HOUSE . . . . . No. 3977

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 21, 2021.

The committee on Ways and Means, to whom was referred the Bill to regulate sports wagering (House, No. 3974), reports recommending that the accompanying bill (House, No. 3977) ought to pass with an amendment substituting therefor the accompanying bill (House, No. 3977).

For the committee,

AARON MICHLEWITZ.

FILED ON: 7/21/2021

HOUSE . . . . . No. 3977

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court
(2021-2022)

An Act regulating sports wagering.

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

SECTION 1. Section 7 of chapter 4 of the General Laws is hereby amended by striking out clause Tenth, as appearing in the 2018 Official Edition, and inserting in place thereof the following clause:-

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

SECTION 2. Chapter 12 of the General Laws is hereby amended by inserting after section 11M the following section:-

Section 11M½. Notwithstanding sections 24, 24A and 27 of chapter 10, chapter 271 or any other general or special law to the contrary, a person or entity that offers fantasy contests for a cash prize to members of the public may offer a fantasy contest to residents of the commonwealth pursuant to and in accordance with regulations promulgated by the attorney general; provided further, for the purposes of section 7 of chapter 4, a fantasy contest shall not be considered illegal gaming. "Fantasy contest" includes any fantasy or simulated game or contest, including, but not limited to, any fantasy or simulated game or contest based on college or professional sports events in which: (i) the value of all prizes and awards offered to winning participants are established and made known to the participants in advance of the contest; (ii) all winning outcomes reflect the relative knowledge and skill of the participants and shall be determined predominantly by accumulated statistical results of the performance of individuals, including athletes in the case of sports events; and (iii) no winning outcome is based on the score, point spread, or any performance or performances of any single actual team or combination of such teams or solely on any single performance of an individual athlete or player in any single actual event.

SECTION 3. Section 4 of chapter 23K, as appearing in the 2018 Official Edition, is hereby amended by striking out subsections (40) and (41) and inserting in place thereof the following 3 subsections:-

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

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

(42) regulate and enforce chapter 23N relating to sports wagering.

SECTION 4. The General Laws are hereby amended by inserting after chapter 23M the following chapter:-

CHAPTER 23N

AUTHORIZATION AND REGULATION OF SPORTS WAGERING

Section 1. This chapter shall be known and may be cited as the "Massachusetts Sports Wagering Act".

Section 2. Notwithstanding any general or special law to the contrary, the operation of sports wagering and ancillary activities shall be lawful when conducted in accordance with this chapter and the rules and regulations of the commission.

Section 3. As used in this chapter the following words shall, unless the context clearly requires otherwise, have the following meanings:

"Adjusted gross sports wagering receipts", an operator's total gross receipts from sports wagering, excluding sports wagers made with promotional gaming credits, less the total of all winnings paid to wagerers in such games, which shall include the cash equivalent of any merchandise or thing of value awarded as a prize, and all excise taxes paid pursuant to federal law.

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

"Applicant", a person who has applied for a license to engage in activity regulated under this chapter.

"Category 1 license", a license issued by the commission that permits the operation of sports wagering in person at a gaming establishment, as defined in section 2 of chapter 23K, and through not more than 3 individually-branded mobile applications or other digital platforms approved by the commission; provided, that the mobile applications or other digital platforms shall be qualified for and issued a category 3 license.

"Category 2 license", a license issued by the commission that permits the operation of sports wagering in-person on the premises where either: (1) live horse racing is conducted in accordance with chapter 128A or (2) the licensee is authorized by law to conduct simulcast wagering on horse or greyhound racing, and through not more than 1 individually branded mobile application or other digital platform approved by the commission; provided, that the mobile applications or other digital platforms shall be qualified for and issued a category 3 license; provided further, that the commission may issue a category 2 license to: (1) a person or entity licensed by the commission in accordance with said chapter 128A to conduct a live horse racing meeting, (2) a running horse racing licensee that conducted simulcast wagering as of December 31, 2021 as authorized by law, or (3) a greyhound meeting licensee that conducted simulcast wagering as of December 31, 2021 as authorized by law.

"Category 3 license", a license issued by the commission that permits the operation of sports wagering through a mobile application and other digital platforms approved by the commission.

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

"Collegiate sport or athletic event", a sport or athletic event offered or sponsored by, or played in connection with, a public or private institution that offers educational services beyond the secondary level.

"Commission", the Massachusetts gaming commission established in section 3 of chapter 23K.

"Governmental authority", any governmental unit of a national, state or local body exercising governmental functions, except the United States government.

"License", any license applied for or issued by the commission under this chapter, including, but not limited to: (i) an operator license or (ii) an occupational license.

"National criminal history background check system", the criminal history record system maintained by the Federal Bureau of Investigation, based on fingerprint identification or any other method of positive identification.

"Occupational license", a license required to be held by an employee of an operator when the employee performs duties directly related to the operation of sports wagering in the commonwealth in a supervisory role.

"Official league data", statistics, results, outcomes and other data relating to a sporting event that is obtained pursuant to an agreement with the relevant sports governing body, or with an entity expressly authorized by the relevant sports governing body to provide such data to sports wagering operators, which authorizes the use of such data for determining the outcome of tier 2 sports wagers on such sporting event.

"Operator" or "sports wagering operator", any entity permitted under this chapter to offer sports wagering to persons in the commonwealth through a category 1 license, category 2 license or category 3 license.

"Operator license", a category 1 license, category 2 license or category 3 license to operate sports wagering.

"Personal biometric data", any information about an athlete that is derived from that athlete's physical or physiological characteristics, including, but not limited to, deoxyribonucleic acid, heart rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels, hydration levels, vitamin levels, bone density, muscle density or sleep patterns.

"Professional sport or athletic event", an event at which 2 or more persons participate in a sports event and receive compensation in excess of actual expenses for their participation in such event.

"Promotional gaming credit", a sports wagering credit or other item issued by an operator to a patron to enable the placement of a sports wager.

"Qualified gaming entity", an entity that: (i) holds a gaming license as defined in section 2 of chapter 23K; (ii) (a) is licensed by the commission in accordance with chapter 128A to conduct a live horse racing meeting, (b) is a running horse racing licensee that conducted simulcast wagering as of December 31, 2021 as authorized by law or (c) is a greyhound meeting licensee that conducted simulcast wagering as of December 31, 2021 as authorized by law; or (iii) offers an interactive sports wagering platform through a mobile application or other digital platform.

