of the
1334 commission;

1335 (6) operate, invest or own, in whole or in part, another gaming licensee's license or
1336 gaming establishment;

1337 (7) cooperate with the commission and the attorney general in all gaming-related
1338 investigations. Each gaming licensee shall make readily available all documents, materials,
1339 equipment, personnel and any other items requested during all investigations; provided, however,
1340 that material that the gaming licensee considers a trade secret or detrimental to the gaming
1341 licensee if it were made public may, with the commission's approval, be protected from public
1342 disclosure and the gaming licensee may require nondisclosure agreements with the commission
1343 before disclosing such material;

1344 (8) cooperate with the commission and the attorney general with respect to the
1345 investigation of any criminal matter; provided, however, that the gaming licensee shall, upon
1346 receipt of a criminal or civil process compelling testimony or production of documents in
1347 connection with a civil or criminal investigation, immediately disclose such information to the
1348 commission; and provided further, that this clause shall not prohibit private persons or public
1349 entities from seeking any remedy or damages against a gaming licensee;

1350 (9) allow the commission or the division and state police officers assigned to the
1351 commission or the division to conduct warrantless searches of the licensee's gaming area;

1352 (10) have a duty to inform the commission of any action which the gaming licensee
1353 reasonably believes would constitute a violation of this chapter, and shall assist the commission
1354 and any federal or state law enforcement agency in the investigation and prosecution of such
1355 violation; provided, however, that no person who informs the commission of such an action shall

1356 be discriminated against by an applicant or gaming licensee as a consequence for having
1357 supplied such information;

1358 (11) provide an office for the commission at the gaming establishment and the designated
1359 state police unit at the gaming establishment; provided, however, that the commission shall
1360 establish the minimum requirements for square footage for the state police office, office
1361 furnishings and parking space;

1362 (12) collect and annually report to the commission a detailed statistical report on the
1363 number, job titles, benefits and salaries of employees hired and retained in employment at the
1364 gaming establishment;

1365 (13) employ only those persons licensed or registered by the commission;

1366 (14) do business only with those vendors licensed or registered by the commission;

1367 (15) provide to the commission aggregate demographic information with respect to the
1368 gaming licensee's customers in a manner and under a schedule to be defined by the commission;

1369 (16) provide complimentary on-site space for an independent substance abuse,
1370 compulsive gambling and mental health counseling service and establish a program to train
1371 gaming employees in the identification of and intervention with customers exhibiting problem
1372 gaming behavior;

1373 (17) keep conspicuously posted in the gaming area a notice containing the name and a
1374 telephone number for problem gambling assistance; provided, however, that the commission
1375 may require the gaming licensee to provide this information in more than 1 language;

1376 (18) provide a process for individuals to exclude their names and contact information
1377 from the gaming licensee's database or any other list held by the gaming licensee for use in
1378 marketing or promotional communications;

1379 (19) institute additional public health strategies as required by the commission;

1380 (20) abide by an affirmative-action program of equal opportunity by which the gaming
1381 licensee guarantees to provide equal employment opportunities to all employees qualified for
1382 licensure in all employment categories, including a person with a disability, under the laws of the
1383 commonwealth.

1384 (21) formulate for commission approval and abide by an affirmative marketing program
1385 by which the gaming licensee identifies specific goals, expressed as an overall program goal
1386 applicable to the total dollar amount or value of contracts entered into, for the utilization of: (i)
1387 minority business enterprises, women business enterprises and veteran business enterprises to
1388 participate as contractors in the design of the gaming establishment; (ii) minority business
1389 enterprises, women business enterprises and veteran business enterprises to participate as
1390 contractors in the construction of the gaming establishment; and (iii) minority business
1391 enterprises, women business enterprises and veteran business enterprises to participate as
1392 vendors in the provision of goods and services procured by the gaming establishment and any
1393 businesses operated as part of the gaming establishment; provided, however, that the specific
1394 goals for the utilization of such minority business enterprises, women business enterprises and
1395 veteran business enterprises shall be based on the availability of such minority business
1396 enterprises, women business enterprises and veteran business enterprises engaged in the type of
1397 work to be contracted by the gaming licensee;

1398 (22) formulate for commission approval and abide by an affirmative action program of
1399 equal opportunity whereby the licensee establishes specific goals for the utilization of minorities,
1400 women and veterans on construction jobs; provided, however, that such goals shall be equal to or
1401 greater than the goals contained in executive office of administration and finance administration
1402 Bulletin Number 14; provided further, that in furtherance of the specific goals for the utilization
1403 of minorities, women and veterans on construction jobs, the gaming licensee shall send to each
1404 labor union or representative of workers with which the gaming licensee or its agent has a
1405 collective bargaining agreement or other contract or understanding, a notice advising the labor
1406 union or workers' representative of the gaming licensee's commitments;

1407 (23) provide to the commission, on a quarterly basis, a detailed statistical report on the
1408 number, gender and race of individuals hired to perform labor as part of the construction of the
1409 gaming establishment; and

1410 (24) collect and annually provide to the commission a detailed statistical report on the
1411 total dollar amounts contracted with and actually paid to minority business enterprises, women
1412 business enterprises and veterans business enterprises in: (i) design contracts; (ii) construction
1413 contracts; and (iii) contracts for every good and service procured by the gaming establishment;
1414 provided, however, that such statistical report shall also identify the amounts so contracted as a
1415 percentage of total dollar amounts contracted with and actually paid to all firms.

1416 (b) No person shall transfer a gaming license, a direct or indirect real interest, structure,
1417 real property, premises, facility, personal interest or pecuniary interest under a gaming license
1418 issued under this chapter or enter into an option contract, management contract or other
1419 agreement or contract providing for such transfer in the present or future, without the notification

1420 to, and approval by, the commission. The commission may promulgate rules and regulations that
1421 create exemptions from the approval requirement; provided, however, that: (i) in no event shall
1422 a bona fide commercial financial institution licensed by the division of banks which becomes a
1423 substantial party of interest with a gaming licensee be considered a transferee; (ii) the
1424 commission may require the transferor, transferee, or both, to pay to the commission an amount
1425 representing the commonwealth's share of the increased value for the transferred licenses,
1426 property or interest; provided, further, that the commission shall consider as a factor in
1427 determining the amount of the payment the market value of the gaming license, property or
1428 interest when it was acquired and at the time of the transfer; provided further, that the
1429 commission may place additional conditions or restrictions on a transfer that the commission
1430 considers suitable; provided further, that the commission may reject a transfer if the commission
1431 considers the transfer unsuitable; and (iii) any payments collected by the commission on behalf
1432 of the commonwealth based on the transfer shall be deposited in the same manner as license fees
1433 are deposited.

1434 (c) The commission may include any reasonable additional requirements to the license
1435 conditions.

1436 Section 22. The sale, assignment, transfer, pledge or other disposition of any security
1437 issued by a corporation, which holds a gaming license shall be conditional and shall be
1438 ineffective if disapproved by the commission. If at any time the commission finds that an
1439 individual owner or holder of a security of a corporate licensee or of a holding or intermediary
1440 company with respect thereto is not qualified under this chapter and if as a result the corporate
1441 licensee is no longer qualified to continue as a gaming licensee, the commission shall take any

1442 action necessary to protect the interests of the commonwealth including, but not limited to,
1443 suspension or revocation of the gaming license of the corporation.

1444 Each corporation which has been issued a gaming license pursuant to this chapter shall
1445 file a report of any change of its corporate officers or members of its board of directors with the
1446 commission. No officer or director shall be entitled to exercise any powers of office until
1447 qualified by the commission.

1448 Section 23. (a) A category 1 or category 2 licensee shall issue an annual report to the
1449 commission explicitly stating its progress on meeting each of the stated goals and stipulations put
1450 forth in the licensee's original application. Inability to meet stated goals within a reasonable
1451 time frame, as determined by the commission, shall result in additional fees as deemed fair and
1452 reasonable by the commission. Failure to meet stated goals may also result in revocation of the
1453 license at any time by the commission.

1454 Nothing in this section shall preclude the commission at any time from reviewing the
1455 business operations of a gaming licensee to ensure that the conditions of licensure are being met
1456 including, but not limited to, the suitability of the gaming licensee and any affiliates and the
1457 fiscal stability of the gaming establishment.

1458 (b) The commission may condition, suspend or revoke a gaming license upon a finding
1459 that a licensee: (i) has committed a criminal or civil offense under this chapter or under any other
1460 laws of the commonwealth; (ii) is not in compliance with gaming regulations or is under criminal
1461 investigation in another jurisdiction; (iii) has breached a condition of licensure; (iv) has affiliates,
1462 close associates or employees that are not qualified or licensed under this chapter with whom the
1463 gaming licensee continues to conduct business or employ; (v) is no longer capable of

1464 maintaining operations at a gaming establishment; or (vi) whose business practice, upon a
1465 determination by the commission, is injurious to the policy objectives of this chapter.

1466 (c) Whenever any person contracts to transfer any property relating to an ongoing gaming
1467 establishment, including a security holding in a gaming licensee or holding or intermediary
1468 company, under circumstances which require that the transferee obtain licensure under this
1469 chapter, the contract shall not specify a closing or settlement date which is earlier than the 121
1470 days after the submission of a completed application for licensure or qualification, which
1471 application shall include a fully executed and approved trust agreement.

1472 The commission shall hold a hearing and render a decision on the interim authorization of
1473 the new applicant. If the commission grants interim authorization, then the closing or settlement
1474 may occur without interruption of operations of the gaming establishment. If the commission
1475 denies interim authorization, there shall be no closing or settlement until the commission makes
1476 a determination on the qualification of the applicant, and if the commission then denies
1477 qualification the contract shall thereby be terminated for all purposes without liability on the part
1478 of the transferor. The commission shall promulgate further regulations for interim authorization
1479 of a gaming establishment.

1480 (d) No person or affiliate shall be awarded, purchase or otherwise hold or have a financial
1481 interest in more than 1gaming license issued by the commission.

1482 Section 24. (a) An applicant for a gaming license shall maintain an existing racing facility
1483 on the premises; provided, however, that the gaming licensee shall increase the number of live
1484 racing days to a minimum of 125 days according to the following schedule: (i) in the first
1485 calendar year of operation, a gaming licensee shall hold 105 racing days; (ii) in the second

1486 calendar year of operation, a gaming licensee shall hold 115 racing days; and (iii) in the third and
1487 subsequent calendar years of operation, a gaming licensee shall hold 125 racing days;

1488 (b) A category 2 licensee may increase the number of live racing days if the gaming
1489 licensee is holding a minimum of 125 racing days within 3 years of receiving a category 2
1490 license. If a gaming licensee does not conduct live racing for the minimum number of days set
1491 forth in subsection (a), the commission shall suspend the gaming license.

1492 (c) After 3 years of operation of the gaming establishment and in consultation with the
1493 parties to the purse agreement, the commission may adjust the amount of required racing days at
1494 a gaming establishment based on fields, demand and racing performance.

1495 (d) A gaming licensee with a live racetrack shall have an annual purse agreement in
1496 effect by December 31 of each year for the following year's racing; provided, however, that if
1497 the parties to a purse agreement at a gaming establishment cannot in good faith negotiate an
1498 agreement by December 31, the purse agreement shall be arbitrated by the commission.

1499 Section 25. (a) No gaming licensee shall conduct gaming without an operations
1500 certificate issued by the commission. An operations certificate shall only be issued upon
1501 compliance with the requirements of this chapter including, but not limited to: (i) implementation
1502 of all management controls required by the commission including, without limitation, controls on
1503 accounting, wagering and auditing; (ii) implementation of all security precautions required by
1504 the commission; (iii) an up to date listing of all gaming employees; (iv) licensing or registering
1505 of all gaming employees; (v) the provision of office space at the gaming establishment for use by
1506 the commission employees; (vi) the hours of operation of the gaming establishment; and (vii)
1507 that its personnel and procedures are efficient and prepared to entertain the public.

1508 The operations certificate shall be conspicuously posted and shall state the number of slot
1509 machines, table games or other authorized games, if applicable.

1510 (b) A gaming licensee may operate a gaming establishment from 6:00 am to 5:59 am;
1511 provided, however, that the gaming establishment shall register its hours of operation with the
1512 commission.

1513 (c) Each gaming establishment shall arrange its gaming area in such a manner as to
1514 promote optimum security for the gaming establishment operations including, but not limited to:
1515 (i) a closed circuit television system according to specifications approved by the commission,
1516 with access on the licensed premises to the system or its signal provided to the commission; (ii)
1517 rooms or locations approved by the commission for use by commission employees; and (iii)
1518 design specifications that ensure that visibility in a gaming area is not obstructed in any way that
1519 might interfere with the ability of the commission or the division to supervise gaming
1520 establishment operations.

1521 (d) Each applicant for a gaming license shall submit to the commission: (i) a description
1522 of its minimum system of internal procedures and administrative and accounting controls for
1523 gaming and any simulcast wagering operations; (ii) a certification by the applicant's chief legal
1524 officer that the submitted procedures conform to this chapter and any regulations promulgated
1525 hereunder; and (iii) a certification by the applicant's chief financial officer that the submitted
1526 procedures provide adequate and effective controls, establish a consistent overall system of
1527 internal procedures and administrative and accounting controls and conform to generally
1528 accepted accounting principles and any additional standards required by the commission. Each
1529 applicant shall submit the above descriptions and certifications at least 30 business days before

1530 such operations are scheduled to commence unless otherwise directed by the commission;
1531 provided, however, that no gaming licensee shall commence gaming operations or alter its
1532 minimum internal controls until such system of minimum controls is approved by the
1533 commission. The commission shall establish regulations for the information required in the
1534 internal control submission.

1535 Any proposed changes to a gaming licensee's system of internal procedures and controls
1536 shall be submitted to the commission along with 2 new certifications from its chief legal and
1537 financial officers. If the commission does not object, the gaming licensee may make the
1538 proposed changes 15 business days after submitting a description of the changes to the
1539 commission.

1540 (e) Gaming equipment shall not be possessed, maintained or exhibited by any person on
1541 the premises of a gaming establishment except in a gaming area approved by the commission or
1542 in a restricted area used for the inspection, repair or storage of such equipment and specifically
1543 designated for that purpose.

1544 (f) Each gaming establishment shall contain a count room and such other secure facilities
1545 as may be required by the commission for the counting and storage of cash, coins, tokens,
1546 checks, plaques, gaming vouchers, coupons and other devices or items of value used in wagering
1547 and approved by the commission that are received in the conduct of gaming and for the
1548 inspection, counting and storage of dice, cards, chips and other representatives of value.

1549 (g) A dealer may accept tips or gratuities from a patron at the table game where such
1550 dealer is conducting play; provided, however, that such tips or gratuities shall be placed in a pool
1551 for distribution among other dealers. The commission shall determine how tips and gratuities

1552 shall be set aside for the dealer pool as well as the manner of distribution among dealers. No key
1553 gaming employee or any other gaming official who serves in a supervisory position shall solicit
1554 or accept a tip or gratuity from a player or patron in the gaming establishment where the
1555 employee is employed.

1556 (h) No person under the age of 21 shall be permitted to wager or be in a gaming area;
1557 provided, however, that a person 18 years or over of age who is a licensed employee of the
1558 gaming establishment may be in a gaming area if in the performance of the duties the employee
1559 is licensed to undertake.

1560 (i) No category 1 or category 2 licensee shall operate unless the gaming establishment
1561 manager or the manager's designee is on the premises and representatives of the commission are
1562 present at the gaming establishment.

1563 (j) Each gaming establishment shall file an emergency response plan with the fire
1564 department and police department of the host community which shall include, but not be limited
1565 to: (i) a layout identifying all areas within the facility and grounds, including support systems
1566 and the internal and external access routes; (ii) the location and inventory of emergency response
1567 equipment and the contact information of the emergency response coordinator for the gaming
1568 establishment; (iii) the location of any hazardous substances and a description of any public
1569 health or safety hazards present on site; (iv) a description of any special equipment needed to
1570 respond to an emergency at the gaming establishment; (v) an evacuation plan; and (vi) any other
1571 information relating to emergency response as requested by the commission, the fire department
1572 or the police department of the host community.

1573 Section 26. (a) Notwithstanding chapter 138 or any other general or special law or rule or
1574 regulation to the contrary, the commission may grant, upon request of an applicant for a gaming
1575 license, a gaming beverage license for the sale and distribution of alcoholic beverages to be
1576 drunk on the premises of a gaming establishment. The division of gaming liquor enforcement of
1577 the alcoholic beverage control commission shall have the authority to enforce, regulate and
1578 control the distribution of alcoholic beverages in a gaming establishment.

1579 (b) The fee for the gaming beverage license and any renewals of the license shall be
1580 determined by the commission. The application fee shall be remitted with the gaming
1581 application fee.

1582 (c) Notwithstanding any regulation to the contrary, a licensee under this section shall be
1583 permitted to distribute alcohol free of charge and for on-premise consumption to patrons in the
1584 gaming area or as a complimentary service or item in the gaming establishment; provided,
1585 however, that the commission, in consultation with the alcoholic beverages control commission,
1586 shall promulgate regulations on such distribution as well as the forms of identification that may
1587 be presented to the gaming licensee to demonstrate proof that a person has attained the age of 21.

1588 (d) The request submitted to the commission for a gaming beverage license by an
1589 applicant for a gaming license shall detail all areas where alcoholic beverages will be served
1590 within the gaming establishment. In issuing a gaming beverage license, the commission shall
1591 describe the scope of the particular license and any restrictions and limitations; provided,
1592 however, that the gaming beverage license shall not permit the sale or distribution of alcoholic
1593 beverages between the hours of 2 a.m. and 8 a.m.

1594 (e) A gaming licensee shall be responsible for violations of the gaming beverage license
1595 in the gaming establishment. The commission may revoke, suspend, refuse to renew or refuse to
1596 transfer a gaming beverage license for violations of chapter 138 that pertain to the sale and
1597 distribution of alcohol drunk on-premises and the regulations adopted by the commission. If, at
1598 any time, a gaming licensee elects temporary suspension of their gaming license due to
1599 violations of this section, said gaming licensee shall owe the commonwealth the average tax on
1600 gross gaming revenue based on an appropriate period of time as determined by the commission
1601 for the number of days operation was suspended.

