

SENATE No. 00155

The Commonwealth of Massachusetts

PRESENTED BY:

Jennifer L. Flanagan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to expanded gaming in the Commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Jennifer L. Flanagan</i>	<i>Worcester and Middlesex</i>
<i>Steven A. Baddour</i>	<i>First Essex</i>
<i>Anthony W. Petrucci</i>	<i>First Suffolk and Middlesex</i>
<i>Steven A. Tolman</i>	<i>Second Suffolk and Middlesex</i>
<i>Gale D. Candaras</i>	<i>First Hampden and Hampshire</i>
<i>Richard T. Moore</i>	<i>Worcester and Norfolk</i>
<i>John Hart, Jr.</i>	<i>First Suffolk</i>
<i>Michael R. Knapik</i>	<i>Second Hampden and Hampshire</i>
<i>Thomas M. McGee</i>	<i>Third Essex and Middlesex</i>

SENATE No. 00155

By Ms. Flanagan, petition (accompanied by bill, Senate, No. 155) of Jennifer L. Flanagan, Steven A. Baddour, Anthony W. Petrucci, Steven A. Tolman and other members of the Senate for legislation to expand gaming in the Commonwealth [Joint Committee on Economic Development and Emerging Technologies].

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to expanded gaming in the Commonwealth.

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

1 SECTION 1. Section 7 of chapter 4 of the General Laws, as appearing in the 2008
2 Official Edition, is hereby amended by striking out clause Tenth and inserting in place thereof
3 the following clause:-
4 Tenth, "Illegal gaming," any banking or percentage game played with cards, dice, tiles,
5 dominoes, or any electronic, electrical or mechanical device or machine for money, property,
6 checks, credit or any representative of value, but excluding: (i) a lottery game conducted by the
7 state lottery commission, under sections 24, 24A and 27 of chapter 10; (ii) a game conducted
8 under chapter 23K; (iii) pari-mutuel wagering on horse races, whether live or simulcast, under
9 chapter 128A and chapter 128C; (iv) the game of bingo conducted under chapter 271; and (v)
10 charitable gaming, so called, conducted under chapter 271.

11 SECTION 2. Section 48 of chapter 6 of the General Laws is hereby repealed.

12 SECTION 3. Sections 64 and 65 of chapter 10 of the General Laws are hereby repealed.

13 SECTION 4. Chapter 12 of the General Laws is hereby amended by inserting after
14 section 11L the following section:-

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

17 "Board", the Massachusetts gaming control board established in chapter 23K.

18 "Commission", the Massachusetts gaming commission established in chapter 23K.

19 "Division", the division of gaming enforcement established in subsection (b).

20 "Gaming establishment", a gaming establishment as defined in section 2 of chapter 23K.

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

25 (c) The division's powers and duties shall include the following: (1) investigate and
26 prosecute allegations of criminal activity related to or impacting the operation of gaming
27 establishments or games; (2) receive and take appropriate action on referrals for criminal
28 prosecution from the commission, board or any other law enforcement body; (3) provide
29 assistance, upon request, to the commission and board in the consideration and promulgation of
30 rules and regulations; (4) ensure that there is no duplication of duties and responsibilities

31 between it, the commission and the board; and (5) recommend persons to be placed on the list of
32 excluded persons maintained by the board.

33 No employee of the division, or any person engaged by the division in the course of an
34 investigation, other than those in the performance of their official duties, shall place a wager in
35 any gaming establishment licensed under chapter 23K during the period of the employee's
36 employment or assignment with the division.

37 Officers and employees of the gaming enforcement unit of the state police assigned to the
38 division shall record their time and submit total hours to the board. The board shall reimburse
39 the state police.

40 The attorney general shall be reimbursed by the board for the costs of operating the
41 division and legal representation of the commission or board.

42 SECTION 5. Chapter 12B of the General Laws is hereby repealed.

43 SECTION 6. Subsection (b) of section 9 of chapter 13 of the General Laws, is hereby
44 amended by striking out the words -, as well as the state racing commission established by
45 section 48 of chapter 6, inserted by section 29 of chapter 4 of the acts of 2009.

46 SECTION 7. Subsection (e) of section 9B of said chapter 13 is hereby amended by
47 striking out the words -, as well as the state racing commission established by section 48 of
48 chapter 6,- inserted by section 30 of said chapter 4.

49 SECTION 8. Said subsection (e) of said section 9B of said chapter 13 is hereby amended
50 by striking out the words ?or regulated by the state racing commission, as established by section
51 48 of chapter 6? inserted by section 31 of said chapter 4.

52 SECTION 9. Section 35 of chapter 10 of the General Laws, as appearing in the 2008
53 Official Edition, is amended by striking out, in lines 2 and 16, the words "State Lottery Fund"
54 and inserting in place thereof the following words:- State Lottery and Gaming Fund.

