

## **Massachusetts House of Representatives Bill Summary**

**Bill #:** H.481

**Title:** An Act to encourage capital investment in retail sports wagering

**Sponsor:** Rep. Daniel Cahill

**Committee:** Economic Development and Emerging Technologies

**Hearing Date:** November 13, 2025

**Reporting Deadline:** December 17, 2025 (Subject to extensions per House Rule 27)

**Prior History:** N/A-New File

**Similar Matters:** S.294 (Sen. Brady-Identical)-in the Economic Development Committee

**Key Terms:** MGL refers to the Massachusetts General Laws.

Capital investment refers to investments by a company to acquire or improve long-term assets that will generate future benefits and contribute to the company's growth and profitability. This can include investments in long term assets such as buildings, equipment, technology, and intellectual property.

A category 2 license in section 3 of chapter 23N of MGL is a license that authorizes the operation of sports wagering in person at establishments where live horse racing is conducted or where simulcast wagering on horse or greyhound racing is authorized by law. To qualify for this type of license, an entity must meet specific criteria. This includes being a licensed entity conducting live horse racing pursuant to chapter 128A of MGL; a running horse racing licensee that conducted simulcast wagering as of December 31, 2020, as authorized by law; or a greyhound meeting licensee that conducted simulcast wagering as of December 31, 2020, as authorized by law. A category 2 licensee is required to make a capital investment of not less than \$7,500,000 within 3 years after receiving a sports wagering license.

Simulcast refers to a broadcast, transmission, receipt or exhibition, by any medium or manner, of a live race, including but not limited to, a system, network, or programmer which transmits or receives television or radio signals by wire, satellite, or otherwise. It typically involves connecting horse and/or greyhound races in real time to distant locations, enabling bettors who are far from the racetrack to wager on the contests.

**Current Law:** Chapter 23N of MGL deals with the authorization and regulation of sports wagering.

Section 3 of MGL provides definitions for this chapter. This section defines “Category 2 license” as 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, 2020 as authorized by law, or (3) a greyhound meeting licensee that conducted simulcast wagering as of December 31, 2020 as authorized by law; provided further, a category 2 licensee shall make a capital investment of not less than \$7,500,000 within 3 years after receiving a sports wagering license.

Section 6(f) of this chapter holds that a qualified gaming entity may be granted a 5-year operator license for sports wagering by the gaming commission after completing an application and paying a \$5 million licensing fee, if the entity meets the requirements for licensure under this chapter and the rules and regulations of the gaming commission. This license may be renewed for 5-year periods upon the payment of a \$5 million renewal fee, provided that the entity continues 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.

Subsection (c) paragraph 1 of this section holds that 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

Chapter 128A of MGL governs horse and dog racing events.

Section 4 of this chapter establishes that a license to conduct horse or dog racing events in the Commonwealth shall be \$300 or 0.075% of the average daily handle of the previous calendar year for each day of any event, whichever is the greater amount. For racing events held as part of a state or county fair or agricultural exhibition, the fee shall be capped at \$100 per day.

**Summary:** This bill amends the definition of a category 2 license in section 3 of chapter 23N, by allowing a category 2 licensee to choose to make a capital investment of at least \$7.5 million in a sports wagering facility rather than paying the \$5 million licensing fee in section 6(f) of chapter 23N of MGL for a 5-year operator license for sports wagering. Currently, a category 2 licensee is required to make a capital investment of \$7.5 million in a sports wagering facility within 3 years of receiving a sports wagering license and pay a \$5 million fee for a 5-year operator license.

Section 1 amends the definition of category 2 license in section 3 of chapter 23N of MGL by striking out the last provision in the definition which currently requires a category 2 licensee to make a capital investment of at least \$7,500,000 within 3 years after receiving a sports wagering license and inserting new language. This new language holds that a category 2 license may, in lieu of the \$5 million operator license fee for a 5-year operator license required in section 6(f) of chapter 23N, make a capital investment of not less than \$7,500,000 in a sports wagering facility.

**Notes:** Line 3 of the bill text references section 5(f) of chapter 23N of MGL when it should reference section 6(f) of chapter 23N of MGL.