1602 (f) A gaming beverage license shall be nontransferable without prior approval from the
1603 commission. If the gaming beverage license is cancelled, revoked or no longer in use, it shall be
1604 returned physically, with all the legal rights, privileges and restrictions pertaining to the license,
1605 to the commission and the commission may then grant the license to a new gaming licensee
1606 under the same conditions as specified in this section.

1607 (g) A license granted under this section shall not decrease the number of such licenses
1608 authorized to be granted to the host community under chapter 138.

1609 Section 27. (a) A gaming licensee shall be permitted to issue credit to a patron of a
1610 gaming establishment in accordance with regulations promulgated by the commission. Such
1611 regulations shall include, but not be limited to: (i) procedures for confirming that a patron has an
1612 established credit history and is in good standing; (ii) whether the patron has a good credit
1613 history with the gaming establishment; (iii) authorization of any credit instrument; (iv) methods
1614 for acknowledging a credit instrument and payment of debt; and (v) information to be provided

1615 by the patron to the gaming establishment to be shared with the commission for auditing
1616 purposes.

1617 (b) Except as otherwise authorized by the commission through regulations under this
1618 chapter, no gaming establishment , nor any person acting on behalf of said gaming establishment
1619 shall cash any check, make any loan, or otherwise provide or allow to any person any credit or
1620 advance of anything of value, or which represents value, to enable any person to place a wager;
1621 or release or discharge any debt, either in whole or in part, or make any loan which represents
1622 any losses incurred by any player in gaming or simulcast wagering activity, without maintaining
1623 a written record of the release or discharge in accordance with the rules of the commission.
1624 Nothing in this section shall prohibit a gaming establishment from accepting credit cards for non-
1625 gaming related purchases or services.

1626 (c) Checks cashed in conformity with the requirements of this section shall be valid
1627 instruments enforceable under the laws of the commonwealth. Any check cashed, transferred,
1628 conveyed or given in violation of this section or regulations promulgated thereunder shall be
1629 invalid and unenforceable.

1630 (d) The commission shall establish procedures and standards for approving promotional
1631 gaming credits, provided, however, that no such credit shall be reported as a promotional gaming
1632 credit by an operator of a gaming establishment unless the operator can establish that the credit
1633 was issued by the gaming establishment and received from a patron as a wager at a slot machine
1634 in the gaming establishment, provided further, that such promotional gaming credit shall not be
1635 taxable for the purposes of determining gross revenue.

1636 (e) No person, other than a gaming licensee, shall issue credit to a patron in a gaming
1637 establishment.

1638 (f) The commission shall, in consultation with the department of transitional assistance,
1639 the department of labor and workforce development, the department of housing and community
1640 development or the applicable administering agency, establish by regulation procedures and
1641 standards to prohibit a gaming establishment or any person acting on behalf of a gaming
1642 establishment from: (i) cashing a government-issued check; (ii) from operating on its premises
1643 any credit card or ATM machine that would allow a patron to obtain cash from a government-
1644 issued Electronic Benefits Transfer Card; and (iii) from extending or issuing credit to a patron of
1645 a gaming establishment who receives any form of income-based public assistance including, but
1646 not limited to, the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy
1647 Families, Emergency Aid to Elders, Disabled and Children, public housing assistance,
1648 MassHealth and unemployment insurance. The procedures and standards established shall
1649 ensure the privacy of all patrons receiving public assistance.

1650 (g) A person may petition the commission to place the person's name on a list of persons
1651 to whom the extension of credit by a gaming establishment shall be prohibited. Any person filing
1652 such petition shall submit to the commission the person's name, address and date of birth. The
1653 person shall not be required to provide a reason for the request. The commission shall provide
1654 this list to the credit department of each gaming establishment; provided, however, that neither
1655 the commission nor the credit department of a gaming establishment shall divulge the names on
1656 this list to any person or entity other than those provided for in this subsection. If such a person
1657 wishes to have their name removed from the list, the person shall petition the commission in
1658 accordance with procedures for removal set forth by the commission. If the commission

1659 approves the request, the commission shall so inform the credit department of the gaming
1660 establishments no later than 7 days after approving the request.

1661 (h) Debt collections under this section and regulations promulgated thereunder shall be
1662 limited to key gaming employees or attorneys acting directly on behalf of gaming licensees;
1663 provided, further, that a key gaming employee shall be prohibited from making any such
1664 collections if they serve as a junket representative for the gaming licensee.

1665 Section 28. (a) No gaming licensee shall offer to provide any complimentary services,
1666 gifts, cash or other items of value to any person unless the complimentary item consists of a
1667 room, food, beverage, transportation or entertainment expenses provided directly to the patron
1668 and the patron's guests by the gaming licensee or indirectly to the patron and the patron's guests
1669 on behalf of a third party or the complimentary item consists of coins, tokens, cash or other
1670 complimentary items or services provided through a complimentary distribution program which
1671 shall be filed and approved by the commission upon the implementation of the program or
1672 maintained under regulation.

1673 (b) Gaming licensees shall submit quarterly reports to the commission covering all
1674 complimentary services offered or engaged in by the gaming licensee during the immediately
1675 preceding quarter. The reports shall identify regulated complimentary services and the costs of
1676 those services, the number of people who received each service or item and such other
1677 information as the commission may require. The report shall also document any services or
1678 items valued in excess of $2,000 that were provided to patrons, including detailed reasons as to
1679 why they were provided.

1680 (c) Complimentary services or items shall be valued in an amount based upon the retail
1681 price normally charged by the gaming licensee for the service or item. The value of a
1682 complimentary service or item not normally offered for sale by a gaming licensee or provided by
1683 a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing
1684 the service or item, as determined under rules adopted by the commission.

1685 Section 29. A gaming establishment offering a cashless wagering system shall allow
1686 individuals to monitor and impose betting limits on their cashless wagering. The gaming
1687 establishment shall allow individuals to set betting limits on their cashless wagering including,
1688 but not limited to, per bet limits, hourly limits, daily limits, weekly limits and monthly limits. An
1689 individual may lower limits and increase limits; provided, that the individual shall not increase
1690 betting limits more than once in a 24 hour period. Upon request by an individual, the gaming
1691 establishment shall provide to that individual a statement of that individual's cashless wagering
1692 activity for any given time period including total bets, wins and losses. Activity under this
1693 section shall be monitored by the commission. Individuals on the list of excluded persons shall
1694 not be permitted to participate in a cashless wagering system.

1695 Section 30. (a) No person shall be employed by a gaming licensee unless such person has
1696 been licensed by or registered with the commission.

1697 (b) Any person seeking a key gaming employee license or a gaming employee license
1698 shall file an application with the bureau. Such application shall be on a form prescribed by the
1699 bureau and shall include, but shall not be limited to, the following: (i) the name of the applicant;
1700 (ii) the address of the applicant; (iii) a detailed employment history of the applicant; (iv)
1701 fingerprints; (v) a criminal and arrest record; and (vi) any civil judgments obtained against the

1702 applicant pertaining to antitrust or security regulation. The bureau may require such other
1703 information as it considers appropriate including, but not limited to, information related to the
1704 financial integrity of the applicant and may require the applicant to submit other documentation
1705 it considers appropriate including, but not limited to, bank accounts and records, bank references,
1706 business and personal income and disbursement schedules, tax returns and other reports filed by
1707 government agencies and business and personal accounting check records and ledgers.

1708 (c) All other employees in a gaming establishment who are not considered to be gaming
1709 employees, key gaming employees or who have restricted access to an area of the gaming
1710 establishment or knowledge of security procedures, shall be required to register with the bureau
1711 as a gaming service employee and shall produce such information as the bureau may require to
1712 become registered under this chapter.

1713 (d) Upon receipt of an application for a key gaming employee license and a gaming
1714 employee license the bureau shall conduct an investigation of each applicant which shall include
1715 obtaining criminal offender record information from the criminal history systems board as well
1716 as exchanging fingerprint data and criminal history with the state police and the United States
1717 Federal Bureau of Investigation.

1718 (e) Upon petition by a gaming licensee, the commission may issue a temporary license to
1719 an applicant for a key gaming employee license or a gaming employee license provided that: (i)
1720 the applicant for a key gaming employee license or gaming employee license has filed a
1721 complete application with the commission; and (ii) the gaming licensee certifies, and the
1722 commission finds, that the issuance of a temporary license is necessary for the operation of the
1723 gaming establishment and is not designed to circumvent the normal licensing procedures.

1724 Unless otherwise stated by the commission, a temporary license issued under this section
1725 shall expire 6 months from the date of its issuance and may be renewed, at the discretion of the
1726 commission, for an additional 6 month period.

1727 (f) The commission may deny any application for a key gaming employee or gaming
1728 employee license or the registration of any other employee of a gaming establishment if the
1729 commission finds that an applicant or registrant is disqualified under section 16 or may be
1730 unsuitable for licensure under any of the criteria set forth in section 12; provided, however, that
1731 the commission, in its discretion, may issue a license to an applicant for a gaming employee
1732 license or register a gaming service employee who has a prior conviction if the applicant or
1733 registrant can affirmatively demonstrate the applicant's rehabilitation. In considering the
1734 rehabilitation of an applicant for a license under this section, the commission shall consider the
1735 following: (i) the nature and duties of the position of the applicant; (ii) the nature and seriousness
1736 of the offense or conduct; (iii) the circumstances under which the offense or conduct occurred;
1737 (iv) the date of the offense or conduct; (v) the age of the applicant when the offense or conduct
1738 was committed; (vi) whether the offense or conduct was an isolated or repeated incident; (vii)
1739 any social conditions which may have contributed to the offense or conduct; and (viii) any
1740 evidence of rehabilitation, including recommendations and references of persons supervising the
1741 applicant since the offense or conduct was committed.

1742 (g) After completing an investigation of an applicant for a key gaming employee or
1743 gaming employee license the bureau shall approve or deny the license. Any orders by the bureau
1744 denying an application under this section shall be accompanied with an explanation of why an
1745 applicant did not meet the qualifications for licensure under this chapter. An applicant for a key
1746 gaming employee or gaming employee license may request a hearing before the bureau to

1747 contest the findings. After the hearing the applicant may appeal the decision of the bureau to the
1748 commission and the commission may hear the appeal on the record. The decision of the
1749 commission shall be final and applicants for a key gaming employee or gaming employee license
1750 shall not be entitled to further review.

1751 (h) The commission shall be authorized to condition, suspend or revoke any license or
1752 registration under this section if the commission finds that a licensee or registrant has: (i) been
1753 arrested or convicted of a crime while employed by a gaming establishment and failed to report
1754 charges or the conviction to the commission; (ii) failed to comply with the requirements of
1755 section 14; or (iii) failed to comply with any of the requirements of this chapter pertaining to
1756 licensees.

1757 (i) The commission shall establish fees for a key gaming employee and a gaming
1758 employee license which shall include costs incurred for conducting a background investigation
1759 into an applicant for a license. The commission shall establish the term of a key gaming
1760 employee and a gaming employee license. It shall be the responsibility of any key gaming
1761 employee or gaming employee to ensure that the employee's license is current.

1762 Section 31. (a) No person shall conduct a business with a gaming licensee unless such
1763 person has been licensed or registered with the commission.

1764 (b) Any person seeking a gaming vendor license shall file an application with the bureau.
1765 Such application shall be on a form prescribed by the commission and shall include, but shall not
1766 be limited to, the following: (i) the name of the applicant; (ii) the post office address and if a
1767 corporation, the name of the state under the laws of which it is incorporated, the location of its
1768 principal place of business and the names and addresses of its directors and stockholders; (iii) a

1769 criminal and arrest record; (iv) any civil judgments obtained against the person pertaining to
1770 antitrust or security regulation; (v) the identity of every person having a direct or indirect interest
1771 in the business, and the nature of such interest; provided further, that if the disclosed entity is a
1772 trust, the application shall disclose the names and addresses of all beneficiaries; provided further,
1773 that if the disclosed entity is a partnership, the names and addresses of all partners, both general
1774 and limited; and provided further, that if the disclosed entity is a limited liability company, the
1775 names and addresses of all members; (vi) an independent audit report of all financial activities
1776 and interests including, but not limited to, the disclosure of all contributions, donations, loans or
1777 any other financial transactions to or from any gaming entity or operator in the past 5 years; and
1778 (vii) clear and convincing evidence of financial stability including, but not limited to, bank
1779 references, business and personal income and disbursement schedules, tax returns and other
1780 reports filed by government agencies and business and personal accounting check records and
1781 ledgers. The commission may require such other information as it considers appropriate
1782 including, but not limited to, information related to the financial integrity of the applicant and
1783 may require the applicant to submit other documentation it considers appropriate including, but
1784 not limited to, bank accounts and records, bank references, business and personal income and
1785 disbursement schedules, tax returns and other reports filed by government agencies and business
1786 and personal accounting check records and ledgers.

1787 (c) No person shall manufacture, sell, distribute, test or repair slot machines, other than
1788 antique slot machines as defined in section 5A of chapter 271, without a valid gaming vendor
1789 license issued by the commission.

1790 (d) All other suppliers or vendors who are not considered to be gaming vendors
1791 including, but not limited to, construction companies, vending machine providers, linen

1792 suppliers, garbage handlers, maintenance companies, limousine services, food purveyors or
1793 suppliers of alcoholic beverages, shall be considered non-gaming vendors and shall be required
1794 to register with the commission and shall produce such information as the commission may
1795 require; provided, however, that the commission may require any vendor regularly conducting
1796 over $250,000 of business with a gaming licensee within a 12-month period or $100,000 of
1797 business within a 3-year period to be licensed as a gaming vendor.

1798 (e) Any person owning more than 5 per cent of the common stock of a company required
1799 to be licensed as a gaming vendor, or a holding, intermediary or subsidiary of such company,
1800 shall be required to file for licensure. The commission may waive the licensing requirements for
1801 institutional investors holding up to 15 per cent of the stock of the company, or holding,
1802 intermediary or subsidiary company of the such company, upon a showing by the person seeking
1803 the waiver that the applicant purchased the securities for investment purposes only and does not
1804 have any intention to influence or affect the affairs or operations of the company or a holding,
1805 intermediary or subsidiary of the such company. Any institutional investor granted a waiver
1806 which subsequently determines to influence or affect the affairs or operations of the gaming
1807 vendor, or a holding, intermediary or subsidiary of the gaming vendor, shall provide not less than
1808 30 days notice to the commission of such intent and shall file an application and be subject to the
1809 licensing requirements of this chapter before taking any action that may influence or affect the
1810 affairs of the applicant company or a holding, intermediary or subsidiary of the applicant
1811 company. Any company holding over 15 per cent of a gaming vendor, or a holding,
1812 intermediary or subsidiary of a gaming vendor, shall be licensed under this chapter.

1813 (f) If an applicant for a gaming vendor license or vendor or supplier registration is
1814 licensed or registered in another jurisdiction within the United States with comparable license

1815 and registration requirements and is in good standing in all the jurisdictions in which it holds a
1816 license or registration, the commission may enter into a reciprocal agreement with the applicant
1817 to allow for an abbreviated licensing or registration process and issue a gaming vendor license or
1818 registration under this section; provided, however, that the commission shall reserve its rights to
1819 investigate the qualifications of an applicant at any time and may require the applicant to submit
1820 to a full application for a gaming vendor license or provide further information for registration.

1821 (g) The bureau shall deny any application for a gaming vendor license or the registration
1822 of any other vendor or supplier if the bureau finds that any applicant or registrant is disqualified
1823 under section 16 or may be unsuitable for licensure under any of the criteria set forth in section
1824 12.

1825 (h) After completing an investigation of an applicant for a gaming vendor license, the
1826 bureau shall approve or deny the license. Any orders by the bureau denying an application under
1827 this section shall be accompanied with an explanation of why an applicant did not meet the
1828 qualifications for licensure under this section. An applicant for a gaming vendor license may
1829 request a hearing before the bureau to contest the findings. After the hearing the applicant may
1830 appeal the decision of the bureau to the commission and the commission may hear the appeal on
1831 the record. The decision of the commission shall be the final and applicants for a gaming vendor
1832 license shall not be entitled to further review.

1833 (i) The commission shall be authorized to condition, suspend or revoke any license or
1834 registration under this section if the commission finds that a licensee or registrant has: (i) been
1835 arrested or convicted of a crime; (ii) failed to comply with section 13; or (iii) failed to comply
1836 with any provision of this chapter pertaining to licensees.

1837 (j) The commission shall establish a master gaming or non-gaming vendor list to monitor
1838 all vendor contracts with a gaming establishment. Any gaming or non-gaming vendor doing
1839 business with a gaming establishment who has failed to submit an application for licensure or
1840 registration shall be prohibited from engaging in any future business with a gaming
1841 establishment; provided, however, that the commission may terminate any contract that has been
1842 entered into with an unlicensed or unregistered gaming or non-gaming vendor.

1843 (k) Gaming licensees shall have a continuing duty to inform the commission of all vendor
1844 contracts.

1845 (l) A license or registration issued under this section shall be issued for a term of 3 years.
1846 It shall be the responsibility of the gaming vendor or non-gaming vendor to ensure that the
1847 license is current.

1848 (m) The commission shall establish fees for gaming vendor licenses and non-gaming
1849 vendor registrations which shall include costs incurred for conducting a background
1850 investigation into an applicant for the license.

1851 (n) The commission shall monitor the conduct of all gaming vendors and other persons
1852 having a material involvement, directly or indirectly, with a gaming vendor to ensure that
1853 gaming vendor licenses are not issued to, or held by, and there is no direct or indirect material
1854 involvement with, a gaming vendor by unqualified, disqualified or unsuitable persons.

1855 Section 32. (a) Each labor organization, union or affiliate seeking to represent employees
1856 who are employed at a gaming establishment shall register with the commission.

1857 (b) Neither a labor organization, nor its officers who are not otherwise licensed or
1858 registered under this chapter, may hold any financial interest in a gaming establishment whose
1859 employees are represented by the organization.

1860 Section 33. (a) No junkets may be organized or permitted and no person may act as a
1861 junket representative or junket enterprise except as authorized by the commission under this
1862 chapter.