"Sports event" or "sporting event", any professional sport or athletic event, collegiate sport or athletic event, motor race event, electronic sports event, competitive video game event or any other event authorized by the commission under this chapter.

"Sports governing body", an organization that is headquartered in the United States and prescribes final rules and enforces codes of conduct with respect to a sporting event and participants therein; provided, however, that, notwithstanding the foregoing, the commission shall adopt regulations to determine the governing body for electronic sports for the purposes of this chapter.

"Sports wager", a wager on a sporting event or a portion of a sporting event.

"Sports wagering", the business of accepting wagers on sporting events or portions of sporting events, other events, the individual performance statistics of athletes in a sporting event or other events or a combination of any of the same by any system or method of wagering approved by the commission including, but not limited to, mobile applications and other digital

platforms; provided, that sports wagering shall not include the acceptance of any wager: (i) with an outcome dependent on the performance of an individual athlete in any collegiate sport or athletic event, including, but not limited, to in-game or in-play wagers; (ii) on a high school or youth sporting event; or (iii) on injuries, penalties, player discipline or replay review; and provided further, that sports wagering shall not include fantasy contests as defined in section 11M½ of chapter 12. Sports wagering shall include, but shall not be limited to, single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets and straight bets.

"Sports wagering account", a financial record established by an operator for an individual patron in which the patron may deposit by any method approved by the commission and withdraw funds for sports wagering and other authorized purchases, and to which the operator may credit winnings or other amounts due to or authorized by that patron. Such account may be established and funded by the patron electronically through an approved mobile application or digital platform.

"Tier 1 sports wager", a sports wager that is determined solely by the final score or outcome of a sporting event and is placed before the sporting event has begun.

"Tier 2 sports wager", a sports wager that is not a tier 1 sports wager.

"Wager", a sum of money or thing of value risked on an uncertain occurrence.

Section 4. (a) The commission shall regulate the conduct of sports wagering under this chapter.

(b) The commission may promulgate rules and regulations necessary for the implementation, administration and enforcement of this chapter. The commission may promulgate emergency rules and regulations in accordance with applicable procedures for the promulgation of emergency rules and regulations.

(c) The commission shall promulgate regulations to prohibit: (i) the purchase or other use of any personal biometric data of an athlete for sports wagering or aiding a patron in placing a wager with sports wagering operators; and (ii) the following advertising, marketing and branding activities:

(A) advertisements, marketing and branding in such a manner that it is deceptive, false, misleading, or untrue, or tends to deceive or create a misleading impression whether directly, or by ambiguity or omission;

(B) use of unsolicited pop-up advertisements on the internet or by text message directed to an individual on the list of self-excluded persons established pursuant to paragraph (2) of subsection (e) of section 13;

(C) any form of advertising, marketing or branding that the commission deems unacceptable or disruptive to the viewer experience at a sports event;

(D) advertising, marketing and branding deemed to appeal directly to a person younger than 21 years old; and

(E) advertising on any billboards, or any other public signage, which fails to comply with any federal state or local law.

(d) The commission may promulgate rules and regulations including, but not limited to, those governing the acceptance of wagers on a sports event, other event or a series of sports events; types of wagering receipts which may be used; methods of issuing receipts; methods of accounting to be used by operators; types of records to be kept; types of systems for wagering; protections for patrons placing wagers; and promotion of social responsibility and responsible gambling; provided, that such regulations shall include a requirement that all mobile applications and digital platforms authorized for sports wagering include prominently upon each entry into the application or platform, the following statement: "If you or someone you know has a gambling problem and wants help, call the Massachusetts Council on Gaming and Health on the Safer Gaming Education Line at 1-800-426-1234 or the Massachusetts Department of Public Health helpline at 1-800-327-5050."

(e) The commission shall: (i) determine the eligibility of a person to hold or continue to hold a license; (ii) issue all licenses; and (iii) maintain a record of all licenses issued under this chapter. The commission may accept applications, evaluate qualifications of applicants, undertake initial review of licenses and issue temporary licenses.

(f) The commission shall levy and collect all fees, surcharges, civil penalties and taxes on adjusted gross sports wagering receipts imposed by this chapter, except as otherwise provided under this chapter.

(g) The commission shall have the authority to enforce this chapter and any rule or regulation of the commission and may request that the attorney general bring an action to enforce this chapter or any rule or regulation of the commission by civil action or petition for injunctive relief.

(h) The commission may hold hearings, administer oaths and issue subpoenas or subpoenas duces tecum in order to enforce this chapter and the rules and regulations of the commission.

(i) The commission may exercise any other powers necessary to effectuate this chapter and the rules and regulations of the commission.

Section 5. (a) No person shall engage in any activity in connection with sports wagering in the commonwealth unless all necessary licenses or temporary licenses have been obtained in accordance with this chapter and the rules and regulations of the commission.

(b) The commission shall not grant an operator license, other than a temporary license pursuant to subsection (c) of section 6, until it determines that each person who has control of the applicant meets all qualifications for licensure. The following persons are considered to have control of an applicant:

(1) Each person who owns 10 per cent or more of a corporate applicant and who has the ability to control the activities of the corporate applicant; provided, however, that a bank or other licensed lending institution which holds a mortgage or other lien acquired in the ordinary course of business shall not be considered to have control of an applicant;

(2) Each person who holds a beneficial or proprietary interest of 10 per cent or more of a non-corporate applicant’s business operation and who has the ability to control the activities of the non-corporate applicant; and

(3) At the commission's discretion, any executive, employee or agent having the power to exercise significant influence over decisions concerning the applicant's sports wagering operations in the commonwealth.

(c) Each controlling person pursuant to subsection (b) shall submit to the commission an application in a form determined by the commission, and each such controlling person who is a natural person shall submit to the commission: (i) fingerprints for a national criminal records check by the department of the state police and the Federal Bureau of Investigation; and (ii) a signed authorization for the release of information by the department of the state police and the Federal Bureau of Investigation; provided, however, that a controlling person who is a natural person that has submitted to a national criminal records check in any jurisdiction within the previous year shall not be required to submit to another national criminal records check if such person submits to the commission the results of such previous national criminal records check. Any applicant convicted of any disqualifying offense, as determined by the commission, shall not be licensed.

