

**Joint Committee on Consumer Protection and Professional Licensure
2025-2026 (194th) Bill Summary**

BILL NUMBER: H332

TITLE: An Act regulating internet gaming

SPONSOR(S): Cahill, Daniel

HEARING DATE: June 23, 2025

REPORTING DEADLINE: August 22, 2025

CURRENT LAW

Sections 24 and 24A of Chapter 10 of the Massachusetts General Laws govern the State Lottery Commission's authority over multi-jurisdictional and in-state lottery games; while section 27 of said chapter oversees the sale of lottery tickets in the Commonwealth.

Chapter 23K of the General Laws establishes the Massachusetts Gaming Commission and governs its oversight of gaming, racing, and sports wagering in the Commonwealth, and its licensees and programs, including the administration of public health trust funds, gaming local aid funds, and the development of annual research in furtherance of understanding the social and economic effects of expanding gaming.

Chapter 23N authorizes and regulates sports wagering in the Commonwealth as overseen by the Massachusetts Gaming Commission.

Chapter 128A oversees live horse racing in the Commonwealth.

Chapter 128C oversees the simulcast wagering of racing in the Commonwealth.

Chapter 137 regulates gaming in the Commonwealth with section 1 of said chapter addressing the ability of the consumer to recover money or goods lost at gaming or sports wagering, section 2 establishing liability of an owner, tenant, or occupant of a gaming house for the activities conducted therein, and section 3 overseeing the validity of notes and other conveyances that are won through gaming.

Section 6C of Chapter 231 of the General Laws governs interest added to damages in contract actions.

Chapter 271 of the General Laws governs crimes against public policy. Specifically, sections 1, 2, 3, 5, 5A, 5B, 8, 17, 17A, 19, 20, 23, 27, 28, and 42 of said chapter address illegal and unlicensed gaming, lottery, and betting, and the processes under which those who do so can be prosecuted.

SUMMARY

This legislation seeks to legalize online gambling (i.e. “a person wagers money or something of monetary value for a chance to win money or something of monetary value”) in the Commonwealth through the creation of a licensure process within the Gaming Commission for operators of these games and establishments in which these games are played or simulcasted via two kinds of internet gaming licenses. A “category 1” license may be issued to a gambling establishment that already exists within the Commonwealth and would allow those establishments to offer a maximum of two kinds of internet gaming. A “category 2” license would allow the operation of internet gaming under a single internet gaming platform and would not be required to have a physical location in the Commonwealth. The Commission would authorize up to 4 “category 2” licenses. These licenses would be nontransferable except by the majority vote of the Commission. The licensing fee would be \$5,000,000 and would be renewed at the same rate every five years, with an additional initial processing fee of \$200,000. The Commission would also collect a \$1,000,000 fee in shares each year, which would be designated for the Public Health Trust Fund.

Further, the Commission is authorized to promulgate rules and regulations related to internet gaming, including allowing individuals to self-exclude and disallowing permitting to play or marketing to individuals under the age of 21. Operators of these games would be required to implement responsible gaming programs, allow consumers to close their accounts at any time for any reason, and prominently display the “1-800-GAMBLER” help number on their application. Operators would not be permitted to offer a line of credit of any kind to consumers.

Operators would be required to ensure that none of their employees are able to place wagers with their company, as well as no one under the age of 21 and no one making wagers as a proxy for another person. Operators would also be required to keep records of every wager made by their patrons, monitor wagers and other transactions for indicators of criminal activity, and do background checks on their individual employees.

The Commission would also be authorized to assess civil administrative penalties on operators, and operators who are not licensed are liable to punishment of incarceration, fines, or both.

Applicants for operators’ licenses would be required to own at least 10% of a corporate applicant and be in control of the activities of that corporation. Such individuals would also be fingerprinted and required to pass an FBI criminal background check. The Commission would be required to investigate applicants, ensuring that they are of good moral character and that their business practices and finances are sound. Commission employees would be disallowed from licensure.

This legislation also seeks to establish an Internet Gaming Control Fund, which would collect fees and fines collected by the Commission for the purpose of financing commission operations relating to internet gaming. Money from this fund would also go toward the General Fund, the Workforce Investment Trust Fund, Gambling Local Aid Fund, Youth Development and Achievement Fund, and the Public Health Trust Fund.

The Massachusetts Gaming Commission would also conduct a study on the participation by minority business enterprises, women business enterprises and veteran business enterprises in the internet gaming industry in the Commonwealth. The commission would be required to report the findings of this study no later than December 31, 2025.