1863 (b) A junket representative employed by a gaming licensee or affiliate of a gaming
1864 licensee shall be licensed as a gaming employee including provisions for the issuance of a
1865 temporary license; provided, however, that the junket representative need not be a resident of the
1866 commonwealth. A person who holds a valid gaming employee license may act as a junket
1867 representative while employed by a gaming licensee or an affiliate. No gaming licensee shall
1868 employ or otherwise engage a junket representative who is not licensed under this chapter.

1869 (c) The commission shall deny an application for a license under this section if the
1870 commission finds that an applicant is disqualified under section 16 or may be unsuitable for
1871 licensure under any of the criteria set forth in section 12.

1872 (d) Each gaming licensee, junket representative or junket enterprise shall file a report
1873 with the bureau with respect to each list of junket patrons or potential junket patrons purchased
1874 directly or indirectly by the gaming licensee, junket representative or enterprise.

1875 (e) No junket enterprise or junket representative or person acting as a junket
1876 representative shall: (i) engage in efforts to collect upon checks that have been returned by banks
1877 without full and final payment; (ii) exercise approval authority with regard to the authorization or
1878 issuance of credit under this chapter; (iii) act on behalf of or under any arrangement with a

1879 gaming licensee or a gaming patron with regard to the redemption, consolidation or substitution
1880 of the gaming patron's checks awaiting deposit; (iv) individually receive or retain any fee from a
1881 patron for the privilege of participating in a junket; or (v) pay for any services, including
1882 transportation, or other items of value provided to, or for the benefit of, any patron participating
1883 in a junket.

1884 Section 34. (a) Upon revocation or suspension of a gaming license or upon the failure or
1885 refusal to renew a gaming license the commission may appoint a conservator to temporarily
1886 manage and operate the business of the gaming licensee relating to the gaming establishment.
1887 Such conservator shall be a person of similar experience in the field of gaming management and,
1888 in the case of replacing a gaming licensee, shall have experience operating a gaming
1889 establishment of similar caliber in another jurisdiction, and shall be in good standing in all
1890 jurisdictions in which the conservator operates operate any gaming establishment. Upon
1891 appointment, a conservator shall agree to all licensing provisions of the former gaming licensee.

1892 (b) A conservator shall, before assuming , managerial or operational duties, execute and
1893 file a bond for the faithful performance of such duties payable to the commission with such
1894 surety and in such form and amount as the commission shall approve.

1895 (c) The commission shall require that the former or suspended gaming licensee purchase
1896 liability insurance, in an amount determined by the commission, to protect a conservator from
1897 liability for any acts or omissions of the conservator during the conservator's appointment which
1898 are reasonably related to, and within the scope of the conservator's duties.

1899 (d) During the period of temporary management of the gaming establishment, the
1900 commission shall initiate proceedings under this chapter to award a new gaming license to a

1901 qualified applicant whose gaming establishment shall be located at the site of the preexisting
1902 gaming establishment.

1903 (e) Applicants for a new gaming license shall be qualified for licensure under this
1904 chapter; provided, however, that the commission shall determine an appropriate level of
1905 investment by an applicant into the preexisting gaming establishment.

1906 (f) Upon award of a new gaming license, the new gaming licensee shall pay the original
1907 licensing fee required under this chapter.

1908 Section 35. (a) The bureau shall have the authority to issue orders requiring persons to
1909 cease any activity which violates this chapter, a regulation adopted hereunder or any law related
1910 to gaming in the commonwealth. The bureau may, in its order, require compliance with such
1911 terms and conditions as are reasonably necessary to effectuate the purposes of this chapter.

1912 (b) If the bureau finds that a person is not in compliance with any order issued under this
1913 section, it shall assess a civil administrative penalty. The penalty may be assessed whether or not
1914 the violation was willful. In determining the amount of the civil penalty, the bureau shall
1915 consider: (i) the nature of the violation; (ii) the length of time the violation occurred; (iii) the risk
1916 to the public and to the integrity of gaming operations created by the conduct of the person; (iv)
1917 the seriousness of the conduct of the person; (v) any justification or excuse for such conduct by
1918 the person; (vi) the prior history of the particular person involved with respect to gaming
1919 activity; (vii) any corrective action taken by the person to prevent future misconduct; and (viii)
1920 and other relevant factors.

1921 (c) In addition to collecting any civil penalties recoverable under this chapter or any other
1922 general or special law, the bureau may bring an action in the superior court to restrain, prevent or

1923 enjoin any conduct prohibited by this chapter or to compel action to comply immediately and
1924 fully with any order issued by the bureau. Except in cases of emergency where, in the opinion of
1925 the court, immediate abatement of the unlawful conduct is required to protect the public interest,
1926 the court may in its decree fix a reasonable time during which the person responsible for the
1927 unlawful conduct may abate and correct the violation. The expense of the proceeding shall be
1928 recoverable from the subject of the proceeding.

1929 (d) Upon a recommendation from the bureau, the commission shall issue orders to
1930 condition, suspend or revoke a license or permit issued under this chapter.

1931 (e) The bureau shall issue an order to cease and desist any activity if the bureau finds that
1932 a licensee has engaged in or is about to engage in an act or practice which constitutes a violation
1933 of this chapter or laws of the commonwealth and may take such affirmative action to effectuate
1934 the order. If the bureau finds that the licensee is engaged in an act or practice that would cause
1935 irreparable harm to the security and integrity of the gaming establishment or the interests of the
1936 commonwealth in ensuring the security and integrity of gaming under this chapter, the bureau
1937 may issue a temporary suspension of the license.

1938 (f) Any licensee who has been issued a temporary order of suspension by the bureau shall
1939 be entitled to a hearing before the commission on such suspension within 7 days that the order
1940 was issued. At the conclusion of the hearing, the commission may issue a final order to
1941 condition, suspend or revoke the license in question.

1942 (g) A licensee shall have the right to an adjudicatory hearing on an order issued by the
1943 bureau under chapter 30A.

1944 Section 36. (a) The bureau may assess a civil administrative penalty on a licensee or
1945 registrant who fails to comply with any provision of this chapter or any regulation or order
1946 adopted by the commission; provided, however, that such noncompliance occurred after the
1947 bureau had given such person written notice of such noncompliance and the time stated in the
1948 notice for coming into compliance had elapsed; provided, however, that the bureau may assess
1949 such penalty without providing such written notice if such failure to comply: (i) was part of a
1950 pattern of noncompliance and not an isolated instance; (ii) was willful or neglectful and not the
1951 result of error; (iii) resulted in a significant breach to the integrity of the gaming establishment or
1952 gaming laws of the commonwealth; and (iv) consisted of failure to promptly report to the
1953 commission any knowledge of evidence or circumstances that would cause a reasonable person
1954 to believe that a violation of this chapter had been committed. The civil administrative penalty
1955 shall be in addition to any other civil penalty that may be prescribed by law.

1956 (b) For the purpose of determining whether such noncompliance was part of a pattern of
1957 noncompliance and not an isolated instance, the bureau shall consider without limitation the
1958 following: (i) whether the bureau had previously notified the person of such noncompliance on
1959 more than one occasion during the previous month or of any noncompliance with the same
1960 provision of a law, regulation, order, license or approval as the current noncompliance during the
1961 previous 6 month period; or (ii) whether the current and previous noncompliances, considered
1962 together, indicate a potential threat to the integrity of the gaming establishment and gaming in
1963 the commonwealth or an interference with the commission's ability to efficiently and effectively
1964 regulate gaming in the commonwealth and enforce any regulation, license or order. If a licensee
1965 or registrant who has received a notice of noncompliance fails to come into compliance within

1966 the time period stated in such notice, the civil administrative penalty may be assessed by the
1967 bureau upon such licensee or registrant from the date of receipt of such notice.

1968 (c) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or
1969 registrant, the bureau shall cause to be served upon such licensee or registrant, either by service,
1970 in hand, or by certified mail, return receipt requested, a written notice of its intent to assess a
1971 civil administrative penalty which shall include a concise statement of the alleged act or
1972 omission for which such civil administrative penalty is sought to be assessed, each law,
1973 regulation, order, license or approval which has not been complied with as a result of such
1974 alleged act or omission, the amount which the bureau seeks to assess as a civil administrative
1975 penalty for each such alleged act or omission, a statement of such licensee's or registrant's right
1976 to an adjudicatory hearing on the proposed assessment, the requirements such licensee or
1977 registrant must comply with to avoid being deemed to have waived the right to an adjudicatory
1978 hearing and the manner of payment thereof if such person elects to pay the penalty and waive an
1979 adjudicatory hearing. After written notice of noncompliance or intent to assess a civil
1980 administrative penalty has been given, each such day thereafter during which such
1981 noncompliance occurs or continues shall constitute a separate offense and shall be subject to a
1982 separate civil administrative penalty if reasonable efforts have not been made to promptly come
1983 into compliance.

1984 (d) Whenever the bureau seeks to assess a civil administrative penalty on any licensee or
1985 registrant, such licensee or registrant shall have the right to an adjudicatory hearing under
1986 chapter 30A whose provisions shall apply except when they are inconsistent with the provisions
1987 of this chapter.

1988 (e) Such licensee or registrant shall be deemed to have waived such right to an
1989 adjudicatory hearing unless, within 21 days of the date of the bureau's notice that it seeks to
1990 assess a civil administrative penalty, such licensee or registrant files with the bureau a written
1991 statement denying the occurrence of any of the acts or omissions alleged by the bureau in such
1992 notice, or asserting that the money amount of the proposed civil administrative penalty is
1993 excessive. In any adjudicatory hearing authorized under chapter 30A, the bureau shall, by a
1994 preponderance of the evidence, prove the occurrence of each act or omission alleged by the
1995 bureau.

1996 (f) If a licensee or registrant waives the right to an adjudicatory hearing, the proposed
1997 civil administrative penalty shall be final immediately upon such waiver. If a civil
1998 administrative penalty is assessed at the conclusion of an adjudicatory hearing, said civil
1999 administrative penalty shall be final upon the expiration of 30 days if no action for judicial
2000 review of such decision is commenced under chapter 30A.

2001 (g) Any licensee or registrant who institutes proceedings for judicial review of the final
2002 assessment of a civil administrative penalty shall place the full amount of the final assessment in
2003 an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing
2004 court. The establishment of such an interest-bearing escrow account shall be a condition
2005 precedent to the jurisdiction of the reviewing court unless the party seeking judicial review
2006 demonstrates in a preliminary hearing held within 20 days of the filing of the complaint either
2007 the presence of a substantial question for review by the court or an inability to pay. Upon such a
2008 demonstration, the court may grant an extension or waiver of the interest-bearing escrow account
2009 or may require, in lieu of such interest-bearing escrow account, the posting of a bond payable
2010 directly to the commonwealth in the amount of 125 per cent of the assessed penalty. If, after

2011 judicial review, in a case where the requirement for an escrow account has been waived, and in
2012 cases where a bond has been posted in lieu of such requirement, the court affirms, in whole or in
2013 part, the assessment of a civil administrative penalty the commission shall be paid the amount
2014 thereof together with interest at the rate provided in section 6C of chapter 231. If, after such
2015 review in a case where an interest-bearing escrow account has been established, the court affirms
2016 the assessment of such penalty, in whole or in part, the commission shall be paid the amount
2017 thereof together with the accumulated interest in the interest-bearing escrow account. If the court
2018 sets aside the assessment of a civil administrative penalty in a case where the amount of such
2019 penalty has been deposited in an interest-bearing escrow account, the licensee or registrant on
2020 whom the civil administrative penalty was assessed shall be repaid the amount so set aside,
2021 together with the accumulated interest thereon.

2022 (h) Each licensee or registrant who fails to pay a civil administrative penalty on time, and
2023 each person who issues a bond under this section and who fails to pay to the commission on time
2024 the amount required hereunder, shall be liable to the commonwealth for up to 3 times the amount
2025 of the civil administrative penalty, together with costs, plus interest from the time the civil
2026 administrative penalty became final and attorneys' fees, including all costs and attorneys' fees
2027 incurred directly in the collection thereof. The rate of interest shall be the rate provided in section
2028 6C of chapter 231. The bureau shall be authorized to require that the amount of a civil
2029 administrative penalty imposed under this section exceed any economic benefit realized by a
2030 person for noncompliance.

2031 Section 37. (a) Whoever conducts or operates, or permits to be conducted or operated,
2032 any game or gaming device in violation of this chapter or the regulations adopted under this
2033 chapter shall be punished by imprisonment in the state prison for not more than 5 years or

2034 imprisonment in the house of correction for not more than 2½ years, or by a fine not to exceed
2035 $25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
2036 $100,000.

2037 (b) Whoever employs, or continues to employ, an individual in a position, the duties of
2038 which require a license or registration under this chapter, who is not so licensed or registered,
2039 shall be punished by imprisonment in the house of correction for not more than 6 months or by a
2040 fine not to exceed $10,000, or both, and in the case of a person other than a natural person, by a
2041 fine not to exceed $100,000.

2042 (c) Whoever works or is employed in a position, the duties of which require licensing or
2043 registration under this chapter, without the required license or registration, shall be punished by
2044 imprisonment in the house of correction for not more than 6 months or a fine not to exceed
2045 $10,000, or both.

2046 (d) A gaming licensee who, without the permission of the commission: (i) places a game
2047 or gaming device into play or displays a game or gaming device in a gaming establishment; or
2048 (ii) receives, directly or indirectly, any compensation or reward or any percentage or share of the
2049 revenue for keeping, running or carrying on a game, or owning the real property upon, or the
2050 location within which any game occurs, shall be punished by imprisonment in the house of
2051 correction for not more than 2½ years or by a fine not to exceed $25,000, or both, and in the case
2052 of a person other than a natural person, by a fine not to exceed $100,000.

2053 (e) Whoever conducts or operates any game or gaming device after the person's gaming
2054 license has expired and prior to the actual renewal of the gaming license shall be punished by
2055 imprisonment in the house of correction for not more than 1½ years or a fine not to exceed

2056 $25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
2057 $100,000.

2058 (f) A gaming licensee who knowingly fails to exclude from the licensee's gaming
2059 establishment any person placed by the commission on the list of excluded persons shall be
2060 punished by a fine not to exceed $5,000 or by imprisonment in the house of correction for not
2061 more than 1 year, or both, and in the case of a person other than a natural person, by a fine not to
2062 exceed $100,000.

2063 (g) Whoever willfully: (i) fails to report, pay or truthfully account for and pay over a
2064 license fee or tax imposed by this chapter or by the regulations adopted under this chapter; or (ii)
2065 evades or defeats, or attempts to evade or defeat, a license fee or tax or payment of a license fee
2066 or tax shall be punished by imprisonment in the state prison for not more than 5 years or in the
2067 house of correction for not more than 2½ years or a fine not to exceed $100,000, or both, and in
2068 the case of a person other than a natural person, by a fine not to exceed $5,000,000.

2069 Section 38. Whoever willfully resists, prevents, impedes, interferes with or makes any
2070 false, fictitious or fraudulent statement or representation to the bureau, commission or division or
2071 to agents or employees of the bureau, commission or division in the lawful performance of the
2072 agent's or employee's duties under this chapter shall be punished by imprisonment in the state
2073 prison for not more than 5 years or in the house of correction for not more than 2½ years or by a
2074 fine not to exceed $25,000, or both.

2075 Section 39. (a) Whoever, during a game in a gaming establishment, knowingly and by
2076 any trick or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other
2077 gaming device, for himself, for another or for a representative of either: (i) wins, or attempts to

2078 win, money or property; or (ii) reduces, or attempts to reduce, a losing wager in a gaming
2079 establishment shall be guilty of cheating and swindling.

2080 (b) Whoever knowingly uses a cheating and swindling device or game in a gaming
2081 establishment shall be guilty of cheating and swindling.

2082 (c) Whoever commits the offense of cheating and swindling shall be punished as follows:

2083 (i) if the value of the money, property or wager cheated and swindled is $75,000 or more,
2084 by imprisonment in the state prison for not more than 10 years or in the house of correction for
2085 not more than 2½ years or by a fine not to exceed $1,000,000, or both, and in the case of a
2086 person other than a natural person, by a fine not to exceed $10,000,000;

2087 (ii) if the value of the money, property or wager cheated and swindled is $10,000 or more
2088 but less than $75,000, by imprisonment in the state prison for not more than 5 years or in the
2089 house of correction for not more than 2½ years or by a fine not to exceed $500,000, or both, and
2090 in the case of a person other than a natural person, by a fine not to exceed $5,000,000;

2091 (iii) if the value of the money, property or wager cheated and swindled is $1,000 or more
2092 but less than $10,000, by imprisonment in the state prison for not more than 3 years or in the
2093 house of correction for not more than 2½ years or by a fine not to exceed $100,000, or both, and
2094 in the case of a person other than a natural person, by a fine not to exceed $1,000,000;

2095 (iv) if nothing of value was obtained in violation of this subsection or if the value of the
2096 money, property or wager cheated and swindled is less than $1,000, by imprisonment in the
2097 house of correction for not more than 2½ years or by a fine not to exceed $10,000, or both, and
2098 in the case of a person other than a natural person, by a fine not to exceed $100,000.

2099 (d) Each episode or transaction of swindling and cheating may be the subject of a
2100 separate prosecution and conviction. In the discretion of the commonwealth, multiple episodes
2101 or transactions of swindling and cheating committed as part of a single scheme or course of
2102 conduct may be treated as a single offense and the amounts involved in acts of swindling and
2103 cheating committed according to a scheme or course of conduct, whether by the same person or
2104 several persons, may be aggregated in determining the value of money, property or wager
2105 involved in the offense.

2106 (e) A gaming licensee, or an employee of a gaming licensee, who, in a gaming
2107 establishment, knowingly: (i) conducts or operates any game using a cheating and swindling
2108 device or game; (ii) displays for play a cheating and swindling game; or (iii) permits to be
2109 conducted, operated or displayed, any cheating and swindling device or game shall be punished
2110 by imprisonment in the state prison for not more than 5 years or imprisonment in the house of
2111 correction for not more than 2½ years, or by a fine not to exceed $25,000, or both, and in the
2112 case of a person other than a natural person, by a fine not to exceed $100,000.

2113 Section 40. (a) Whoever possesses a cheating and swindling device or game, with the
2114 intent to defraud, cheat or steal, shall be punished by imprisonment in the house of correction for
2115 not more than 2½ years or by a fine not to exceed $10,000, or both, and in the case of a person
2116 other than a natural person, by a fine not to exceed $100,000.