(d) Each person licensed under this chapter shall give the commission written notice within 30 days of any change to any material information provided in the application for a license or renewal.

(e) No commission employee shall be an applicant for any license issued under this chapter.

Section 6. (a) A licensed qualified gaming entity may operate sports wagering upon the approval of the commission.

(b)(1) The commission shall issue a category 1 license to any holder of a gaming license, as defined in section 2 of chapter 23K, that meets the requirements of this chapter and the rules and regulations of the commission; provided, however, that any holder of a category 1 license shall not be issued a category 2 license.

(2) The commission shall issue a category 2 license to: (i) any holder of a license to conduct a live horse racing meeting in accordance with chapter 128A, or its successor; (ii) a running horse racing licensee that conducted simulcast wagering as of 2021 as authorized by law; or (iii) a greyhound meeting licensee that conducted simulcast wagering as of 2021 as authorized by law; that meets the requirements of this chapter and the rules and regulations of the commission; provided, however, that any holder of a category 2 license shall not be issued a category 1 license; and provided further, that no more than 1 category 2 license shall be issued to any 1 person, entity, or affiliate or close associate of such person or entity.

(3) The commission may issue a category 3 license to any entity that offers sports wagering through a mobile application or other digital platform that meets the requirements of this chapter and the rules and regulations of the commission.

(4) A category 1 or category 2 licensee may enter into agreements related to mobile or digital sports wagering with a category 3 licensee pursuant to the approval of the commission.

(c)(1) A qualified gaming entity may submit to the commission a request for a temporary license for the immediate commencement of sports wagering operations. Such request shall include an initial licensing fee of $1,000,000 payable to the commission.

(2) Upon receiving a request for a temporary license, the executive director of the commission shall review the request. If the executive director determines that the entity

requesting the temporary license is a qualified gaming entity and has paid the sports wagering initial licensing fee pursuant to paragraph (1), the commission shall authorize the qualified gaming entity to conduct sports wagering for a period of 1 year under a temporary license or until a final determination on its operator license application is made.

(3) All sports wagering conducted under authority of a temporary license shall comply with the house rules adopted under section 10.

(d) Upon receipt of an application for an operator license, the commission shall commence an investigation into the suitability of the applicant. The commission may use information obtained from the applicant pursuant to chapter 23K, chapter 128A, chapter 128C, or information from other jurisdictions where the applicant is authorized to conduct sports wagering. In evaluating the suitability of the applicant, the commission shall consider the overall reputation of the applicant including, without limitation:

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

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

(3) the business practices and the business ability of the applicant to establish and maintain a successful sports wagering operation;

(4) whether the applicant has a history of compliance with gaming or sports wagering licensing requirements in other jurisdictions;

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

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

(e) The commission may deny an application, if the commission determines during its investigation that an applicant has failed to: (i) establish the applicant's integrity or the integrity of any affiliate, close associate, financial resources or any person required to be qualified by the commission; (ii) demonstrate responsible business practices in any jurisdiction; or (iii) overcome any other reason, as determined by the commission, as to why it would be injurious to the interests of the commonwealth to award the applicant an operator license.

(f) Upon application by a qualified gaming entity that is not denied pursuant to subsection (e) and payment of a $5,000,000 licensing fee, the commission shall grant an operator license to a qualified gaming entity that provides the right to conduct sports wagering; provided, that the qualified gaming entity shall meet the requirements for licensure under this chapter and the rules and regulations of the commission. Such license shall be issued for a 5-year period, and may be renewed for 5-year periods upon payment of a $5,000,000 renewal fee; provided, that the operator shall continue to meet all requirements under this chapter and the rules and regulations of the commission. The commission shall credit any initial licensing fee paid pursuant to paragraph (1) of subsection (c) to a successful applicant for an operator license against the licensing fee due under this subsection.

(g) An operator shall submit to the commission such documentation or information as the commission may require to demonstrate that the operator continues to meet the requirements of this chapter and the rules and regulations of the commission. An operator shall submit required documentation or information no later than 5 years after issuance of its operator license and

every 5 years thereafter, or within lesser periods based on circumstances specified by the commission.

(h) No licensee shall transfer an operator license, or any direct or indirect interest in the license, without the majority approval of the commission. A person seeking to acquire such license through a transfer shall qualify and otherwise be determined by the commission to be eligible for licensure under this chapter. The commission may reject a proposed license transfer or a proposed transfer of interest in the license to an unsuitable person and may reject a proposed transfer that, in the determination of the commission, would be injurious to the interests of the commonwealth. The commission may promulgate regulations governing this process which may include assessment of a fee to reflect the cost associated with reviewing the proposed transfer.

(i) Applications for operator licenses shall be public records under section 10 of chapter 66; provided however, that trade secrets, competitively-sensitive or other proprietary information provided in the course of an application for an operator license under this chapter, the disclosure of which would place the applicant at a competitive disadvantage, may be withheld from disclosure under said section 10 of said chapter 66.

Section 7. (a) An applicant for an operator license shall pay to the commission a nonrefundable processing fee of $100,000 to defray the costs associated with the processing of the application and investigation of the applicant; provided, however, that if the costs of the investigation exceed the initial application fee, the applicant shall pay the additional amount to the commission within 30 days after notification of insufficient fees or the application shall be rejected.

(b) All fees in this section shall be deposited into the Sports Wagering Control Fund established in section 15.

Section 8. (a) All persons employed by an operator to perform duties directly related to the operation of sports wagering in the commonwealth in a supervisory role shall maintain a valid occupational license issued by the commission. The commission shall issue such occupational license to a person who meets the requirements of this section.

(b) An occupational license authorizes the licensee to be employed in the capacity designated by the commission while the license is active. The commission may establish, by rule or regulation, job classifications with different requirements based on the extent to which a particular job impacts, or has the potential to impact, the lawful operation of sports wagering.

(c) An applicant for an occupational license shall submit any required application forms established by the commission and shall pay a nonrefundable application fee of $100. An employer may pay an application fee on behalf of an applicant.

(d) Each occupational license holder shall annually pay to the commission a license fee of $100 by March 1 and submit a renewal application on the form established by the commission. An employer may pay a license fee on behalf of the licensed employee.