2117 (b) Possession of a cheating and swindling device or game within a gaming establishment
2118 shall constitute prima facie evidence of an intent to defraud, cheat or steal, except possession by
2119 a gaming licensee or an employee of a gaming licensee, acting lawfully in furtherance of such

2120 person's employment within the gaming establishment, shall be punished by imprisonment in the
2121 house of correction for not more than 2½ years or a fine not to exceed $10,000, or both.

2122 Section 41. Whoever manufactures, distributes, sells or services a gaming device, in
2123 violation of this chapter or regulations adopted under this chapter and for the purpose of
2124 defrauding, cheating or stealing from a person playing, operating or conducting a game in a
2125 gaming establishment, shall be punished by imprisonment in the state prison for not more than 5
2126 years or imprisonment in the house of correction for not more than 2½ years or by a fine not to
2127 exceed $25,000, or both, and in the case of a person other than a natural person, by a fine not to
2128 exceed $150,000.

2129 Section 42. Any device, game or gaming device possessed, used, manufactured,
2130 distributed, sold or serviced in violation of this chapter shall be subject to seizure and forfeiture
2131 by the division or bureau. Forfeiture proceedings shall be conducted as provided in subsections
2132 (b) to (j), inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section
2133 47 of said chapter 94C, the commission shall be considered a police department, entitled to a
2134 police department's distribution of forfeiture proceedings.

2135 Section 43. (a) Whoever, being under 21 years old, plays, places wagers at or collects
2136 winnings from, whether personally or through an agent, a game in a gaming establishment shall
2137 be punished by imprisonment in the house of correction for not more than 6 months or a fine not
2138 to exceed $1,000, or both.

2139 (b) Whoever, being a gaming licensee or an employee of a gaming licensee, who
2140 knowingly allows a person under the age of 21 to play, place wagers at, or collect winnings from
2141 a game in a gaming establishment, whether personally or through an agent, shall be punished, for

2142 a first offense, by imprisonment in the house of correction for not more than 1 year or a fine not
2143 to exceed $10,000, or both, and in the case of a person other than a natural person, by a fine not
2144 to exceed $500,000 and, for a second or subsequent offense, by imprisonment in the house of
2145 correction for not more than 2 years or a fine not to exceed $50,000, or both, and in the case of a
2146 person other than a natural person, by a fine not to exceed $1,000,000.

2147 Section 44. All penalties collected under this chapter shall be deposited into the Gaming
2148 Revenue Fund established under this chapter.

2149 Section 45. (a) The commission, by regulation, shall provide for the establishment of a
2150 list of excluded persons who are to be excluded from a gaming establishment. In determining
2151 the list of excluded persons, the commission may consider, but shall not be limited to: (i)
2152 whether a person has been convicted of a criminal offense under the laws of any state or the
2153 United States that is punishable by more than 6 months in a state prison, a house of correction or
2154 any comparable incarceration, a crime of moral turpitude or a violation of the gaming laws of
2155 any state; (ii) whether a person has violated or conspired to violate this chapter relating to:
2156 (A)failure to disclose an interest in a gaming establishment for which the person is required to
2157 obtain a license; or (B) willful evasion of fees or taxes; (iii) whether a person has a notorious or
2158 unsavory reputation which would adversely affect public confidence and trust that the gaming
2159 industry is free from criminal or corruptive elements; and (iv) the potential of injurious threat to
2160 the interests of the commonwealth in the gaming establishment.

2161 (b) No person shall be placed on the list of excluded persons due to race, color, religion,
2162 national origin, ancestry, sexual orientation, disability or sex.

2163 (c) The commission may revoke, limit, condition, suspend or fine a gaming establishment
2164 if such establishment knowingly or recklessly fails to exclude or eject from its premises any
2165 person placed by the commission on the list of excluded persons.

2166 (d) Whenever the commission places a name on the list of excluded persons, the
2167 commission shall serve written notice upon that person by personal service, registered or
2168 certified mail return receipt requested to the last ascertainable address, or by publication in a
2169 daily newspaper of general circulation for 1 week.

2170 (e)(1) Within 30 days of receipt of service by mail or 60 days after the last publication
2171 under subsection (d), a person placed on the list of excluded persons may request an adjudicatory
2172 hearing before the commission under chapter 30A and show cause as to why the person should
2173 be removed from the list of excluded persons. Failure to demand a hearing within the time
2174 allotted in this section shall preclude the person from having an administrative hearing, but in no
2175 way affect the person's right to petition for judicial review.

2176 (2) Upon receipt of a demand for hearing, the commission shall set a time and place for
2177 the hearing. This hearing shall be held not later than 30 days after receipt of the demand for the
2178 hearing, unless the time of the hearing is changed by agreement of the commission and the
2179 person demanding the hearing.

2180 (3) If, upon completion of the hearing, the commission determines that the person was
2181 wrongfully placed on the list of excluded persons, the commission shall remove the person's
2182 name from the list of excluded persons and notify all gaming licensees. A person aggrieved by a
2183 final decision of the commission in an adjudicatory proceeding under this section may petition
2184 for judicial review under section 14 of chapter 30A.

2185 (f) The commission shall establish a list of self-excluded persons from gaming
2186 establishments. A person may request such person's name to be placed on the list of self-
2187 excluded persons by filing a statement with the commission acknowledging that the person is a
2188 problem gambler and by agreeing that, during any period of voluntary exclusion, the person may
2189 not collect any winnings or recover any losses resulting from any gaming activity at a gaming
2190 establishment. The commission shall adopt further regulations, under section 5, for the self-
2191 excluded persons list including procedures for placement, removal and transmittal of such list to
2192 gaming establishments.

2193 (g) Gaming establishments shall not market to persons on any excluded persons list and
2194 shall deny access to complimentaries, check cashing privileges, club programs and other similar
2195 benefits to persons on the self-excluded persons list.

2196 (h) Notwithstanding any other law to the contrary, the self-excluded persons list shall not
2197 be open to public inspection. Nothing in this section, however, shall prohibit a gaming
2198 establishment from disclosing the identity of persons on the self-excluded persons list under this
2199 section to affiliated gaming establishments in this commonwealth or other jurisdictions for the
2200 limited purpose of assisting in the proper administration of responsible gaming programs
2201 operated by affiliated gaming establishments.

2202 (i) As used in this subsection the following words shall, unless the context clearly
2203 requires otherwise have the following meanings:

2204 (i) "Problem gambler", a person who chronically or habitually gambles to the extent that:
2205 (1) such gambling substantially interferes with the person's social or economic functioning; or
2206 (2) the person has lost the power of self control

2207 over that person's gambling.

2208 (ii) "Immediate family", the spouse, parent, child, brother or sister of an individual.

2209 An immediate family member or guardian may petition, in writing, a district court for an
2210 order of exclusion from gaming establishments applicable to a person whom the petitioner has
2211 reason to believe is a problem gambler. Upon receipt of a petition for an order of exclusion of a
2212 person and any sworn statements the court may request from the petitioner, the court shall
2213 immediately schedule a hearing on the petition and shall cause a summons and a copy of the
2214 petition to be served upon the person as provided by section 25 of chapter 276. The person may
2215 be represented by legal counsel and may present independent expert or other testimony. The
2216 court shall order examination by a qualified psychologist. If, after a hearing, the court based
2217 upon competent testimony finds that said person is a problem gambler and there is a likelihood
2218 of serious harm as a result of the person's gambling, the court may order that such person be
2219 prohibited from gaming in gaming establishments. The court shall communicate this order to the
2220 commission, which shall place the person's name on the list of excluded persons.

2221 (j) A person who is prohibited from gaming in a gaming establishment under this section
2222 shall not collect any winnings or recover losses arising as a result of prohibited gaming winnings
2223 obtained by a person who is prohibited from gaming in a gaming establishment shall be forfeited
2224 to the commission and deposited into the Gaming Revenue Fund.

2225 (k) The commission shall pursue an interstate compact for the purposes of sharing
2226 information

2227 regarding the excluded persons list.

2228 Section 46. No applicant for a gaming license, nor any holding, intermediary or
2229 subsidiary company thereof, nor any officer, director, key gaming employee or principal
2230 employee of an applicant for or holder of a gaming license or of any holding, intermediary or
2231 subsidiary company thereof nor any person or agent on behalf of any such applicant, holder,
2232 company or person, shall directly or indirectly, pay or contribute any money or thing of value to
2233 any candidate for nomination or election to any public office in the commonwealth or to any
2234 group, political party, committee or association organized in support of any such candidate or
2235 political party; except that the provisions of this section shall not be construed to prohibit any
2236 individual who is a candidate for public office from contributing to the candidate's own
2237 campaign.

2238 Section 47. All political contributions or contributions in kind made by an applicant for a
2239 gaming license to a municipality or a municipal employee, as defined in section 1 of chapter
2240 268A, of the host community of the applicant's proposed gaming establishment shall be
2241 disclosed, by the applicant, to the commission and the city or town clerk of the host community.
2242 Such disclosure shall be made by the applicant bi-annually, on or before July 15 for the period
2243 covering January 1 through June 30 of that year and on or before January 15 for the period
2244 covering July 1 through December 31 of the preceding year. The office of campaign and
2245 political finance shall promulgate regulations to provide for timely and expeditious public
2246 reporting, which shall include electronic means or public posting in a city or town hall and post
2247 office, by city and town clerks of the contribution disclosures they receive from applicants.

2248 Section 48. A gaming licensee shall be subject to chapters 62 through 62E, inclusive, and
2249 chapters 63 through 63B, inclusive.

2250 Section 49. (a) A gaming establishment, including any business located within a gaming
2251 establishment, shall not be a certified project within the meaning of section 3F of chapter 23A.
2252 Gaming establishments shall not be designated as economic opportunity areas within the
2253 meaning of section 3E of chapter 23A. Gaming establishments shall not be eligible for tax
2254 increment financing under section 59 of chapter 40 or special tax assessments set forth in section
2255 3E of chapter 23A. Gaming establishments shall not be classified and taxed as recreational land
2256 under chapter 61B. Gaming establishments shall not be designated as a development district
2257 within the meaning of chapter 40Q.

2258 (b) Unless otherwise provided, a gaming establishment or a business located or to be
2259 located within a gaming establishment shall not be eligible for the following credits or
2260 deductions listed in chapter 62 or chapter 63: the investment tax credit under section 31A of
2261 chapter 63, the employment credit under section 31C of said chapter 63, the van pool credit
2262 under section 31E of said chapter 63, the deduction for expenditures for industrial waste
2263 treatment or air pollution control under section 38D of said chapter 63, the deduction for
2264 compensation paid to an eligible business facility's employees domiciled in a section of
2265 substantial poverty under section 38F of said chapter 63, the film tax credit under subsection (l)
2266 of section 6 of chapter 62 and section 38X of said chapter 63, the alternative energy sources
2267 deduction under section 38H of said chapter 63, the research expense credit under section 38M
2268 of said chapter 63, the economic opportunity area credit under subsection (g) of section 6 of said
2269 chapter 62, and section 38N of said chapter 63, the abandoned building deduction under
2270 subparagraph (10) of subsection (a) of Part B of section 3 of said chapter 62 and section 38O of
2271 said chapter 63, the harbor maintenance tax credit under section 38P of said chapter 63, the
2272 brownfields credit under subsection (j) of section 6 of said chapter 62 and section 38Q of said

2273 chapter 63, the historic rehabilitation tax credit under section 6J of said chapter 62 and section
2274 38R of said chapter 63 and the automatic sprinkler system depreciation deduction under section
2275 38S of said chapter.

2276 Section 50. Any liability to the commonwealth under this chapter shall constitute a debt
2277 to the commonwealth. Once a statement naming a gaming licensee is recorded, registered or
2278 filed, any such debt shall constitute a lien on all commercial property owned by a gaming
2279 licensee in the commonwealth and shall have priority over an encumbrance recorded, registered
2280 or filed with respect to any site.

2281 Section 51. (a) Prior to disbursement of cash or a prize in excess of $600, a gaming
2282 licensee shall review information made available by the IV-D agency, as set forth in chapter
2283 119A and by the department of revenue to ascertain whether the winner of the cash or prize owes
2284 past-due child support to the commonwealth or to an individual to whom the IV-D agency is
2285 providing services and to ascertain whether the winner of the cash or prize owes any past-due tax
2286 liability to the commonwealth.

2287 (b) If the winner of the cash or prize owes past-due child support or a past-due tax
2288 liability, the gaming licensee shall notify the IV-D agency or the commonwealth, respectively, of
2289 the winner's name, address and social security number. Subsequent to statutory state and federal
2290 tax withholding, the gaming licensee shall first disburse to the IV-D agency the full amount of
2291 the cash or prize or such portion of the cash or prize that satisfies the winner's past-due child
2292 support obligation.

2293 (c) If funds remain available after the disbursement to the IV-D agency or if no such
2294 obligation to the IV-D agency is owed, the gaming licensee shall disburse to the department of

2295 revenue the full amount of the cash or prize or such portion of the cash prize that satisfies the
2296 winner's past-due tax liability. The licensee shall disburse to the holder only that portion of the
2297 prize, if any, remaining after the holder's past-due child support obligation and the holder's past-
2298 due tax liability have been satisfied.

2299 Section 52. Gaming licensees shall, on a monthly basis, transmit to the department of
2300 transitional assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons
2301 who were awarded cash winning or a prize in excess of $600 in the prior month. The information
2302 shall be provided in a format which is compatible with the automated data processing systems of
2303 the department and the IV-D agency to ensure the immediate identification of persons who may
2304 be receiving public assistance benefits. The information provided shall include the name, address
2305 and social security number of the person who was awarded the cash or prize valued in excess of
2306 $600.

2307 Section 53. Unclaimed cash and prizes shall be retained by the gaming licensee for the
2308 person entitled to the cash or prize for 1 year after the game in which the cash or prize was won.
2309 If no claim is made for the cash or prize within 1 year, the cash or equivalent cash value of the
2310 prize shall be deposited in the Gaming Revenue Fund established in section 59.

2311 Section 54. If the person entitled to cash or a prize is under the age of 21 years, the cash
2312 or prize shall be remitted to the commission and deposited into the Gaming Revenue Fund
2313 established in section 59.

2314 Section 55. (a) A category 1 licensee shall pay a daily tax of 25 per cent on gross gaming
2315 revenues.

2316 (b) A category 2 licensee shall pay a daily tax of 40 per cent on gross gaming revenue.

2317 (c) In addition to the tax imposed under subsection (b), a category 2 licensee shall pay a
2318 daily assessment of 9 per cent of their gross gaming revenue to the Massachusetts race horse
2319 development fund established in section 60.

2320 (d) Taxes imposed under this section shall be remitted to the commission by a gaming
2321 licensee the day following each day of wagering.

2322 Section 56. (a) In addition to any other tax or fee imposed by this chapter, there shall be
2323 imposed an annual license fee of $600 for each slot machine approved by the commission for use
2324 by a gaming licensee at a gaming establishment; provided, however, that not sooner than 5 years
2325 after award of an original gaming license, the commission may annually adjust the fee for
2326 inflation. The fee shall be imposed as of July 1 of each year for all approved slot machines on
2327 that date and shall be assessed on a pro rata basis for any slot machine approved for use
2328 thereafter.

2329 (b) The commission shall establish fees for any investigation into a violation of this
2330 chapter or regulation promulgated thereunder by a gaming licensee to be paid by the gaming
2331 licensee, including, but not limited to, billable hours by commission staff involved in the
2332 investigation and the costs of services, equipment or other expenses that are incurred by the
2333 commission during the investigation.

2334 (c) Any remaining costs of the commission necessary to maintain regulatory control over
2335 gaming establishments that are not covered by: (i) the fees set forth in subsections (a) and (b);
2336 (ii) any other fees assessed under this chapter; or (iii) any other designated source of funding,
2337 shall be assessed annually on gaming licensees under this chapter in proportion to the number of

2338 gaming positions at each gaming establishment. Each gaming licensee shall pay the amount
2339 assessed against it within 30 days after the date of the notice of assessment from the commission.

2340 (d) If the fees collected in subsections (a) and (b) exceed the cost required to maintain
2341 regulatory control, the surplus funds shall be credited in proportional shares against each gaming
2342 licensee's next assessment.

2343 (e) In addition to the fees collected under this section and any additional costs of the
2344 commission, the commission shall assess an annual fee of not less than $5,000,000 in
2345 proportional shares against each gaming licensee in proportion to the number of gaming
2346 positions at each gaming establishment for the costs of service and public health programs
2347 dedicated to addressing problems associated with compulsive gambling. Such assessed fees shall
2348 be deposited into the Public Health Trust Fund established in section 58.

2349 (f) All fees and assessments collected under this section, except those collected under
2350 subsection (e), shall be deposited into the Gaming Control Fund established in section 57.

2351 Section 57. (a) There shall be established and set up on the books of the commonwealth a
2352 separate fund to be known as the Massachusetts Gaming Control Fund. The commission shall be
2353 the trustee of the fund and shall expend monies to finance operational activities of the
2354 commission. The fund shall be credited any appropriations, bond proceeds or other monies
2355 authorized by the general court and specifically designated to be credited thereto, the proceeds of
2356 the assessments levied under section 56, application fees for licenses issued under this chapter
2357 and such additional funds as are subject to the direction and control of the commission. All
2358 available monies in the fund that are unexpended at the end of each fiscal year shall not revert to
2359 the General Fund and shall be available for expenditure in the subsequent fiscal year. Any funds

2360 unexpended in any fiscal year for the purposes of which such assessments were made shall be
2361 credited against the assessment to be made in the following fiscal year and the assessment in the
2362 following fiscal year shall be reduced by any such unexpended amount. The commission shall
2363 record all expenditures made by subsidiary on the Massachusetts management and accounting
2364 reporting system, so-called, according to regulations established by the state comptroller.