Section 9. (a) The commission may deny a license to any applicant, reprimand any licensee or suspend or revoke a license, if the applicant or licensee:

(1) has knowingly made a false statement of a material fact to the commission;

(2) has had a license revoked by any governmental authority responsible for regulation of gaming activities;

(3) has been convicted of a felony or other crime involving embezzlement, theft, fraud, perjury, or a gambling-related offense;

(4) has not demonstrated to the satisfaction of the commission financial responsibility sufficient to adequately meet the requirements of the proposed enterprise;

(5) has affiliates or close associates that would not qualify for a license or whose relationship with the applicant may pose an injurious threat to the interests of the commonwealth in awarding an operator license to the applicant; or

(6) is not the true owner of the business or is not the sole owner and has not disclosed the existence or identity of other persons who have an ownership interest in the business.

(b) The commission may deny, suspend or revoke an operator license or reprimand any licensee if the applicant or licensee has not met the requirements of this chapter.

Section 10. (a) Each operator and each qualified gaming entity conducting sports wagering under a temporary license shall adopt comprehensive house rules for game play governing sports wagering transactions with its patrons. The house rules shall specify the amounts to be paid on winning wagers and the effect of sports event schedule changes. The commission shall approve house rules prior to implementation by an operator or entity conducting sports wagering under a temporary license.

(b) The house rules, together with any other information the commission deems appropriate, shall be accessible to any patrons of the sports wagering operator. The operator shall make copies readily available to patrons.

Section 11. (a) Sports wagering operators shall employ commercially reasonable methods to:

(1) prohibit the operator, directors, officers, owners and employees of the operator, and any relative living in the same household as such persons, from placing bets with the operator;

(2) prohibit athletes, coaches, referees, team owners, employees of a sports governing body or its member teams and player and referee union personnel from wagering on any sporting event of their sport's governing body; provided, that in determining which persons are excluded from placing wagers under this subsection, operators shall use lists of such persons that the sports governing body may provide to the commission;

(3) prohibit any individual with access to non-public confidential information held by the operator from placing wagers with the operator;

(4) prohibit persons from placing wagers as agents or proxies for others; and

(5) maintain the security of wagering data, customer data and other confidential information from unauthorized access and dissemination; provided, however, that nothing in this chapter shall preclude the use of internet or cloud-based hosting of such data and information or disclosure as required by court order, other law or this chapter; and provided further, that such data and information shall be hosted in the United States.

(b) A sports governing body may submit to the commission in writing, by providing notice in such form and manner as the commission may require, a request to restrict, limit or exclude a certain type, form or category of sports wagering with respect to sporting events of such body, if the sports governing body believes that such type, form or category of sports

wagering with respect to sporting events of such body is contrary to public policy, unfair to consumers, may undermine the perceived integrity of such body or sporting events of such body or affects the integrity of such body or sporting events of such body. The commission shall request comment from sports wagering operators on all such requests. After giving due consideration to all comments received, the commission shall, upon a demonstration of good cause from the requestor, grant the request. The commission shall respond to a request concerning a particular event before the start of the event, or if it is not feasible to respond before the start of the event, no later than 7 days after the request is made; provided, that if the commission determines that the requestor is more likely than not to prevail in successfully demonstrating good cause for its request, the commission may provisionally grant the request of the sports governing body until the commission makes a final determination as to whether the requestor has demonstrated good cause. Absent such a provisional grant by the commission, sports wagering operators may continue to offer sports wagering on sporting events that are the subject of such a request during the pendency of the consideration of the applicable request.

(c) The commission shall designate a state law enforcement entity to have primary responsibility for conducting, or assisting the commission in conducting, investigations into abnormal betting activity, match fixing and other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain.

(d) The commission and sports wagering operators shall use commercially reasonable efforts to cooperate with investigations conducted by sports governing bodies or law enforcement agencies, including, but not limited to, using commercially reasonable efforts to provide or facilitate the provision of anonymized account-level betting information and audio or video files relating to persons placing wagers. All disclosures under this section are subject to the

obligation of a sports wagering operator to comply with all federal, state and local laws and regulations, including, but not limited to, laws and regulations relating to privacy and personally identifiable information.

(e) Sports wagering operators shall immediately report to the commission any information relating to:

(1) criminal or disciplinary proceedings commenced against the sports wagering operator in connection with its operations;

(2) abnormal betting activity or patterns that may indicate a concern with the integrity of a sporting event or events;

(3) any potential breach of the internal rules and codes of conduct pertaining to sports wagering of a relevant sports governing body;

(4) any other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain, including, but not limited to, match fixing; and

(5) suspicious or illegal wagering activities, including, but not limited to: (i) use of funds derived from illegal activity; (ii) wagers to conceal or launder funds derived from illegal activity; (iii) use of agents to place wagers; and (iv) use of false identification.

Sports wagering operators shall immediately report information relating to conduct described in paragraphs (2), (3) and (4) of this subsection to the relevant sports governing body.

(f) The commission and sports wagering operators shall maintain the confidentiality of information provided by a sports governing body for purposes of investigating or preventing the conduct described in paragraphs (2), (3) and (4) of subsection (e), unless disclosure is required

by this chapter, the commission, other law or court order or unless the sports governing body consents to disclosure.

(g) With respect to any information provided by a sports wagering operator to a sports governing body relating to conduct described in paragraphs (2), (3) and (4) of subsection (e), a sports governing body:

(1) shall only use such information for integrity purposes and shall not use the information for any commercial or other purpose; and

(2) shall maintain the confidentiality of such information, unless disclosure is required by this chapter, the commission, other law or court order or unless the sports wagering operator consents to disclosure; provided, that the sports governing body may make disclosures necessary to conduct and resolve integrity-related investigations and may publicly disclose such information if required by its integrity policies or if deemed by the sports governing body in its reasonable judgment to be necessary to maintain the actual or perceived integrity of its sporting events, and subject in all cases to the sports governing body's compliance with federal, state and local laws and regulations, including, but not limited to, laws and regulations relating to privacy and personally identifiable information. Prior to any such public disclosure that would identify the sports wagering operator by name, the sports governing body shall provide such sports wagering operator with notice of such disclosure and an opportunity to object to such disclosure.

(h) Sports wagering operators shall maintain records of all wagers placed by its patrons, including: (i) personally identifiable information of the patron; (ii) amount and type of the bet; (iii) the time the bet was placed; (iv) the location of the bet, including the Internet Protocol, or IP, address if applicable; (v) the outcome of the bet; and (vi) records of abnormal betting activity

for 3 years after a sporting event occurs and video camera recordings in the case of in-person wagers for at least 1 year after a sporting event occurs, and shall make this data available for inspection upon request of the commission or as required by court order.