2365 (b) The commission shall, for the purposes of compliance with state finance law, operate
2366 as a state agency as defined in section 1 of chapter 29 and shall be subject to the provisions
2367 applicable to agencies under the control of the governor including, but not limited to, chapters 7,
2368 7A, 10 and 29; provided, however, that the comptroller may identify any additional instructions
2369 or actions necessary for the commission to manage fiscal operations in the state accounting
2370 system and meet statewide and other governmental accounting and audit standards. Unless
2371 otherwise exempted by law or the applicable central service agency, the commission shall
2372 participate in any other available commonwealth central services including, but not limited, to
2373 the state payroll system under section 31 of said chapter 29, and may purchase other goods and
2374 services provided by state agencies in accordance with comptroller provisions. The comptroller
2375 may chargeback the commission for the transition and ongoing costs for participation in the state
2376 accounting and payroll systems and may retain and expend such costs without further
2377 appropriation for the purposes of this section. The commission shall be subject to section 5D of
2378 chapter 29 and subsection (f) of section 6B of chapter 29.

2379 The commission shall annually submit a finance plan to the secretary of administration
2380 and finance, the chairs of the house and senate committees on ways and means and the chairs of
2381 the joint committee on economic development and emerging technologies.

2382 Section 58. There is hereby established and set up on the books of the commonwealth a
2383 separate fund to be known as the Public Health Trust Fund. The public health trust fund shall
2384 consist of fees assessed under section 56 and all other monies credited or transferred to the fund
2385 from any other source under law. The secretary of health and human services shall be the trustee
2386 of the public health trust fund and may only expend monies in the fund, without further
2387 appropriation, to assist social service and public health programs dedicated to addressing
2388 problems associated with compulsive gambling, including, but not limited to, gambling
2389 prevention and addiction services, educational campaigns to mitigate the potential addictive
2390 nature of gambling and any studies and evaluations necessary, including the annual research
2391 agenda under section 71, to ensure the proper and most effective strategies.

2392 Section 59. There shall be established and set up on the books of the commonwealth a
2393 Gaming Revenue Fund, hereinafter the fund, which shall receive revenues collected from the tax
2394 on gross gaming revenue received from gaming licensees. The commission shall be the trustee of
2395 the fund and shall transfer monies in the fund as follows:

2396 (1) 100 per cent of the revenue received from a category 2 licensee shall be transferred to
2397 the Gaming Local Aid Fund; and

2398 (2) 100 per cent of the revenue received from a category 1 licensee shall be transferred
2399 as follows:

2400 (a) 2 per cent of revenues to the Massachusetts cultural council of which one-quarter of
2401 the revenues received shall be dedicated to the organization support program of the
2402 Massachusetts cultural council and three-quarters of revenues shall be dedicated to support not-
2403 for-profit or municipally-owned performing arts centers impacted as a result of the operation of

2404 gaming facilities; provided, however, that funds dedicated to such performing arts centers shall
2405 be to subsidize fees paid to touring shows or artists; provided further, that funding shall be
2406 appropriated through a competitive grant process to be developed and administered by the
2407 Massachusetts cultural council;

2408 (b) 1/2 per cent to the Massachusetts Tourism Fund to fund tourist promotion agencies
2409 under clause (c) of section 35J of chapter 10.

2410 (c) 6.5 per cent to the Community Mitigation Fund established in section 61;

2411 (d) 2 per cent to the Local Capital Projects Fund, established in section 2EEEE of chapter
2412 29;

2413 (e) 25 per cent to the Gaming Local Aid Fund, established in section 63;

2414 (f) 10 per cent to the Commonwealth Stabilization Fund established in section 2H of
2415 chapter 29; provided, however, that in any fiscal year in which the amount appropriated in item
2416 7061-0008 of the general appropriation act, paid from the General Fund, or the amount of
2417 unrestricted general government aid paid from the General Fund, including lottery aid
2418 distribution to cities and towns as paid from the General Fund under clause (c) of the second
2419 paragraph of section 35 of said chapter 10 and the amount of additional funds distributed to cities
2420 and towns as additional assistance paid from the General Fund, is less than that of the previous
2421 fiscal year, up to 1/2 of the funds otherwise directed to the Commonwealth Stabilization Fund
2422 under this section, up to an amount equal to the deficiency between said appropriations for the
2423 current and previous fiscal years, shall be transferred to the Gaming Local Aid Fund in addition
2424 to the 30 per cent under clause (e);

2425 (g) 14 per cent to the Education Fund, established in section 64;

2426 (h) 10 per cent shall be transferred to the Economic Development Fund, established in
2427 section 2DDDD of chapter 29;

2428 (i) 10 per cent shall be used for debt reduction through a program of debt defeasance and
2429 accelerated debt payments; provided, however, that this program shall be developed jointly by
2430 the state treasurer and the secretary of administration and finance and shall be implemented in
2431 compliance with state finance law; provided further, that this program shall prioritize the
2432 reduction of risk in the commonwealth's debt portfolio; and provided further, that the state
2433 secretary and state treasurer shall provide a written description of the program to the finance
2434 advisory board established in section 97 of chapter 6 for the board's review and comment before
2435 the program is implemented and shall file a copy of that description with the house and senate
2436 committees on ways and means and the house and senate committees on bonding, capital
2437 expenditures and state assets when it is submitted to the finance advisory board;

2438 (j) 15 per cent shall be transferred to the Transportation Infrastructure and Development
2439 Fund, established in section 62; and

2440 (k) 5 per cent to the Public Health Trust Fund.

2441 Section 60. (a) There shall be established and set up on the books of the commonwealth a
2442 Race Horse Development Fund to be administered by the commission. The fund shall consist of
2443 monies deposited under subsection (c) of section 55. The commission shall make distributions
2444 from the Race Horse Development Fund to each licensee under chapter 128A.

2445 (b) Funds received from subsection (a) shall be allocated by the commission as follows:

2446 (i) 80 per cent shall be deposited weekly into a separate, interest-bearing purse account to
2447 be established by and for the benefit of the horsemen; provided, however, that the earned interest
2448 on the account shall be credited to the purse account; and provided further, that licensees shall
2449 combine these funds with revenues from existing purse agreements to fund purses for live races
2450 consistent with those agreements with the advice and consent of the horsemen;

2451 (ii) for a thoroughbred track, 8 per cent shall be deposited on a monthly basis into the
2452 Massachusetts Thoroughbred Breeding Program authorized by the commission in section 2 of
2453 chapter 128;

2454 (iii) for a harness track, 8 per cent shall be deposited on a monthly basis into the
2455 Massachusetts Standardbred Breeding Program authorized by the commission in section 2 of
2456 chapter 128 and an additional 8 per cent shall be deposited on a monthly basis into a
2457 Standardbred Breeder Development Program authorized by the commission; and

2458 (iv) 4 per cent shall be used to fund health and pension benefits for the members of the
2459 horsemen's organizations representing the owners and trainers at the racetrack at which the
2460 category 2 licensee operates for the benefit of the organization's members, their families,
2461 employees and others under the rule and eligibility requirements of the organization, as approved
2462 by the commission; provided, however, that this amount shall be deposited within 5 business
2463 days of the end of each month into a separate account to be established by each respective
2464 horsemen's organization at a banking institution of its choice; and provided further, that of this
2465 amount, the commission shall determine how much shall be paid annually by the horsemen's
2466 organization to the thoroughbred jockeys or standardbred drivers organization at the racetrack at
2467 which the licensed racing entity operates for health insurance, life insurance or other benefits to

2468 active and disabled thoroughbred jockeys or standardbred drivers under the rules and eligibility
2469 requirements of that organization.

2470 Section 61. (a) There shall be established and set up on the books of the commonwealth a
2471 separate fund to be known as the Community Mitigation Fund. The fund shall consist of monies
2472 transferred under section 59 and all other monies credited or transferred to the fund from any
2473 other fund or source.

2474 (b) The commission shall administer the fund and, without further appropriation, shall
2475 expend monies in the fund to assist the host community and surrounding communities in
2476 offsetting costs related to the construction and operation of a gaming establishment including,
2477 but not limited to, communities and water and sewer districts in the vicinity of a gaming
2478 establishment, local and regional education, transportation, infrastructure, housing,
2479 environmental issues and public safety, including the office of the county district attorney,
2480 police, fire and emergency services.

2481 (c) Parties requesting appropriations from the fund shall submit a written request for
2482 funding to the commission before February 1 of each year. The commission may hold a public
2483 hearing in the region of a gaming establishment to provide parties with the opportunity to
2484 provide further information about their request for funds and shall distribute funds to requesting
2485 parties based on demonstrated need.

2486 Section 62. There shall be established and set up on the books of the commonwealth a
2487 fund to be known as the Transportation Infrastructure and Development Fund. The fund shall
2488 consist of monies transferred from the Gaming Revenue Fund and all other monies credited or
2489 transferred to the fund from any other fund or source and proceeds from the investment of such

2490 funds. The secretary of transportation shall be the trustee of this fund, provided that no funds
2491 shall be expended until the secretary of administration and finance has provided written approval
2492 annually of a proposed spending plan. Any expenditures from this fund shall be solely for the
2493 purpose of transportation and related infrastructure projects, including but not limited to transit
2494 expansion and maintenance.

2495 Section 63. There shall be established and set up on the books of the commonwealth a
2496 fund to be known as the Gaming Local Aid Fund. The fund shall consist of monies transferred
2497 under section 59 and all monies credited or transferred to the fund from any other fund or source.

2498 Section 64. There shall be established and set up on the books of the commonwealth a
2499 fund to be known as the Education Fund. The fund shall be credited any monies transferred
2500 under section 59 and all monies credited to or transferred to the fund from any other fund or
2501 source. Expenditures from said fund for K-12 education shall be used to supplement, and not
2502 offset, any reduction in item 7061-0008 of the general appropriation act from the previous fiscal
2503 year's general appropriation act.

2504 Section 65. The commission shall audit as often as the commission determines necessary,
2505 but not less than annually, the accounts, programs, activities, and functions of all gaming
2506 licensees. To conduct the audit, authorized officers and employees of the commission shall have
2507 access to such accounts at reasonable times and the commission may require the production of
2508 books, documents, vouchers and other records relating to any matter within the scope of the
2509 audit, except tax returns. The superior court shall have jurisdiction to enforce the production of
2510 records that the commission requires to be produced under this section and the court shall order
2511 the production of all such records within the scope of any such audit. All audits shall be

2512 conducted in accordance with generally accepted auditing standards established by the American
2513 Institute of Certified Public Accountants. In any audit report of the accounts, funds, programs,
2514 activities and functions of a gaming licensee issued by the commission, containing adverse or
2515 critical audit results, the commission may require a response, in writing, to the audit results. The
2516 response shall be forwarded to the commission within 15 days of notification by the commission.

2517 On or before April 1 of each year, the commission shall submit a report to the clerks of
2518 the house of representatives and the senate who shall forward the report to the house and senate
2519 committees on ways and means which shall include, but not be limited to: (i) the number of
2520 audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost
2521 of each audit.

2522 Section 66. Unless the commission otherwise determines it to be in the best fiscal
2523 interests of the commonwealth, the commission shall utilize the services of a independent testing
2524 laboratory that has obtained a license as a gaming vendor to perform the testing of slot machines
2525 and other gaming equipment, and may also utilize applicable data from any such independent
2526 testing laboratory, or from a governmental agency of a state other than the Massachusetts,
2527 authorized to regulate slot machines and other gaming equipment.

2528 Section 67. The commission shall continue to evaluate the status of Indian tribes in the
2529 commonwealth, including, without limitation, gaining federal recognition or taking land into
2530 trust for tribal economic development. The commission shall evaluate and make a
2531 recommendation to the governor and the chairs of the joint committee on economic development
2532 and emerging technologies as to whether it would be in the best interest of the commonwealth to

2533 enter into any negotiations with said tribes for the purposes of establishing Class III gaming on
2534 tribal land.

2535 Section 68. (a) There shall be a gaming policy advisory committee to consist of the
2536 governor or the governor's designee, who shall serve as chair; the commission chair; the senate
2537 president or the president's designee; the speaker of the house of representatives or the speaker's
2538 designee; the commissioner of public health or the commissioner's designee; and 8 persons to be
2539 appointed by the governor, 3 of whom shall be representatives of gaming licensees, 1 of whom
2540 shall be a representative of a federally recognized Indian tribe in the commonwealth, 1 of whom
2541 shall be a representative of organized labor and 3 of whom shall be appointed from the vicinity
2542 of each gaming establishment, as defined by host community and surrounding community, upon
2543 determination of the licensee and site location by the commission. The committee shall designate
2544 subcommittees to examine community mitigation, compulsive gambling and gaming impacts on
2545 cultural and tourism. Members of the committee shall serve for 2 year terms. The committee
2546 shall meet at least once annually for the purpose of discussing matters of gaming policy. The
2547 recommendations of the committee concerning gaming policy made under this section are
2548 advisory and shall not be binding on the commission and board.

2549 (b) There shall be a subcommittee on community mitigation under the gaming policy
2550 advisory committee consisting of 7 members: 1 of whom shall be appointed from the host
2551 community in region 1; 1 of whom shall be appointed from the host community in region 2; 1 of
2552 whom shall be appointed from the host community in region 3; 1 of whom shall be a
2553 representative from the department of revenue's division of local services; 1 of whom shall be a
2554 representative of the commission; 1 of whom shall be appointed by the governor and have
2555 professional experience in community mitigation related to gaming; and 1 of whom shall be a

2556 representative from the Massachusetts municipal association. The subcommittee shall develop
2557 recommendations to be considered by the commission to address issues of community mitigation
2558 as a result of the development of gaming establishments in the commonwealth, including, but not
2559 limited to: how funds may be expended from the Community Mitigation Fund, the impact of
2560 gaming establishments on the host community as well as surrounding communities including,
2561 but not limited to, the impact on local resources as a result of new housing construction and
2562 potential necessary changes to affordable housing laws, increased education costs and curriculum
2563 changes due to population changes in the region, development and maintenance of infrastructure
2564 related to increased population and utilization in the region and public safety impacts resulting
2565 from the facility and how to address that impact. The subcommittee shall receive input from
2566 local community mitigation advisory committees. The subcommittee shall review annually the
2567 expenditure of funds from the Community Mitigation Fund and make recommendations to the
2568 commission relative to appropriate and necessary use of community mitigation funds. The
2569 commission may promulgate such regulations as advised by the subcommittee.

2570 (c) There shall be a subcommittee on addiction services under the gaming policy advisory
2571 committee consisting of 5 members: 1 of whom shall be a representative from the department of
2572 public health's bureau of substance abuse services; 1 of whom shall be a representative from the
2573 Massachusetts Council on Compulsive Gambling, Inc.; 1 of whom shall be a representative of
2574 the commission; and 2 of whom shall be appointed by the governor with professional experience
2575 in the area of gambling addictions. The subcommittee shall develop recommendations for
2576 regulations to be considered by the commission in addressing issues related to addiction services
2577 as a result of the development of gaming establishments in the commonwealth, including by not
2578 limited to, prevention and intervention strategies.

2579 (d) There shall be a subcommittee on public safety under the gaming policy advisory
2580 committee consisting of 7 members: 1 of whom shall be a member of the commission; 1 of
2581 whom shall be the secretary of the executive office of public safety or the secretary's designee; 1
2582 of whom shall be the attorney general or the attorney general's designee; 1 of whom shall be a
2583 representative from the Massachusetts District Attorneys Association; 1 of whom shall be the
2584 colonel of the state police or the colonel's designee; 1 of whom shall be a representative from the
2585 Massachusetts Chiefs of Police Association; and 1 of whom shall be a representative of a public
2586 safety labor union. The subcommittee shall develop recommendations for regulations to be
2587 considered by the commission to address public safety issues as a result of the development of
2588 gaming establishments in the commonwealth, including but not limited to, how to mitigate the
2589 impact of gaming establishments on crimes committed in the commonwealth. The subcommittee
2590 shall also study the impact of gaming establishments on all aspects of public safety in the
2591 commonwealth.

2592 (e) Each region, as defined in section 19, may establish a local community mitigation
2593 advisory committee, which shall include not fewer than 6 members: 1 of whom shall be
2594 appointed by each of the host and surrounding communities; 1 of whom shall be appointed by
2595 each regional planning agency to which at least 1 of the host or surrounding communities
2596 belongs; and 4 of whom shall be appointed by the commission, of whom at least 1 shall
2597 represent a chamber of commerce in the region, 1 shall represent a regional economic
2598 development organization in the region, and 2 shall represent human service providers in the
2599 region. Each local committee shall annually elect a chair and such other officers as it deems
2600 necessary to carry out its duties.

2601 Each local community mitigation advisory committee may provide information and
2602 develop recommendations for the subcommittee on community mitigation on any issues related
2603 to the gaming establishment located in its region including, but not limited to: (i) issues of
2604 community mitigation; (ii) how funds may be expended from the Community Mitigation Fund;
2605 and (iii) the impact of the gaming establishments on the host and surrounding communities.
2606 Additionally, each local community mitigation advisory committee may present information to
2607 the commission consistent with the rules of the commission on any issues related to the gaming
2608 establishment located in its region.

2609 Section 69. The commission shall report monthly to the governor, the attorney general,
2610 the senate and house committees on ways and means, the chairs of the joint committee on
2611 revenue and the chairs of the joint committee on economic development and emerging
2612 technologies the total gaming revenues, prize disbursements and other expenses for the
2613 preceding month and shall make an annual report to the same recipients which shall include a
2614 full and complete statement of gaming revenues, prize disbursements and other expenses,
2615 including such recommendations as the commission considers necessary or advisable. The
2616 commission shall report immediately to the governor, the attorney general, the senate and house
2617 committees on ways and means, the senate and house chairs of the joint committee on revenue
2618 and the senate and house chairs of the joint committee on economic development and emerging
2619 technologies any matter which requires immediate changes in the laws of the commonwealth in
2620 order to prevent abuses or evasions of the laws, rules or regulations related to gaming or to
2621 rectify undesirable conditions in connection with the administration or operation of gaming in
2622 the commonwealth.

2623 Section 70. The commission shall annually submit a complete and detailed report of the
2624 commission's activities, including a review of the implementation and enforcement of this
2625 chapter and the governance structure established in this chapter, within 90 days after the end of
2626 the fiscal year to the governor, the attorney general, the treasurer and receiver general, the clerk
2627 of the house of representatives, the clerk of the senate, the chairs of the joint committee on
2628 economic development and emerging technologies and the chairs of the house and senate
2629 committees on ways and means.

2630 Section 71. The Massachusetts gaming commission, with the advice of the gaming policy
2631 advisory committee, shall develop an annual research agenda in order to understand the social
2632 and economic effects of expanding gaming in the commonwealth and to obtain scientific
2633 information relative to the neuroscience, psychology, sociology, epidemiology and etiology of
2634 gambling. The secretary of health and human services, with the advice and consent of the
2635 commission may expend funds from the Public Health Trust Fund, established in section 58, to
2636 implement the objectives of the research agenda which shall include, but not be limited to, the
2637 following:

2638 (1) a baseline study of the existing occurrence of problem gambling in the
2639 commonwealth; provided, however, that the study shall examine and describe the existing levels
2640 of problem gambling and the existing programs available that prevent and address the harmful
2641 consequences of problem gambling; provided further, that the commission shall contract with
2642 scientists and physicians to examine the current research as to the causes for problem gambling
2643 and the health effects of problem gambling and the treatment methods currently available in the
2644 commonwealth; provided further, that the commission shall report on the findings of the baseline
2645 study and provide recommendations to the house and senate committees on ways and means, the

2646 joint committee on economic development and emerging technologies, the joint committee on
2647 mental health and substance abuse and the joint committee on public health relative to methods
2648 to supplement or improve problem gambling prevention and treatment services;

2649 (2) comprehensive legal and factual studies of the social and economic impacts of
2650 gambling in the commonwealth on: (a) state, local and Indian tribal governments; and (b)
2651 communities and social institutions generally, including individuals, families and businesses
2652 within such communities and institutions; provided, however, that the matters to be examined in
2653 such studies shall include, but not be limited to:

2654 (i) a review of existing federal, state, local and Indian tribal government policies and
2655 practices with respect to the legalization or prohibition of gambling, including a review of the
2656 costs of such policies and practices;

2657 (ii) an assessment of the relationship between gambling and levels of crime and of
2658 existing enforcement and regulatory practices intended to address any such relationship;

2659 (iii) an assessment of pathological or problem gambling, including its impact on
2660 individuals, families, businesses, social institutions and the economy;

2661 (iv) an assessment of the impact of gambling on individuals, families, businesses, social
2662 institutions and the economy generally, including the role of advertising in promoting gambling
2663 and the impact of gambling on depressed economic areas;

2664 (v) an assessment of the extent to which gaming has provided revenues to other state,
2665 local and Indian tribal governments;

2666 (vi) an assessment of the costs of added infrastructure, police force, increased
2667 unemployment, increased health care and dependency on public assistance; and

2668 (vii) the costs of implementing chapter 23K of the General Laws; and

2669 (3) individual studies conducted by academic institutions in the commonwealth and
2670 individual researchers located in the commonwealth to study topics which shall include, but not
2671 be limited to: (i) reward and aversion, neuroimaging and neuroscience in humans, addiction
2672 phenotype genotype research, gambling-based experimental psychology and mathematical
2673 modeling of reward-based decision-making; (ii) the sociology and psychology of gambling
2674 behavior, gambling technology and marketing; and (iii) the epidemiology and etiology of
2675 gambling and problem gambling in the general population; provided, however, that when
2676 contracting with researchers to study such issues, the commission shall encourage the
2677 collaboration among researchers in the commonwealth and other states and jurisdictions.

2678 The commission and the committee shall annually make scientifically-based
2679 recommendations which reflect the results of this research to the house and senate committees on
2680 ways and means, the joint committee on economic development and emerging technologies, the
2681 joint committee on mental health and substance abuse and the joint committee on public health.
2682 The commission shall consider any such recommendations, research and findings in all decisions
2683 related to enhancing responsible gambling and mitigating problem gambling.

2684 SECTION 17. Chapter 23K of the General Laws is hereby amended by striking out
2685 section 7, as appearing in section 12, and inserting in place thereof the following section:-

2686 Section 7. The commission shall administer and enforce any general and special law
2687 related to pari-mutuel wagering and simulcasting. The commission shall serve as a host racing
2688 commission and an off-track betting commission for purposes of 15 U.S.C. 30001, et seq.

2689 SECTION 18. Chapter 29 of the General Laws is hereby amended by inserting after
2690 section 2BBBB the following 3 sections:

2691 Section 2CCCC. There shall be established and set up on the books of the
2692 commonwealth a separate fund to be known as the Local Aid Stabilization Fund. The fund shall
2693 consist of monies transferred to it from the Gaming Revenue Fund established in section 59 of
2694 chapter 23K, all other monies credited or transferred to it from any other fund or source and
2695 proceeds from the investment of such funds. Subject to appropriation, the fund shall be
2696 distributed to cities and towns as a supplement to other sources of local aid distributions, but
2697 shall not be subject to section 5C.

2698 Section 2DDDD. There shall be established and set up on the books of the
2699 commonwealth a separate fund to be known as the Gaming Economic Development Fund. The
2700 fund shall be credited with revenues transferred to it from the Gaming Revenue Fund established
2701 in section 59 of chapter 23K. Amounts credited to the fund shall be expended, subject to
2702 appropriation, to support economic development and job growth including, but not limited to: (1)
2703 workforce training, including transfers to the Workforce Competitiveness Trust Fund; (2)
2704 tourism promotion, including regional tourism promotion agencies and cultural and recreational
2705 attraction promotion; (3) summer jobs; (4) the Massachusetts Marketing Partnership; (5) higher
2706 education scholarships; (6) regional economic development initiatives; (7) support for small
2707 businesses, including small business lending; (8) green jobs promotion; (9) science, technology,

2708 engineering and mathematics career pipeline initiatives; and (10) agricultural development
2709 programs, including youth agricultural education.

2710 Section 2EEEE. There shall be established and set up on the books of the commonwealth
2711 a Local Capital Projects Fund. The fund shall be credited with any monies transferred from
2712 licensing fees of gaming establishments or funds transferred from the Gaming Revenue Fund
2713 under chapter 23K and any monies credited to or transferred to the fund from any other fund or
2714 source.

2715 SECTION 19. Section 38 of said chapter 29, as appearing in the 2008 Official Edition, is
2716 hereby amended by striking out, in lines 115 and 116, the words "Fund, as established and
2717 defined in section thirty-five of chapter ten," and inserting in place thereof the following words:-
2718 and Gaming Fund established in section 35 of chapter 10.

2719 SECTION 20. Said section 38 of said chapter 29, as so appearing, is hereby further
2720 amended by striking out, in lines 127 and 128, the words "the said State Lottery" and inserting in
2721 place thereof the following words:- the State Lottery and Gaming.

2722 SECTION 21. Section 1 of chapter 32 of the General Laws is hereby amended by
2723 inserting after the word "connector", in line 211, as amended by section 47 of chapter 25 of the
2724 acts of 2009, the following words:- , the Massachusetts gaming commission,.

2725 SECTION 22. Section 2 of chapter 32A of the General Laws is hereby amended by
2726 inserting after the word "authority", in line 12, as appearing in the 2008 Official Edition, the
2727 following words:- , the Massachusetts gaming commission.

2728 SECTION 23. Section 94 of chapter 41 of the General Laws, as so appearing, is hereby
2729 amended by inserting after the word “and”, in line 7, the first time it appears, the following
2730 word:- illegal.

2731 SECTION 24. Section 7A of chapter 55 of the General Laws, as so appearing, is hereby
2732 amended by adding the following subsection:-

2733 (c) The aggregate of all contributions by a person who holds a license issued by the
2734 Massachusetts gaming commission, who was required to apply for that license under section 14
2735 of chapter 23K, for the benefit of any 1 candidate and such candidate’s committee shall not
2736 exceed $200 in a calendar year. The aggregate of all contributions by a person who holds a
2737 license issued by the Massachusetts gaming commission, who was required to apply for that
2738 license under section 14 of chapter 23K, for the benefit of any other political committee, other
2739 than a ballot question committee, shall not exceed $200 in a calendar year.

2740 SECTION 25. Section 18C of chapter 58 of the General Laws, as so appearing, is hereby
2741 amended by inserting after the word “Lottery”, in line 6, the following words:- and Gaming.

2742 SECTION 26. Section 18D of said chapter 58 is hereby repealed.

2743 SECTION 27. Section 5A of chapter 62 of the General Laws, as so appearing, is hereby
2744 amended by inserting after the word “commonwealth”, in line 24, the following words:- ,
2745 including gaming winnings acquired at or through a gaming establishment under chapter 23K.

2746 SECTION 28. The seventh paragraph of section 2 of chapter 62B of the General Laws,
2747 as so appearing, is hereby amended by striking out the first 2 sentences and inserting in place
2748 thereof the following 2 sentences:- Every person, including the United States, the

2749 commonwealth or any other state, or any political subdivision or instrumentality of the
2750 foregoing, making any payment of lottery or wagering winnings, which are subject to tax under
2751 chapter 62 and which are subject to withholding under section 3402(q) of the Internal Revenue
2752 Code, without the exception for slot machines, keno and bingo played at licensed casinos in
2753 subsections (q)(5) and (r) of the Internal Revenue Code, shall deduct and withhold from such
2754 payment an amount equal to 5 per cent of such payment, except that such withholding for
2755 purposes of this chapter shall apply to payments of winnings of $600 or greater notwithstanding
2756 any contrary provision of the Internal Revenue Code. For the purposes of this chapter and
2757 chapter 62C, such payment of winnings shall be treated as if it were wages paid by an employer
2758 to an employee.

2759 SECTION 29. Said chapter 62B is hereby further amended by striking out section 5, as so
2760 appearing, and inserting in place thereof the following section:-

2761 Section 5. Every employer required to deduct and withhold from an employee or payee a
2762 tax under section 2 or who would have been required under said section 2 in the case of an
2763 employee to deduct and withhold a tax if the employee had not claimed any personal exemption
2764 or dependency exemptions, shall furnish to each such employee or payee in respect of the wages
2765 or other payments paid by such employer to such employee or payee during the calendar year, on
2766 or before January 31 of the succeeding year, or, if an employee's employment is terminated
2767 before the close of such calendar year, within 30 days from the day on which the last payment of
2768 wages shall be made, a written statement in duplicate showing the name of the employer, the
2769 name of the employee or payee and the social security number of such employee or payee, if
2770 any, the total amount of wages or other amounts subject to taxation under chapter 62 and the
2771 total amount deducted and withheld as tax. The statement shall contain such other information as

2772 the commissioner may prescribe. The commissioner may grant reasonable extensions of time,
2773 not exceeding 60 days, for the furnishing of the statement.

2774 An employer who fails to withhold or pay to the commissioner any sum required by this
2775 chapter to be withheld or paid shall be personally and individually liable therefor to the
2776 commonwealth. The term "employer," as used in this section and in section 11, shall include a
2777 person or entity required to withhold tax from a payee, an officer or employee of a corporation or
2778 a member or employee of a partnership or limited liability company who, as such officer,
2779 employee or member is under a duty to withhold and pay over taxes in accordance with this
2780 section and section 2. Any sum withheld in accordance with said section 2 shall be considered to
2781 be held in trust for the commonwealth.

2782 If an employer in violation of this chapter fails to withhold the tax in accordance with
2783 section 2 and thereafter the tax against which such tax may be credited pursuant to section 9 is
2784 paid, the tax so required to be withheld shall not be collected from the employer; but this
2785 paragraph shall not relieve the employer from liability for any penalties or additions to the tax
2786 otherwise applicable in respect of such failure to withhold.

2787 SECTION 30. The first paragraph of section 8 of chapter 62C of the General Laws, as so
2788 appearing, is hereby amended by striking out the last sentence and inserting in place thereof the
2789 following sentence:-The same basis of reporting shall be utilized for income that is subject to
2790 taxation or withholding under chapter 62 or 62B but is not subject to taxation or withholding
2791 under the Code.

2792 SECTION 31. The third paragraph of subsection (f) of section 38 of chapter 63 of the
2793 General Laws, as so appearing, is hereby amended by adding the following clause:- (8) in the

2794 case of a business deriving receipts from operating a gaming establishment or otherwise deriving
2795 receipts from conducting a wagering business or activity, income-producing activity shall be
2796 considered to be performed in this commonwealth to the extent that the location of wagering
2797 transactions or activities that generated the receipts is in this commonwealth.

2798 SECTION 32. Said subsection (f) of said section 38 of said chapter 63, as so appearing,
2799 is hereby amended by inserting after the word "place", in line 200, the following clause:- (7) in
2800 the case of a business deriving receipts from operating a gaming establishment or otherwise
2801 deriving receipts from conducting a wagering business or activity, income-producing activity
2802 shall be considered to be performed in this commonwealth to the extent that the location of
2803 wagering transactions or activities that generated the receipts is in this commonwealth.

2804 SECTION 33. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby
2805 amended by inserting after the word "Lottery", in line 355, the following words:- and Gaming.

2806 SECTION 34. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby
2807 amended by striking out, in line 99, the words "or dog".

2808 SECTION 35. Said section 2 of said chapter 128, as so appearing, is hereby further
2809 amended by striking out subsection (i).

2810 SECTION 36. Said subsection 2 of said chapter 128, as so appearing, is hereby further
2811 amended by striking out, in lines 152 and 153, the words "the provisions of paragraphs (b), (f),
2812 (g), and (i)" and inserting in place thereof the following words:- subsections (b), (f) and (g).

2813 SECTION 37. Section 1 of chapter 128A of the General Laws, as so appearing, is hereby
2814 amended by striking out, in line 6, the words “state racing commission” and inserting in place
2815 thereof the following words:- Massachusetts gaming commission established in chapter 23K.

2816 SECTION 38. Said chapter 128A is hereby repealed.

2817 SECTION 39. Section 1 of chapter 128C of the General Laws, as appearing in the 2008
2818 Official Edition, is hereby amended by striking out, in line 12, the words “state racing
2819 commission” and inserting in place thereof the following words:- Massachusetts gaming
2820 commission established in chapter 23K.

2821 SECTION 40. Said chapter 128C of the General Laws is hereby repealed.

2822 SECTION 41. Section 1 of chapter 137 of the General Laws, as appearing in the 2008
2823 Official Edition, is hereby amended by inserting after the word “gaming”, in line 2, the following
2824 words:- , except for gaming conducted in licensed gaming establishments pursuant to chapter
2825 23K.

2826 SECTION 42. Section 2 of said chapter 137, as so appearing, is hereby amended by
2827 striking out, in line 2, the word “where” and inserting in place thereof the following words:- , but
2828 not including an owner or operator of a licensed gaming establishment pursuant to chapter 23K,
2829 where.

2830 SECTION 43. Section 3 of said chapter 137, as so appearing, is hereby amended by
2831 inserting after the word “betting,”, in line 5, the following words:- ,but not including gaming
2832 conducted pursuant to chapter 23K.

2833 SECTION 44. Section 18 of chapter 139 of the General Laws, as so appearing, is hereby
2834 amended by inserting after the word “of”, in line 6, the word:- illegal.

2835 SECTION 45. Section 177A of chapter 140 of the General Laws, as so appearing, is
2836 hereby amended by inserting after the word “machines”, in line 12, the following words:- , but
2837 not including slot machines as defined in chapter 23K.

2838 SECTION 46. Section 26A of chapter 180 of the General Laws, as so appearing, is
2839 hereby amended by striking out, in lines 4 and 16, each time it appears, the words “or dog”.

2840 SECTION 47. The General Laws are hereby amended by inserting after chapter 267 the
2841 following chapter:-

2842 Chapter 267A

2843 Money Laundering.

2844 Section 1. As used in this chapter, the following words shall, unless the context clearly
2845 requires otherwise have the following meanings:

2846 “Criminal activity”, activity which constitutes a criminal offense punishable under the
2847 laws of the commonwealth by imprisonment in a state prison or a criminal offense committed in
2848 another jurisdiction punishable under the laws of that jurisdiction as a felony.

2849 “Financial institution”, (1) a bank as defined in section 1 of chapter 167; (2) a national
2850 banking association, bank, savings and loan, savings bank, cooperative bank, building and loan
2851 or credit union organized under the laws of the United States; (3) a banking association, bank,
2852 savings and loan, savings bank, cooperative bank, building and loan or credit union organized
2853 under the laws of any state; (4) an agency, agent or branch of a foreign bank; (5) a currency

2854 dealer or exchange; (6) a person or business engaged primarily in the cashing of checks; (7) a
2855 person or business regularly engaged in the issuing, selling or redeeming of traveler's checks,
2856 money orders or similar instruments; (8) a broker or dealer in securities or commodities; (9) a
2857 licensed transmitter of funds or other person or business regularly engaged in the transmission of
2858 funds to a foreign nation for others; (10) an investment banker or investment company; (11) an
2859 insurer; (12) a dealer in precious metals, stones or jewels; (13) a pawnbroker or scrap metal
2860 dealer; (14) a telegraph or other communications company; (15) a personal property or real estate
2861 broker; (16) a dealer in vehicles including, but not limited to, automobiles, aircraft and vessels;
2862 (17) an operator of a betting or gaming establishment; (18) a travel agent; (19) a thrift institution,
2863 as defined by section 1 of chapter 167F; (20) an operator of a credit card system; or (21) a loan
2864 or finance company.

2865 "Monetary instrument", the currency and coin of the United States or any foreign
2866 country; any bank check, money order, stock, investment security, or negotiable instrument in
2867 bearer form or otherwise in such form that title passes upon delivery; gold, silver or platinum
2868 bullion or coins; diamonds, emeralds, rubies or sapphires; any negotiable instrument including:
2869 bank checks, cashier's checks, traveler's checks, or monetary orders made payable to the order of
2870 a named party that have not been endorsed or which bear restrictive endorsements; poker chips,
2871 vouchers or other tokens exchangeable for cash by gaming entities; and credit cards, debit cards,
2872 gift cards, gift certificates or scrips.

2873 "Transaction", a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition
2874 and, with respect to a financial institution, including, but not limited to, a deposit, withdrawal,
2875 bailment, transfer between accounts, exchange of currency, loan, extension of credit, purchase or
2876 sale of any stock, bond, certificate of deposit or other monetary instrument, use of a safe deposit

2877 box or any other payment, transfer or delivery by, through, or to a financial institution, by
2878 whatever means effected.