(i) A sports wagering operator shall use commercially reasonable efforts to maintain in real time and at the account level, anonymized information for each patron, including: (i) the amount and type of bet; (ii) the time the bet was placed; (iii) the location of the bet, including the Internet Protocol, or IP, address if applicable; (iv) the outcome of the bet; and (v) records of abnormal betting activity. The commission may request the information in the form and manner as it requires. Nothing in this section shall require a sports wagering operator to provide any information prohibited by federal, state or local laws or regulations, including, but not limited to, laws and regulations relating to privacy and personally identifiable information.

(j) If a sports governing body has notified the commission and demonstrated a need for access to the information described in subsection (i) for wagers placed on sporting events of the sports governing body for integrity monitoring purposes, and demonstrated the capability to use the data for the purpose of effectively monitoring the integrity of sporting events of the sports governing body, a sports wagering operator shall share, in a commercially reasonable frequency, form and manner, with the sports governing body or its designee the same information the sports wagering operator is required to maintain pursuant to subsection (i) with respect to sports wagers on sporting events of the sports governing body. A sports governing body and its designee shall only use information received pursuant to this section for integrity-monitoring purposes and shall not use information received pursuant to this section for any commercial or other purpose. Nothing in this section shall require a sports wagering operator to provide any information that is

prohibited by federal, state or local laws or regulations, including, but not limited to, laws and regulations relating to privacy and personally identifiable information.

(k)(1) A sports wagering operator shall conduct a background check on each newly hired employee. Background checks shall search for criminal history, charges or convictions involving corruption or manipulation of sporting events and association with organized crime.

(2) A sports wagering operator shall conduct a single background check on any employee hired prior to the effective date of this act. Background checks shall search for criminal history, charges or convictions involving corruption or manipulation of sporting events and association with organized crime.

Section 12. (a) All operators licensed pursuant to this chapter to conduct sports wagering shall:

(1) employ a monitoring system utilizing software to identify irregularities in volume or changes in odds that could signal suspicious activities and promptly report such information to the commission for further investigation. System requirements and specifications shall be developed according to industry standards and implemented by the commission as part of the minimum internal control standards;

(2) promptly report to the commission any facts or circumstances related to the operation of a sports wagering licensee which constitute a violation of state or federal law and promptly report to the appropriate state or federal authorities any suspicious betting over a threshold set by the operator that has been approved by the commission;

(3) conduct all sports wagering activities and functions in a manner that does not pose a threat to the public health, safety or welfare of the residents of the commonwealth;

(4) keep current in all payments and obligations to the commission;

(5) prevent any person from tampering with or interfering with the operation of any sports wagering;

(6) ensure that mobile sports wagering occurs only using a commission-approved mobile application or other digital platform to accept wagers initiated within the commonwealth;

(7) maintain sufficient cash and other supplies to conduct sports wagering at all times; and

(8) maintain daily records showing the gross sports wagering receipts and adjusted gross sports wagering receipts of the licensee from sports wagering and timely file with the commission any additional reports required by rule, regulation or this chapter.

(b) Sports wagering operators may use any data source for determining:

(1) the results of any and all tier 1 sports wagers on any and all sporting events; and

(2) the results of any and all tier 2 sports wagers on sporting events of an organization that is not headquartered in the United States.

(c) A sports governing body may notify the commission that it desires sports wagering operators to use official league data to settle tier 2 sports wagers on sporting events of such sports governing body. The notification shall be made in the form and manner as the commission may require. Within 5 days of receipt of the notification, the commission shall notify each sports

wagering operator of the requirement to use official league data to settle tier 2 sports wagers. If a sports governing body does not notify the commission of its desire to supply official league data, a sports wagering operator may use any data source for determining the results of any and all tier 2 sports wagers on sporting events of the sports governing body.

(d) Within 60 days of the commission notifying a sport wagering operator of the requirement to use official league data to settle tier 2 sports wagers pursuant to subsection (c), or such longer period as may be agreed between the sports governing body and the applicable sports wagering operator, a sports wagering operator shall use only official league data to determine the results of tier 2 sports wagers on sporting events of that sports governing body, unless:

(1) the sports governing body or its designee cannot provide a feed of official league data to determine the results of a particular type of tier 2 sports wager, in which case a sports wagering operator may use any data source for determining the results of the applicable tier 2 sports wager until such time a data feed becomes available from the sports governing body on commercially reasonable terms and conditions; or

(2) a sports wagering operator can demonstrate to the commission that the sports governing body or its designee will not provide a feed of official league data to the sports wagering operator on commercially reasonable terms and conditions.

(e) In evaluating whether official league data is offered on commercially reasonable terms and conditions for purposes of paragraphs (1) and (2) of subsection (d), the commission may consider factors, including, but not limited to:

(1) the availability of official league data to a sports wagering operator from more than 1 authorized source;

(2) market information, including, but not limited to, price and other terms and conditions regarding the purchase by sports wagering operators of comparable data for the purpose of settling sports wagers in the commonwealth and other jurisdictions;

(3) the nature and quantity of data, including the quality and complexity of the process used for collecting the data; and

(4) the extent to which a sports governing body or its designee has made data used to settle tier 2 wagers available to sports wagering operators and any terms and conditions relating to the use of that data.

(f) Notwithstanding anything to the contrary set forth herein, including, but not limited to, subsection (d), during the pendency of the determination of the commission as to whether a sports governing body or its designee may provide official league data on commercially reasonable terms, a sports wagering operator may use any data source to determine the results of tier 2 sports wagers. The determination shall be made within 120 days of the sports wagering operator notifying the commission that it requests to demonstrate that the sports governing body or its designee will not provide a feed of official league data to the sports wagering operator on commercially reasonable terms.

(g) A sports governing body may enter into commercial agreements with a sports wagering operator or other entity in which such sports governing body may share in the amount wagered or revenues derived from sports wagering on sporting events of the sports governing

body. A sports governing body shall not be required to obtain a license or any other approval from the commission to lawfully accept such amounts or revenues.

Section 13. (a) Holders of category 1 and category 2 licenses may accept wagers on sports events and other events authorized pursuant to this chapter in person at authorized facilities.