2879 Section 2. Whoever knowingly:

2880 (1) transports or possesses a monetary instrument or other property that was derived from
2881 criminal activity with the intent to promote, carry on or facilitate criminal activity;

2882 (2) engages in a transaction involving a monetary instrument or other property known to
2883 be derived from criminal activity:

2884 (i) with the intent to promote, carry on or facilitate criminal activity; or

2885 (ii) knowing that the transaction is designed in whole or in part either to: (A) conceal
2886 or disguise the nature, location, source, ownership or control of the property derived from
2887 criminal activity; or (B) avoid a transaction reporting requirement of this chapter, of the United
2888 States, or of any other state; or

2889 (3) directs, organizes, finances, plans, manages, supervises or controls the transportation
2890 of, or transactions in, monetary instruments or other property known to be derived from criminal
2891 activity or which a reasonable person would believe to be derived from criminal activity shall be
2892 guilty of the crime of money laundering and shall be punished by imprisonment in the state
2893 prison for not more than 6 years or by a fine of not more than $250,000 or twice the value of the
2894 property transacted, whichever is greater, or by both such imprisonment and fine. Whoever
2895 commits a second or subsequent such offense shall be punished by imprisonment in the state
2896 prison for not less than 2 years, but not more than 8 years or by a fine of not more than $500,000

2897 or 3 times the value of the property transacted, whichever is greater, or by both such
2898 imprisonment and fine.

2899 Section 3. (a) A financial institution shall file with the attorney general a copy of any and
2900 all reports required by the Currency and Foreign Transactions Act, set forth in 31 U.S.C.,
2901 sections 5311 through 5315, 31 C.F.R. 103.

2902 (b) A financial institution, or any officer, employee, or agent of a financial institution that
2903 maintains and files a record or report under this section shall not be liable to its customer, to a
2904 state or local agency, or to any person for any loss or damage caused in whole or in part by the
2905 making, filing or governmental use of the record or report, or any information contained in the
2906 record or report. Nothing in this chapter shall be construed to give rise to a private cause of
2907 action for relief or damages. This subsection shall not preclude a financial institution, in its
2908 discretion, from instituting contact with, and then communicating with and disclosing customer
2909 financial records to appropriate federal, state or local law enforcement agencies if the financial
2910 institution has reason to suspect that the records or information demonstrate that the customer
2911 has violated this chapter.

2912 (c) Any report, record or information obtained by the attorney general under this section
2913 shall not be a public record under clause Twenty-sixth of section 7 of chapter 4 or section 10 of
2914 chapter 66 and shall not be subject to disclosure, except to other state and federal law
2915 enforcement agencies.

2916 (d) Any violation of this section shall be punished by a fine of $100 for each report not
2917 filed.

2918 (e) The timely filing of complete and accurate reports required under subsection (a) with
2919 the appropriate federal agency shall constitute compliance with the requirements of subsection
2920 (a).

2921 Section 4. All monetary instruments or other property, real, intellectual or personal,
2922 obtained directly as a result of a violation of section 2, shall be subject to forfeiture to the
2923 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
2924 inclusive, of section 47 of chapter 94C. For the purposes of subsection (d) of said section 47 of
2925 said chapter 94C, the investigations and enforcement bureau of the Massachusetts gaming
2926 commission established in chapter 23K shall be considered a police department and shall be
2927 entitled to a police department's distribution of forfeiture proceedings.

2928 SECTION 48. Section 6 of chapter 268B of the General Laws, as appearing in section 95
2929 of chapter 28 of the acts of 2009, is hereby amended by adding the following paragraph:-

2930 For the purposes of this section, a person who holds a license issued by the Massachusetts
2931 gaming commission, who was required to apply for that license pursuant to section 14 of chapter
2932 23K, shall be considered a legislative agent.

2933 SECTION 49. Section 1 of chapter 271 of the General Laws, as appearing in the 2008
2934 Official Edition, is hereby amended by inserting after the word "gaming", in lines 3 and 4, the
2935 following words:- , except as permitted under chapter 23K.

2936 SECTION 50. Section 2 of said chapter 271, as so appearing, is hereby amended by
2937 striking out the words "in any", in line 14, and inserting in place thereof the following words:- ,
2938 except as permitted under chapter 23K, in any.

2939 SECTION 51. Section 3 of said chapter 271, as so appearing, is hereby amended by
2940 striking out, in line 1, the word “Every” and inserting in place thereof the following words:-
2941 Except as permitted under chapter 23K, every.

2942 SECTION 52. Section 5 of said chapter 271, as so appearing, is hereby amended by
2943 striking out, in line 1, the word “keeps”, and inserting in place thereof the following words:- ,
2944 except as permitted under chapter 23K, keeps.

2945 SECTION 53. The second paragraph of section 5A of said chapter 271, as so appearing,
2946 is hereby amended by adding the following paragraph:-

2947 This section shall not apply to persons who manufacture, transport, sell, offer for sale,
2948 store, display, repair, recondition, possess or use any gambling device or parts for use in such a
2949 device for licensed gaming conducted under chapter 23K.

2950 SECTION 54. Section 6 of said chapter 271, as so appearing, is hereby amended by
2951 striking out, in lines 3 and 4, the words “gambling or unlawful game” and inserting in place
2952 thereof the words:- illegal gaming.

2953 SECTION 55. Section 7 of said chapter 271, as so appearing, is hereby amended by
2954 inserting after the word “device”, in line 7, the first time it appears, the following words:- that is
2955 not taking place in a gaming establishment licensed pursuant to chapter 23K.

2956 SECTION 56. Said chapter 271 is hereby further amended by striking out section 8, as
2957 so appearing, and inserting in place thereof the following section:

2958 Section 8. Whoever owns, occupies or is in control of a house, shop or building and
2959 knowingly permits the establishing, managing or drawing of a lottery, or the disposal or attempt

2960 to dispose of property, or the sale of a lottery ticket or share of a ticket, or any other writing,
2961 certificate, bill, token or other device purporting or intended to entitle the holder, bearer or any
2962 other person to a prize or to a share of or interest in a prize to be drawn in a lottery, or in the
2963 disposal of property, and whoever knowingly allows money or other property to be raffled for or
2964 won by throwing or using dice or by any other game of chance that is not being conducted in a
2965 gaming establishment licensed under chapter 23K, shall be punished by a fine of not more than
2966 $2,000 or by imprisonment in the house of correction for not more than 1 year.

2967 SECTION 57. Section 14 of said chapter 271, as so appearing, is hereby amended by
2968 inserting after the word "by", in line 3, the first time it appears, the following words:- illegal
2969 gaming, including games of.

2970 SECTION 58. Section 16A of said chapter 271, as so appearing, is hereby amended by
2971 inserting after the word "wagerers", in line 14, the following words:- or persons who organize,
2972 supervise, manage or finance persons for the purpose of legal gaming conducted under chapter
2973 23K.

2974 SECTION 59. Section 17 of said chapter 271, as so appearing, is hereby amended by
2975 adding the following sentence: - This section shall not apply to a person who organizes,
2976 supervises, manages or finances another person for the purpose of gaming conducted in
2977 accordance with chapter 23K.

2978 SECTION 60. Section 19 of said chapter 271, as so appearing, is hereby amended by
2979 inserting after the word "hazard", in line 16, the following sentence:- This section shall not apply
2980 to advertising of gaming conducted pursuant to chapter 23K.

2981 SECTION 61. Section 20 of said chapter 271, as so appearing, is hereby amended by
2982 adding the following sentence:- Nothing in this section shall prohibit a gaming establishment
2983 licensed under chapter 23K from posting, advertising or displaying materials relevant to its
2984 gaming operations.

2985 SECTION 62. Section 22 of said chapter 271, as so appearing, is hereby amended by
2986 inserting after the word " of", in line 6, the third time it appears, the following word:- illegal.

2987 SECTION 63. Section 23 of said chapter 271, as so appearing, is hereby amended by
2988 inserting after the word "for", in line 28, the following words:-; provided, however, that such
2989 provisions shall not apply to gaming conducted pursuant chapter 23K.

2990 SECTION 64. Section 28 of said chapter 271, as so appearing, is hereby amended by
2991 inserting after the word "of", in line 3, the third time it appears, the following word:- illegal.

2992 SECTION 65. Section 31 of said chapter 271, as so appearing, is hereby amended by
2993 inserting after the word "both", in line 8, the following sentence: - This section shall not apply to
2994 racing conducted pursuant to chapter 23K.

2995 SECTION 66. The General Laws are hereby amended by inserting after chapter 271 the
2996 following chapter:-

2997 Chapter 271A

2998 Enterprise Crime.

2999

3000 Section 1. As used in this chapter, the following words shall, unless the context clearly
3001 requires otherwise, have the following meanings:

3002 "Criminal enterprise activity", the commission, attempt to commit or conspiracy to
3003 commit or the solicitation, coercion, aiding, abetting or intimidation of another to commit any of
3004 the following criminal activity under the laws of the commonwealth or equivalent crimes under
3005 the laws of any other jurisdiction: a violation of any criminal provision of chapter 23K; a felony
3006 offense under chapter 271; distributing, dispensing, manufacturing, or possession with intent to
3007 distribute, dispense or manufacture a controlled substance in violation of chapter 94C; murder;
3008 rape; manslaughter, not including motor vehicle homicide; assault; assault and battery; assault
3009 and battery in order to collect a loan; assault with intent to rob or murder; poisoning; mayhem;
3010 robbery; extortion; stalking; criminal harassment; kidnapping; arson; burglary; malicious
3011 destruction of property; commission of a felony for hire; breaking and entering; child
3012 exploitation; assault and battery on a child; rape of a child; rape and abuse of a child; enticement
3013 of a child under 16; human trafficking; violation of constitutional rights under section 37 of
3014 chapter 265; usury; uttering; misuse or fraudulent use of credit cards under section 37C of
3015 chapter 266; identity fraud; misappropriation of funds; gross fraud under section 76 of chapter
3016 276; insurance fraud; unlawful prize fighting or boxing matches; counterfeiting; perjury;
3017 subornation of perjury; obstruction of justice; money laundering; witness intimidation; bribery;
3018 electronic eavesdropping; prostitution under sections 2, 3, 4A, 4B, 6, 7, 12 and 13 of chapter
3019 272; receiving stolen property; larceny over $250; larceny by false pretenses or embezzlement;
3020 forgery; procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct
3021 defined as a racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

3022 “Enterprise”, an entity including any individual, sole proprietorship, partnership,
3023 corporation, association, trust or other legal entity and any unchartered union or group of persons
3024 associated in fact although not a legally recognized entity.

3025 “Gaming establishment”, an establishment licensed under chapter 23K.

3026 “Pattern of criminal enterprise activity”, engaging in at least 3 incidents of criminal
3027 enterprise activity that have the same or similar pattern, intents, results, accomplices, victims or
3028 methods of commission, or are otherwise interrelated by distinguishing characteristics and are
3029 not isolated incidents; provided, however, that at least 1 of the incidents occurred after the
3030 effective date of this chapter, and the last incident occurred within 5 years of another incident of
3031 criminal enterprise activity.

3032 “Unlawful debt”, a debt: (i) which was incurred or contracted in an illegal gambling
3033 activity or business; or (ii) which is unenforceable under state or federal law, in whole or in part,
3034 as to principal or interest under the law relating to usury.

3035 Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or
3036 through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest
3037 in or control of an enterprise which is engaged in, or the activities of which affect, licensed
3038 gaming under chapter 23K or ancillary industries which do business with a gaming
3039 establishment; (2) having received proceeds derived, directly or indirectly, from a pattern of
3040 criminal enterprise activity or through the collection of an unlawful debt, uses or invests, directly
3041 or indirectly, part of the proceeds including proceeds derived from the investment, in the
3042 acquisition of an interest in real property to be used in connection with licensed gaming, or in the
3043 establishment or operation of, an enterprise which is engaged in, or the activities of which affect,

3044 licensed gaming operations or ancillary industries which do business with a gaming
3045 establishment; (3) is employed by or associated with an enterprise to conduct or participate,
3046 directly or indirectly, in the conduct of the enterprise's affairs or activities which affect licensed
3047 gaming operations or ancillary industries which do business with a gaming establishment by
3048 engaging in a pattern of criminal enterprise activity or through the collection of an unlawful debt;
3049 or (4) conspires or attempts to violate subsections (1), (2), or (3) of this section or attempts to so
3050 conspire; shall be guilty of enterprise crime and shall be punished by imprisonment in the state
3051 prison for not more than 15 years or by a fine of not more than $25,000, or by both such
3052 imprisonment and fine.

3053 Nothing in this chapter shall prohibit the purchase of securities on the open market for
3054 purposes of investment made without the intention of controlling or participating in the control
3055 of the issuer, or of assisting another to do so, if the securities of the issuer held by the: (i)
3056 purchaser; (ii) members of the purchaser's immediate family; or (iii) the purchaser's accomplices
3057 in any pattern of criminal activity for the collection of an unlawful debt after such purchase do
3058 not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1 class and do not
3059 confer, either in law or in fact, the power to elect 1 or more directors of the issuer.

3060 Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained
3061 directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the
3062 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
3063 inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
3064 chapter 94C, the investigation and enforcement bureau of the Massachusetts gaming commission
3065 established under chapter 23K shall be considered a police department, entitled to a police
3066 department's distribution of forfeiture proceedings.

3067 SECTION 67. Section 39 of chapter 272 of the General Laws, as appearing in the 2008
3068 Official Edition, is hereby amended by inserting after the word “in”, in line 7, the following
3069 word:- illegal.

3070 SECTION 68. The first paragraph of section 12A of chapter 494 of the acts of 1978 is
3071 hereby amended by striking out the words “and until January 31, 2012”, inserted by section 1 of
3072 chapter 77 of the acts of 2011, and inserting in place thereof the following words:- and until July
3073 31, 2014.

3074 SECTION 69. The last paragraph of said section 12A of said chapter 494 is hereby
3075 amended by striking out the words “January 31, 2012”, inserted by section 2 of said chapter 77,
3076 and inserting in place thereof the following words:- July 31, 2014.

3077 SECTION 70. The introductory paragraph of section 13 of said chapter 494 is hereby
3078 amended by striking out the words “and until January 31, 2012”, inserted by section 3 of said
3079 chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.

3080 SECTION 71. Said section 13 of said chapter 494 is hereby further amended by striking
3081 out clause (c), as appearing in section 2 of chapter 114 of the acts of 1991.

3082 SECTION 72. Clause (d) of said section 13 of said chapter 494, as so appearing, is
3083 hereby amended by striking out, in line 21, the words “, (b) or (c)” and inserting in place thereof
3084 the following words:- or (b).

3085 SECTION 73. Said section 13 of said chapter 494 is hereby further amended by striking
3086 out subsection (f), as so appearing.

3087 SECTION 74. Section 15 of said chapter 494 is hereby amended by striking out the
3088 words “and until January 31, 2012”, inserted by section 4 of said chapter 77, and inserting in
3089 place thereof the following words:- and until July 31, 2014.

3090 SECTION 75. The first paragraph of section 9 of chapter 277 of the acts of 1986 is
3091 hereby amended by striking out the words “and until January 31, 2012”, inserted by section 5 of
3092 said chapter 77, and inserting in place thereof the following words:- and until July 31, 2014.

3093 SECTION 76. The first sentence of the first paragraph of section 3 of chapter 114 of the
3094 acts of 1991 is hereby amended by striking out the words “and until January 31, 2012”, inserted
3095 by section 6 of said chapter 77, and inserting in place thereof the following words:- and until July
3096 31, 2014.

3097 SECTION 77. The last paragraph of said section 3 of said chapter 114 is hereby
3098 amended by striking out the words “January 31, 2012”, inserted by section 7 of said chapter 77,
3099 and inserting in place thereof the following words:- July 31, 2014.

3100 SECTION 78. The first paragraph of section 4 of said chapter 114 is hereby amended by
3101 striking out the words “and until January 31, 2012”, inserted by section 8 of said chapter 77, and
3102 inserting in place thereof the following words:- and until July 31, 2014.

3103 SECTION 79. The last paragraph of said section 4 of said chapter 114 is hereby
3104 amended by striking out the words “January 31, 2012”, inserted by section 9 of said chapter 77,
3105 and inserting in place thereof the following words:- July 31, 2014.

3106 SECTION 80. The first paragraph of section 5 of said chapter 114 is hereby amended by
3107 striking out the words “and until January 31, 2012”, inserted by section 10 of said chapter 77,
3108 and inserting in place thereof the following words:- and until July 31, 2014.

3109 SECTION 81. Section 13 of chapter 101 of the acts of 1992 is hereby repealed.

3110 SECTION 82. Section 45 of chapter 139 of the acts of 2001 is hereby amended by
3111 striking out the words “January 31, 2012”, inserted by section 12 of said chapter 77, and
3112 inserting in place thereof the following words:- July 31, 2014.

3113 SECTION 83. Section 20 of chapter 449 of the acts of 2006 is hereby amended by
3114 striking out the words “January 31, 2012”, inserted by section 13 of said chapter 77, and
3115 inserting in place thereof the following words:- July 31, 2014.

3116 SECTION 84. (a) Notwithstanding section 5 of chapter 128A of the General Laws or any
3117 other general or special law or rule or regulation to the contrary, the greyhound meeting licensee
3118 located in Bristol county and the greyhound meeting licensee located in Suffolk county shall not
3119 be eligible for purse assistance pursuant to clause (6) of subsection (h) of said section 5.

3120 (b) Notwithstanding chapters 128A and l28C of the General Laws or any other general or
3121 special law or rule or regulation to the contrary, amounts from unclaimed winnings and breaks
3122 generated by the greyhound meeting licensee located in Bristol county and the greyhound
3123 meeting licensee located in Suffolk county shall be dedicated to the Racing Stabilization Fund
3124 established in subsection (a) of section 85.

3125 (c) Notwithstanding section 14 of chapter 77 of the acts of 2011 or any other general or
3126 special law, rule or regulation to the contrary, the greyhound meeting licensee located in Bristol

3127 county and the greyhound meeting licensee located in Suffolk county shall, unless otherwise
3128 provided in this act, be subject to chapter 128A and 128C of the General Laws and chapter 139
3129 of the acts of 2001.

3130 SECTION 85. (a) Notwithstanding any general or special law or rule or regulation to the
3131 contrary, there shall be a Racing Stabilization Fund that shall be administered by the
3132 Massachusetts Gaming Commission, hereinafter known as the commission, established pursuant
3133 to chapter 23K of the General Laws. The fund shall consist of all revenues dedicated pursuant to
3134 this act. Any balance in the fund at the end of the fiscal year shall not revert to the General
3135 Fund; provided, however, that the commission shall distribute to owners and lessees of
3136 greyhound dogs who have raced in calendar year 2009 for the humane care, maintenance and
3137 adoption of those greyhound dogs, a sum equal to 1 per cent of the total amount wagered at each
3138 racing meeting licensee within the commonwealth acting as a guest track and simulcasting a live
3139 greyhound race from a host track from outside the commonwealth provided, however, that
3140 before any such amount is distributed, the commission shall develop a method and criteria by
3141 which to distribute such funds in an equitable manner among dog owners. The commission shall
3142 distribute to kennel owners who housed greyhound dogs who have raced in calendar year 2009
3143 for the humane care, maintenance and adoption of those greyhound dogs, a sum equal to 1.5 per
3144 cent of the total amount wagered at each racing meeting licensee within the commonwealth
3145 acting as a guest track and simulcasting a live greyhound race from a host track from outside
3146 commonwealth; provided, however, that before any amount is distributed, the commission shall
3147 develop a method and criteria by which to distribute such funds in an equitable manner among
3148 kennel owners; and provided further, the commission shall begin payments to kennel owners in
3149 April 2012. Such payments shall be paid on a biweekly basis beginning on April 12, 2012.

3150 (b) Notwithstanding section 12A of chapter 494 of the acts of 1978 or any other general
3151 or special law or rule or regulation to the contrary, after July 31, 2011, the comptroller shall
3152 transfer all monies deposited in the Greyhound Capital Improvements Trust Fund and the
3153 Greyhound Promotional Trust Fund, each established under said section 12A of said chapter 494,
3154 to the Racing Stabilization Fund established in subsection (a). After July 31, 2011, the
3155 comptroller shall transfer any revenues deposited into the Greyhound Capital Improvements
3156 Trust Fund and the Greyhound Promotional Trust Fund into the Racing Stabilization Fund within
3157 10 days after receipt of those revenues.

3158 (c) Notwithstanding any general or special law to the contrary, the greyhound meeting
3159 licensee located in Bristol county and the greyhound meeting licensee located in Suffolk county
3160 shall report monthly to Massachusetts gaming commission established under chapter 23K of the
3161 General Laws on their net and gross revenue, including an itemization of premiums received,
3162 fees received and any amounts dedicated to purse accounts, the Greyhound Capital
3163 Improvements Trust Fund and the Greyhound Promotional Trust Fund. The report shall include
3164 the number of part-time and full-time staff employed by the licensees at the close of the previous
3165 month. The report shall also include the total amount of premiums paid to the harness horse
3166 meeting licensees located in Norfolk county and the running horse meeting licensee located in
3167 Suffolk county. Failure to file the report on the tenth day of each month shall be cause for
3168 suspension of the greyhound meeting license. The commission shall forward all such reports to
3169 the house and senate committees on ways and means, the joint committee on economic
3170 development and emerging technologies and the joint committee on labor and workforce
3171 development. The greyhound meeting licensee located in Bristol county and the greyhound
3172 meeting licensee located in Suffolk county shall also prepare a report of all funds received and

3173 disbursed for calendar years 2010 and 2011. The report shall also be filed with the commission
3174 not later than January 31, 2012, and the commission shall forward the reports to the house and
3175 senate committees on ways and means, the joint committee on economic development and
3176 emerging technologies and the joint committee on labor and workforce development.

3177 (d) Notwithstanding any general or special law, rule or regulation to the contrary, monies
3178 in the Racing Stabilization Fund established in subsection (a) may be used to assist efforts to
3179 secure alternative employment and retraining opportunities for displaced workers impacted by
3180 the enactment of chapter 388 of the acts of 2008 including, but not limited to, coordinating the
3181 delivery of available state and federal resources and services; provided, however, that such funds
3182 from the fund shall only be expended after all federal funds from the Workforce Investment Act
3183 and the American Reinvestment and Recovery Act have been exhausted; provided further, that
3184 state funds shall be distributed in accordance with subsection (a).

3185 (e) Notwithstanding any general or special law to the contrary, upon the effective date of
3186 this act, the comptroller shall transfer all monies from the Racing Stabilization Fund established
3187 pursuant to chapter 167 of the acts of 2009, as amended by section 14 of chapter 86 of the acts of
3188 2010, to the Racing Stabilization Fund established herein.

3189 SECTION 86. Notwithstanding any general or special law to the contrary, in making
3190 initial appointments to the Massachusetts gaming commission established in chapter 23K of the
3191 General Laws, of the members to be appointed by majority agreement of the governor, the
3192 attorney general and the treasurer and receiver general, 1 commissioner shall be appointed for a
3193 term of 3 years and 1 shall be appointed for a term of 4 years. The commissioner to be appointed
3194 by the treasurer and receiver general shall serve for a term of 5 years, the commissioner to be

3195 appointed by the attorney general shall serve for a term of 6 years and the commissioner
3196 appointed by the governor shall serve for a term of 7 years.

3197 SECTION 87. The chair of the Massachusetts gaming commission shall consider current
3198 employees of the state racing commission as eligible for employment with the commission and
3199 shall, subject to all other requirements and conditions of employment under chapter 23K of the
3200 General Laws, give preference to such individuals when making such employment decisions.

3201 SECTION 88. A gaming licensee awarded a gaming license under chapter 23K of the
3202 General Laws shall show preference in hiring to qualified persons permanently employed as of
3203 June 1, 2010 at a facility authorized to conduct simulcasting under chapter 128C of the General
3204 Laws that was in operation on June 1, 2010 within the region for which the gaming license was
3205 granted if that facility terminates operation within 1 year of the Massachusetts gaming
3206 commission awarding the gaming license, subject to all other requirements and conditions of
3207 employment under said chapter 23K; provided, however, that a facility authorized to conduct
3208 simulcasting shall provide employment data on the number, names and addresses of employees
3209 in permanent employment with that facility as of June 1, 2010 to the commission to assist the
3210 gaming licensee in meeting this obligation.

3211 SECTION 89. (a) Notwithstanding any general or special law or rule or regulation to the
3212 contrary, the governor may enter into a compact with a federally recognized Indian tribe in the
3213 commonwealth.

3214 (b) The Massachusetts gaming commission shall, upon request of the governor, provide
3215 assistance to the governor in negotiating such compact.

3216 (c) The governor shall only enter into negotiations under this section with a tribe that has
3217 purchased, or entered into an agreement to purchase, a parcel of land for the proposed tribal
3218 gaming development and scheduled a vote in the host communities for approval of the proposed
3219 tribal gaming development.

3220 (d) A compact negotiated and agreed to by the governor and tribe shall be submitted to
3221 the general court for approval.

3222 (e) Notwithstanding any general or special law or rule or regulation to the contrary, if a
3223 mutually agreed-upon compact has not been negotiated by the governor and Indian tribe or if
3224 such compact has not been approved by the general court before July 31, 2012, the commission
3225 shall issue a request for applications for a category 1 license in Region C pursuant to chapter
3226 23K of the General Laws not later than October 31, 2012; provided, however, that if, at any time
3227 on or after August 1, 2012 the commission determines that the tribe will not be granted land-in-
3228 trust by the Bureau of Indian Affairs at the United States Department of the Interior, the
3229 commission shall consider bids for a category 1 license in Region C under said chapter 23K.

3230 SECTION 90. Notwithstanding section 2 of chapter 128A of the General Laws and
3231 sections 1, 2 and 2A of chapter 128C of the General Laws or any other general or special law,
3232 rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and
3233 the greyhound meeting licensee located in Suffolk county licensed to conduct live racing
3234 pursuant to said chapter 128A and simulcast wagering pursuant to said chapter 128C in calendar
3235 year 2011, shall remain licensed as greyhound racing meeting licensees until July 31, 2014;
3236 provided, however, that the days between January 1 and July 31 of each year shall be dark days
3237 pursuant to said chapter 128C and the licensees shall continue to be precluded from conducting

3238 live racing during that period and as provided in chapter 388 of the acts of 2008; provided
3239 further, that all simulcasts shall comply with the Interstate Horse Racing Act of 1978, 15 U.S.C.
3240 Sec. 3001 et seq. or other applicable federal law; provided further, that all simulcasts from states
3241 which have racing associations that do not require approval in compliance with the Interstate
3242 Horse Racing Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during the month
3243 of August, shall require the approval of the New England Horsemen's Benevolent and Protective
3244 Association prior to being simulcast to a racing meeting licensee within the commonwealth; and
3245 provided further, that if the association agrees to approve the simulcast for 1 racing meeting
3246 licensee, it shall approve the simulcast for all otherwise eligible racing meeting licensees.

3247 SECTION 91. (a) There shall be established and set up on the books of the
3248 commonwealth a Gaming Licensing Fund which shall receive all licensing fees collected from
3249 applicants in receipt of a category 1 or category 2 license under chapter 23K of the General
3250 Laws. The fund shall expire on December 31, 2015. The commission shall be the trustee of the
3251 fund and shall transfer monies in the fund as follows:;

3252 (1) 10 per cent to the Community Mitigation Fund established in section 61 of
3253 chapter 23K of the General Laws.

3254 (2) 14.5 per cent to the Transportation Infrastructure and Development Fund
3255 established in section 62 of chapter 23K of the General Laws.

3256 (3) 11 per cent to the Local Capital Projects Fund established in section 2EEEE of
3257 chapter 29 of the General Laws.

3258 (4) 15.5 per cent to the Manufacturing Fund established in section 96.

3259 (5) 19.5 per cent to the Community College Fund established in section 97.

3260 (6) 1.5 per cent to the Tourism Fund established in section 35J of chapter 10 of the
3261 General Laws.

3262 (7) 23 per cent to the Healthcare Payment Reform Fund established in section 99.

3263 (8) 5 per cent shall be remitted to the comptroller for deposit into the Local Aid
3264 Stabilization Fund, established in section 2CCCC of chapter 29 of the General Laws;

3265 (b) Upon receipt by the Massachusetts gaming commission of license fees from
3266 licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming
3267 Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no
3268 transfer or payment under said clauses (1) and (2) of said subsection (a) shall occur until the fund
3269 reimburses $20,000,000 to the Commonwealth Stabilization Fund as required by subsection (c)
3270 of section 92 of this act.

3271 SECTION 92. (a) Within 30 days after the effective date of this act, the comptroller shall
3272 transfer $15,000,000 from the Commonwealth Stabilization Fund established in section 2H of
3273 chapter 29 of the General Laws to the Massachusetts gaming commission for the start-up and
3274 operational costs of implementing chapter 23K of the General Laws.

3275 (b) Within 10 days after the effective date of this act, the comptroller shall transfer
3276 $5,000,000, from the Commonwealth Stabilization Fund established in section 2H of chapter 29
3277 of the General Laws to the General Fund.

3278 (c) Upon receipt by the Massachusetts gaming commission of sufficient license fees from
3279 licensees under chapter 23K of the General Laws, the commission shall transfer $20,000,000 to

3280 the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General
3281 Laws.

3282 SECTION 93. Notwithstanding any general or special law to the contrary, in the second
3283 fiscal year in which a deposit is made into the Gaming Local Aid Fund under clause (e) of
3284 paragraph (2) of section 59 of chapter 23K the General Laws, the commission shall transfer from
3285 the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 3.125 per
3286 cent of the gross gaming revenue received from a category 1 establishment. In the third fiscal
3287 year in which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said
3288 paragraph (2) of said section 59 of said chapter 23K, the commission shall transfer from the
3289 Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 6.25 per cent
3290 of the gross gaming revenue received from a category 1 establishment. In the fourth fiscal year
3291 in which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said
3292 paragraph (2) of said section 59 of said chapter 23K, the commissioner shall transfer from
3293 Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 9.375 per cent
3294 of the gross gaming revenue received from a category 1 establishment. In the fifth fiscal year in
3295 which a deposit is made into the Gaming Local Aid Fund under said clause (e) of said paragraph
3296 (2) of said section 59 of said chapter 23K and in all subsequent fiscal years, the commission shall
3297 transfer from the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal
3298 to 12.5 per cent of the gross gaming revenue received from a category 1 establishment.

3299 SECTION 94. The governing body of a host community which has accepted chapter 43D
3300 of the General Laws shall file a proposal with the interagency permitting board to designate the
3301 site proposed for a category 1 establishment as a priority development site. In a community
3302 which has not accepted said chapter 43D, the planning board shall designate a local permitting

3303 ombudsman, who shall be a planning board member of the host community or a member of the
3304 host community planning board's professional staff, to help coordinate and expedite local
3305 permitting of the category 1 establishment.

3306 SECTION 95. Notwithstanding any general or special law or rule or regulation to the
3307 contrary, a gaming establishment shall supply the Massachusetts gaming commission, hereinafter
3308 the commission, with customer tracking data collected or generated by loyalty programs, player
3309 tracking software, player card systems, online gambling transactions or any other information
3310 system. The commission shall contract with an experienced nonprofit research entity to develop
3311 an anonymizing system that automatically removes from the data: (a) personally identifying
3312 information, including player name, street address, bank or credit information and the last 4
3313 digits of a player's zip code, in compliance with section 2 of chapter 93H of the General Laws;
3314 and (b) game identifying information, including game name and device manufacturing company,
3315 in protection of corporate intellectual property. The data shall retain information on player
3316 characteristics including, but not limited to, gender, age and region of residence, player behavior
3317 including, but not limited to, frequency of play, length of play, speed of play, denomination of
3318 play, amounts wagered and, if applicable, number of lines or hands played and characteristics of
3319 games played including, but not limited to, reel configuration, return-to-player or RTP, volatility
3320 index and denomination. The commission shall convey the anonymized data to a research
3321 facility which shall make the data available to qualified researchers for the purposes of: (1)
3322 conducting analyses that improve understanding of how gambling addiction develops and
3323 progresses; (2) developing evidence-based harm minimization strategies; and (3) developing
3324 evidence-based systems to monitor, detect and intervene in high-risk gambling. The commission
3325 shall request reports on researcher analyses of the behavioral data, which could provided

3326 informed recommendation to the general court relative to more effective regulation of gambling
3327 operations. The commission may directly initiate studies assessing the effectiveness of any
3328 specific measures, programs or interventions which the commonwealth has implemented in
3329 gaming operations and which might be illuminated through the behavioral data in question.

3330 SECTION 96. There shall be established and set up on the books of the commonwealth a
3331 Manufacturing Fund. The fund shall be credited with any monies transferred under section 91
3332 and any monies credited or transferred to the fund from any other fund or source.

3333 SECTION 97. There shall be established and set up on the books of the commonwealth a
3334 Community College Fund. The fund shall be credited with any monies transferred under section
3335 91 and any monies credited or transferred to the fund from any other fund or source.

3336 SECTION 98. There shall be established and set up on the books of the commonwealth a
3337 Healthcare Payment Reform Fund. The fund shall be credited with any monies transferred under
3338 section 91 and any monies credited or transferred to the fund from any other fund or source.

3339 SECTION 99. Pursuant to section 2 of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171-1177,
3340 entitled "An act to prohibit transportation of gaming devices in interstate and foreign
3341 commerce", approved January 2, 1951, the commonwealth, acting by and through its duly
3342 elected and qualified members of the general court, hereby declares and proclaims that it shall be
3343 exempt from the provisions of chapter 1194, 64 Stat. 1134, and also designated as 15 U.S.C. 117
3344 -1178 for any gambling device authorized for use and transport under chapter 23K of the General
3345 Laws and any regulations promulgated thereunder.

3346 SECTION 100. Notwithstanding any general or special law to the contrary, all shipments
3347 of gambling devices into the commonwealth, including slot machines, the registering, recording

3348 and labeling of which has been duly had by the manufacturer or dealer thereof in accordance
3349 with sections 3 and 4 of "An act to prohibit transportation of gambling devices in interstate and
3350 foreign commerce,", 15 USC §§ 1171-1177, shall be deemed legal shipments thereof into the
3351 commonwealth.

3352 SECTION 101. Notwithstanding any general or special law to the contrary, the
3353 Massachusetts gaming commission shall analyze the laws relating to charitable gaming, raffles
3354 and bazaars in effect on the effective date of this act, including section 7A of chapter 271. The
3355 analysis shall include a review of the efficacy of those laws and the need to update, redraft or
3356 repeal said laws. The commission shall report its findings and recommendations, together with
3357 drafts of legislation necessary to carry those recommendations into effect, by filing the same
3358 with the clerks of the senate and house of representatives and with the house and senate chairs of
3359 the joint committee on economic development and emerging technologies not later than April 1,
3360 2012.

3361 SECTION 102. Notwithstanding any general or special law to the contrary, the
3362 Massachusetts gaming commission, established by chapter 23K of the General Laws, shall
3363 analyze the pari-mutuel and simulcasting laws in effect on the effective date of this act. The
3364 analysis shall include a review of the efficacy of those laws and the need to replace those laws
3365 pursuant to the continuation of chapters 128A and 128C of the General Laws in this act. The
3366 analysis shall not address whether to increase the number of running horse, harness horse or
3367 greyhound racing meeting licensees in the commonwealth. The commission shall report its
3368 findings and recommendations, together with drafts of legislation necessary to carry those
3369 recommendations into effect, by filing the same with the clerks of the senate and house of

3370 representatives and with the house and senate chairs of the joint committee on economic
3371 development and emerging technologies not later than January 1, 2013.

3372 SECTION 103. The first report required under section 71 of chapter 23K shall be
3373 submitted not later than 2 years after the effective date of this act.

3374 SECTION 104. Clause 41 of section 4 of chapter 23K shall take effect on July 31, 2012.

3375 SECTION 105. Section 17 shall take effect on July 31, 2014.

3376 SECTION 106. Section 31 shall be effective for tax years beginning January 1, 2012.

3377 SECTION 107. Section 32 shall take effect on December 31, 2018.

3378 SECTION 108. Sections 38 and 40 shall take effect on July 31, 2014.

3379 SECTION 109. Subsection (a) of Section 85 shall take effect April 1, 2012.