(b) Holders of an operator license may accept wagers on sports events and other events authorized pursuant to this chapter from individuals physically located within the commonwealth using mobile applications or digital platforms approved by the commission, through the patron's sports wagering account. The branding for each mobile application or digital platform shall be determined by the operator. All bets authorized pursuant to this section must be initiated, received and otherwise made within the commonwealth. Consistent with the intent of the federal Unlawful Internet Gambling Enforcement Act of 2006, 31 U.S.C. section 5361 to 5367, inclusive, the intermediate routing of electronic data related to a lawful intrastate wager authorized pursuant to this chapter shall not determine the location or locations in which the wager is initiated, received or otherwise made.

(c) An operator may: (i) accept wagers placed by other operators and (ii) place wagers with other operators; provided, that any operator that places a wager with another operator shall inform the operator accepting the wager that the wager is being placed by an operator and shall disclose the operator's identity.

(d) A person placing a wager shall be at least 21 years of age.

(e)(1) The commission or operator may ban any person from participating in the play or operation of any sports wagering consistent with rules and regulations promulgated by the

commission. A list of all excluded patrons shall be kept by the commission and provided to each licensee. No patron on the exclusion list shall be permitted to conduct sports wagering pursuant to this chapter.

(2) The commission shall establish a list of self-excluded persons from sports wagering. A person may request their name to be placed on the list of self-excluded persons by filing a statement with the commission acknowledging that they are a problem gambler and by agreeing that, during any period of voluntary exclusion, they shall not collect any winnings or recover any losses resulting from any sports wagering. The commission shall adopt further regulations for the self-excluded persons list including procedures for placement, removal and transmittal of the list to sports wagering operators. The commission may revoke, limit, condition, suspend or fine a sports wagering operator if the operator knowingly or recklessly fails to exclude or eject from its premises any person placed on the list of self-excluded persons. The list of self-excluded persons from sports wagering shall not be open to public inspection.

(f) No employee may place a sports wager at any facility or through any mobile application or digital platform owned or operated by their employer.

(g) Sections 24, 24A and 27 of chapter 10 of the General Laws shall not apply to an operator conducting sports wagering in accordance with this chapter.

Section 14. (a)(1) An excise is hereby imposed upon sports wagering operators in the commonwealth at the rate of: (i) 12.5 per cent of the operator’s adjusted gross sports wagering receipts from the operation of in-person sports wagering; and (ii) 15 per cent of the operator’s adjusted gross sports wagering receipts from the operation of sports wagering through mobile applications and other digital platforms approved by the commission. The accrual method of

accounting shall be used for purposes of calculating the amount of the tax owed by the licensee. The excise shall be paid to the commission at the time provided for filing the return pursuant to subsection (b).

(2) Annually not later than October 15, each sports wagering operator shall submit to the commission the number of sports events that took place at sports stadiums or other sports facilities physically located in the commonwealth and the adjusted gross sports wagering receipts collected from each event. The commission shall impose and collect an excise equal to 1 per cent of the operator's adjusted gross sports wagering receipts from these events. Annually, not later than December 31, the excise collected by the commission pursuant to this paragraph shall be proportionately distributed to each sports stadium or other sports facility based on the amount of excise collected from sports events that took place at each sports stadium or other sports facility during the previous calendar year. A sports stadium or other sports facility shall use the funds received pursuant to this paragraph only for the purpose of sports wagering security and integrity and shall report annually to the commission the amounts spent and purposes of such spending in a form prescribed by the commission.

(b)(1) The excise imposed and collected pursuant to paragraph (1) of subsection (a) shall be due and payable to the commission in monthly installments on or before the fifteenth calendar day following the calendar month in which the adjusted gross sports wagering receipts were received.

(2) On or before the fifteenth calendar day of each month, the operator shall complete and submit the return for the preceding month by electronic communication to the commission in a form prescribed by the commission that provides:

(i) the total gross sports wagering receipts and adjusted gross sports wagering receipts from operation of sports wagering during that month;

(ii) the tax amount for which the sports wagering licensee is liable; and

(iii) any additional information necessary in the computation and collection of the tax on adjusted gross sports wagering receipts required by the commission.

(3) The excise amount shown to be due shall be remitted by electronic funds transfer simultaneously with the filing of the return.

(4) When an operator's adjusted gross sports wagering receipts for a month is a negative number because the winnings paid to wagerers and excise taxes paid pursuant to federal law exceed the operator's total gross receipts from sports wagering, the commission shall allow the operator to carry over the negative amount to returns filed for subsequent months. The negative amount of adjusted gross sports wagering receipts shall not be carried back to an earlier month and taxes previously received by the commission shall not be refunded unless the operator surrenders its license and the operator's last return reported negative adjusted gross sports wagering receipts.

(c) The excise on adjusted gross sports wagering receipts imposed by this section shall be in lieu of all other state and local taxes and fees imposed on the operation of, or the proceeds from operation of, sports wagering.

(d) Annually, not later than July 1, the commission shall publish a report stating the amount received from sports wagering operator licensees in fees, surcharges, civil penalties and taxes.

Section 15. (a) There shall be established and set up on the books of the commonwealth a separate fund to be known as the Sports Wagering Control Fund. The commission shall be the trustee of the fund and shall expend monies to finance operational activities of the commission pertaining to sports wagering. The fund shall be credited with: (i) any appropriation, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto; (ii) the proceeds of any fees collected pursuant to this section unless otherwise specified; (iii) application processing fees collected pursuant to sections 7 and 8; and (iv) such additional funds as are subject to the direction and control of the commission. All available monies in the fund that are unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

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

(c) Any remaining costs of the commission necessary to maintain regulatory control over sports wagering operator licensees that are not covered by: (i) the fees set forth in subsection (b); (ii) any other fees assessed pursuant to this chapter; or (iii) any other designated sources of funding, shall be assessed annually on sports wagering operator licensees pursuant to this chapter in proportion to its share of the commonwealth's total adjusted gross sports wagering receipts. Each sports wagering operator licensee shall pay the amount assessed against it within 30 days after the date of the notice of assessment from the commission.

(d) If the fees collected pursuant to subsections (b) and (c) exceed the cost required to maintain regulatory control, the surplus funds shall be credited in proportional shares against each sports wagering operator licensee's next assessment.

(e) In addition to the fees collected pursuant to this section and any additional costs of the commission, the commission shall assess an annual fee of $1,000,000 in shares to be determined by the commission against each sports wagering operator licensee that is not a category 1 or category 2 gaming licensee, as defined in section 2 of chapter 23K. The fee collected pursuant to this subsection shall be deposited into the Public Health Trust Fund established in section 58 of said chapter 23K and shall be used for the costs of services and public health programs dedicated to addressing problems associated with compulsive gambling or other addiction services.

Section 16. There shall be established and set up on the books of the commonwealth a Sports Wagering Fund which shall receive revenues collected pursuant to sections 6 and 14. The commission shall be the trustee of the fund and shall transfer monies from the fund as follows:

(1) 40 per cent to the Workforce Investment Trust Fund established in section 17;

(2) 30 per cent to the Gaming Local Aid Fund established in section 63 of section 23K;

(3) 20 per cent to the Youth Development and Achievement Fund established in section 18;

(4) 9 per cent to the Public Health Trust Fund established in section 58 of section 23K; and

(5) 1 per cent to the Players' Benevolence Fund established in section 19.

Section 17. (a) There is hereby established and set up on the books of the commonwealth a separate fund to be known as the Workforce Investment Trust Fund. There shall be credited to the fund any sports wagering revenue transferred from the Sports Wagering Fund pursuant to section 16. Monies transferred to the fund shall be continuously expended, without regard for fiscal year, exclusively for carrying out the purposes of this section. Money remaining in the fund at the end of a fiscal year shall not revert to the General Fund.

(b) The fund shall be administered by the secretary of housing and economic development. Money in the fund shall be competitively granted to develop and strengthen workforce opportunities for low-income communities and vulnerable youth and young adults in the commonwealth, including providing opportunities and strategies to promote stable employment and wage growth.

(c) Eligible grant recipients shall provide opportunities which: (i) target at risk youth, including resources to empower youth to succeed in the workforce; (ii) provide job skills trainings, including programs offering trainings in multiple languages and areas for development, including education and hands on skills; and (iii) promote adult literacy, including strategies to master reading and writing and providing digital formats to increase accessibility. The secretary of housing and economic development shall establish criteria to evaluate applications for the grant program; provided, that the criteria shall include, but shall not be limited to, at risk populations; provided further, that preference shall be given to eligible grant recipients providing opportunities for individuals who meet at least 2 of the following: (i) is under 30 years of age; (ii) is a victim of violence; (iii) is over 18 years of age and does not have a high school diploma; (iv) has been convicted of a felony; (v) has been unemployed or has had a family income below

250 per cent of the federal poverty level for not less than 6 months; or (vi) lives in a census tract where over 20 per cent of the populations fall below the federal poverty line.

(d) Annually, not later than October 1, the secretary of housing and economic development shall provide a report of the grants given and a breakdown of expenditures made by the fund. The report shall be posted on the website of the executive office of housing and economic development.

Section 18. There shall be established and set up on the books of the commonwealth a fund to be known as the Youth Development and Achievement Fund. The fund shall be credited any monies transferred from the Sports Wagering Fund pursuant to section 16 and all monies credited to or transferred to the fund from any other fund or source. Expenditures from the fund shall be subject to appropriation and shall be expended equally for the following purposes:

(1) For the purposes of providing financial assistance to students from the commonwealth enrolled in and pursuing a program of higher education in any approved public or independent college, university, school of nursing or any other approved institution furnishing a program of higher education; and

(2) For the purposes of funding after-school and out-of-school activities, including, but not limited to, youth athletics and other activities that improve student health, literacy programs, academic tutoring, art, theater and music programs and community service programs.

Section 19. (a) There shall be a Players' Benevolence Fund to be administered by the commission. The fund shall be credited with: (i) funds transferred from the Sports Wagering Fund pursuant to section 16; (ii) revenue from appropriations or other money authorized by the general court and specifically designated to be credited to the fund; (iii) interest earned on money

in the fund; and (iv) funds from private sources, including, but not limited to, gifts, grants and donations received by the commonwealth that are specifically designated to be credited to the fund. All amounts credited to the fund shall be used without further appropriation for the purpose of making distributions to charitable organizations as recommended pursuant to subsection (c). Any unexpended balance in the fund at the close of a fiscal year shall not revert to the General Fund and shall be available for expenditure in subsequent fiscal years.

(b) There shall be a Players' Benevolence Fund advisory committee. The advisory committee shall consist of 9 members: 1 of whom shall be appointed by the governor and who shall serve as chair; 1 of whom shall be the state treasurer, or a designee; 1 of whom shall be appointed by the senate president; 1 of whom shall be appointed by the speaker of the house of representatives; 1 of whom shall be a designee of the National Football League Players Association; 1 of whom shall be a designee of the Major League Baseball Players Association; 1 of whom shall be a designee of the National Basketball Players Association; 1 of whom shall be a designee of the National Hockey League Players' Association; and 1 of whom shall be a designee of the Major League Soccer Players Association.

(c) The advisory committee shall convene at least annually and make recommendations to the commission for distributions from the Players' Benevolence Fund in a method to be determined by the committee. The committee shall recommend to the commission a distribution schedule for funds deposited in the Players' Benevolence Fund to organizations that benefit current and former professional sports players or their charitable foundations. In developing its recommendations, the advisory committee shall consider charitable organizations, including, but not limited to, organizations involved in: (i) medical research related to athletic participation; (ii)

the delivery of literacy and other academic assistance to disadvantaged and underserved youth populations; (iii) financial literacy; and (iv) education.

(d) Annually, not later than July 1, the commission shall report to the clerks of the house of representatives and senate on the fund's activities. The report shall include, but not be limited to: (i) the source and amounts of funds received; and (ii) the amounts and purpose of expenditures from the fund, including the name of each organization to which funds were distributed.

Section 20. The commission shall conduct a study into the feasibility of allowing retail locations in the commonwealth to operate sports wagering kiosks. The commission shall study issues including, but not limited to: (i) the economic impact of this chapter on retail establishments that serve alcohol, such as restaurants and bars; (ii) which retail locations have the ability to operate a sports wagering kiosk; (iii) the economic impact to the commonwealth of authorizing retail locations to operate a sports wagering kiosk; (iv) the public health and safety impacts to the commonwealth of authorizing retail locations to operate a sports wagering kiosk; (v) the potential effect of sports wagering kiosks at retail locations on problem gaming or gambling; and (vi) the impact of sports wagering kiosks at retail locations on minors. The commission shall report its findings to the clerks of the house and senate, the house and senate committees on ways and means and the joint committee on economic development and emerging technologies no later than December 31, 2022.

Section 21. (a) The commission may impose on any person who violates this chapter a civil penalty not to exceed $2,000 for each violation or $5,000 for violations arising from the

same series of events. Such penalty shall be imposed on all persons and is not limited to persons licensed under this chapter.

(b) The commission may condition, suspend, reprimand, assess a fine or revoke an operator license upon a finding that a licensee: (i) has committed a criminal or civil offense under this chapter or under any other laws of the commonwealth; (ii) is not in compliance with sports wagering regulations; (iii) is under criminal investigation in another jurisdiction; (iv) has breached a condition of licensure; (v) has affiliates, close associates or employees that are not qualified or licensed under this chapter with whom the licensee continues to conduct business or employ; (vi) is no longer capable of maintaining operations as a sports wagering operator or data supplier; or (vii) whose business practice, upon a determination by the commission, is injurious to the policy objectives of this chapter.

Section 22. (a) Whoever, other than an operator under this chapter, engages in accepting, facilitating or operating a sports wagering operation shall be punished by imprisonment in the house of correction for not more than 90 days or by a fine not to exceed $10,000, or both; and for a second offense, by imprisonment in the house of correction for not more than 6 months or by a fine of not more than $50,000, or both; and in the case of a third or subsequent violation by imprisonment in the state prison for not less than 1 but not more than 5 years or by a fine of not less than $25,000 and not more than $100,000, or both.

SECTION 5. Section 1 of chapter 137 of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by inserting after the figure “23K”, in line 3, the following words:- or sports wagering conducted pursuant to chapter 23N.

SECTION 6. Section 2 of said chapter 137, as so appearing, is hereby amended by inserting after the figure “23K”, in line 3, the following words:- or an operator who offers sports wagering pursuant to chapter 23N.

SECTION 7. Section 3 of said chapter 137, as so appearing, is hereby amended by inserting after the figure “23K”, in line 7, the following words:- or sports wagering conducted pursuant to chapter 23N.

SECTION 8. Section 1 of chapter 271 of the General Laws, as so appearing, is hereby amended by striking out, in line 4, the words “chapter 23K” and inserting in place thereof the following words:- chapters 23K and 23N.

SECTION 9. Section 2 of said chapter 271, as so appearing, is hereby amended by striking out, in line 4, the words “chapter 23K” and inserting in place thereof the following words:- chapters 23K and 23N.

SECTION 10. Section 3 of said chapter 271, as so appearing, is hereby amended by striking out, in line 1, the words “chapter 23K” and inserting in place thereof the following words:- chapters 23K and 23N.

SECTION 11. Section 5 of said chapter 271, as so appearing, is hereby amended by striking out, in line 1, the words “chapter 23K” and inserting in place thereof the following words:- chapters 23K and 23N.

SECTION 12. Section 5A of said chapter 271, as so appearing, is further amended by inserting after the words “chapter 23K”, in line 32, the following words:- or sports wagering conducted pursuant to chapter 23N.

SECTION 13. Section 5B of said chapter 271, as so appearing, is hereby amended by striking out, in line 58, the words “chapter 23K” and inserting in place thereof the following words:- chapters 23K and 23N.

SECTION 14. Section 8 of said chapter 271, as so appearing, is hereby amended by striking out, in lines 10 to 11, the words “other game of chance that is not being conducted in a gaming establishment licensed under chapter 23K” and inserting in place thereof the following words:- other game that is not being conducted pursuant to chapter 23K and any other sports wagering that is not being conducted pursuant to chapter 23N.

SECTION 15. Section 17 of said chapter 271, as so appearing, is hereby amended by inserting after the words “chapter 23K”, in line 27, the following words:- or for the purpose of sports wagering conducted in accordance with chapter 23N.

SECTION 16. Said chapter 271, as so appearing, is hereby further amended by striking out section 17A and inserting in place thereof the following section:-

Section 17A. Except as permitted under chapter 23N, whoever uses a telephone, internet or other communications technology or, being the occupant in control of premises where a telephone, internet or other communications technology is located or a subscriber for such communications technology, knowingly permits another to use a telephone, internet or other communications technology so located or for which such person subscribes, as the case may be, for the purpose of accepting wagers or bets, or buying or selling of pools, or for placing all or any portion of a wager with another, upon the result of a trial or contest of skill, speed or endurance of man, beast, bird or machine, or upon the result of an athletic game or contest, or upon the lottery called the numbers game, or for the purpose of reporting the same to a

headquarters or booking office, or who under another name or otherwise falsely or fictitiously procures telephone, internet or other communications technology service for oneself or another for such purposes, shall be punished by a fine of not more than $2,000 or by imprisonment for not more than 1 year.

SECTION 17. Section 19 of said chapter 271, as so appearing, is hereby amended by inserting after the words “chapter 23K”, in line 19, the following words:- and shall not apply to advertising of sports wagering conducted pursuant to chapter 23N.

SECTION 18. Section 20 of said chapter 271, as so appearing, is hereby amended by adding the following sentence:- Nothing in this section shall prohibit an operator licensed under chapter 23N from posting, advertising or displaying materials relevant to its sports wagering operations.

SECTION 19. Section 23 of said chapter 271, as so appearing, is hereby amended by inserting after the words “chapter 23K”, in line 31, the following words:- and shall not apply to sports wagering conducted pursuant to chapter 23N.

SECTION 20. Section 27 of said chapter 271, as so appearing, is hereby amended by inserting after the word “thereto”, in line 15, the following words:- ; provided, however, that such provisions shall not apply to sports wagering conducting pursuant to chapter 23N.

SECTION 21. Section 28 of said chapter 271, as so appearing, is hereby amended by inserting after the word “prescribed”, in line 12, the following words:- ; provided, however, that such provisions shall not apply to sports wagering conducted pursuant to chapter 23N.

SECTION 22. Section 42 of said chapter 271, as so appearing, is hereby amended by inserting after the word “both”, in line 4, the following words:- ; provided, however, that such provisions shall not apply to sports wagering conducted pursuant to chapter 23N.

SECTION 23. Section 135 of chapter 219 of the acts of 2016 is hereby repealed.