55 SECTION 10. Section 39 of said chapter 10, as so appearing, is hereby amended by
56 striking out, in lines 12 to 13 and in line 19, the words "State Lottery Fund" and inserting in
57 place thereof the following words:- State Lottery and Gaming Fund.

58 SECTION 11. Section 38 of chapter 22C of the General Laws, as so appearing, is hereby
59 amended by inserting after the word "involving", in lines 36 and 37, the following word:- illegal.

60 SECTION 12. Said chapter 22C is hereby amended by adding the following section:-

61 Section 70. The colonel of state police shall establish a gaming enforcement unit whose
62 responsibilities shall include, but not be limited to, the investigation of criminal violations of
63 chapter 23K, chapter 271 or any other general or special law that pertains to gaming.

64 The gaming enforcement unit shall work in conjunction and cooperation with the bureau
65 of investigations and enforcement under the Massachusetts gaming control board established in
66 said chapter 23K and the division of gaming enforcement in the office of the attorney general
67 established under section 11M of chapter 12 to investigate criminal activity related to gaming in
68 the commonwealth. The colonel shall assign officers and employees of the unit to the bureau of
69 investigations and enforcement, who shall report to the director of the bureau as well as the
70 colonel of the department of state police; the colonel shall also assign officers of the unit to the
71 division of gaming enforcement, who shall report to the chief of the division as well as the
72 colonel of the department of state police. No officer of the unit, other than in the performance of
73 official duties, shall place a wager in any gaming establishment licensed under chapter 23K. The

74 colonel shall establish a program to rotate officers in and out of this unit. The state police shall
75 be reimbursed by the board for the costs of operating the unit.

76 SECTION 13: The General Laws are hereby amended by inserting after chapter 23J the
77 following chapter:-

78 Chapter 23K. The Massachusetts Gaming Commission and Massachusetts Gaming
79 Control Board

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

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

84 "Applicant", any person who has applied for a license or registration to engage in activity
85 regulated under this chapter.

86 "Application", a written request for a finding of suitability to receive a license or engage
87 in an activity which is regulated under this chapter.

88 "Board", the Massachusetts gaming control board created in section 3.

89 "Bureau", the investigations and enforcement bureau within the board.

90 "Business", a corporation, sole proprietorship, partnership, limited liability company or
91 any other organization formed for the purpose of carrying on commercial enterprise.

92 "Capital expenditure", money spent by a licensee to upgrade or maintain depreciable and
93 tangible long-term physical assets that are capitalized on the licensee? books under generally

94 accepted accounting principles and excluding expenditures or charges for the usual and
95 customary maintenance and repair of any fixed asset.

96 "Cashless wagering system", a method of wagering and accounting in which the validity
97 and value of a wagering account, promotional account, wagering instrument or wagering credits,
98 not including slot machine printed vouchers, are determined, monitored and retained for an
99 individual by an electronic system operated and maintained by a licensee which maintains a
100 record of each transaction involving the wagering account, promotional account, wagering
101 instrument or wagering credits, exclusive of the game or gaming device on which wagers are
102 being made, including electronic systems which facilitate electronic transfers of money directly
103 to or from a game or gaming device.

104 "Cheat", alter the selection of criteria which determines the results of a game or the
105 amount or frequency of payment in a game.

106 "Cheating and swindling device" or "cheating and swindling game", shall include:

107 (i) a coin, token or slug other than a lawful coin or legal tender of the United States or a
108 coin not of the same denomination as the coin intended to be used while playing or using any slot
109 machine in a gaming establishment, except that in the playing of a slot machine or similar
110 gaming device, it shall be lawful for a person to use tokens or similar objects which are approved
111 by the commission;

112 (ii) a bogus or counterfeit chip, coin or die; marked card; a computerized, electronic,
113 electrical, mechanical or magnetic device; tool, drill, wire, key or other device designed,
114 constructed or programmed specifically for:

115 (A) use in obtaining an advantage in any game;

116 (B) opening, entering or affecting the operation of any gaming device;

117 (C) removing from slot machine, other gaming device or drop box any money or other
118 contents from such machine, device or box;

119 (iii) tools, drills, wires, coins or tokens attached to strings or wires, or electronic or
120 magnetic devices to facilitate the alignment of a winning combination;

121 (iv) a gaming device that has been manufactured, serviced, marked, plugged or tampered
122 with, or placed in a condition or operated in a manner, to:

123 (A) deceive, or attempt to deceive, the public; or

124 (B) alter, or attempt to alter, the normal random selection of characteristics, the normal
125 chance of the game or the result of the game at a gaming establishment.

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

130 "Commission", the Massachusetts gaming commission created in section 2.

131 "Commissioner", a member of the commission.

132 "Complimentary service or item", a service or item provided at no cost or at a reduced
133 price.

134 "Conservator", a person appointed by the commission under section 22 to temporarily
135 manage the operation of a gaming establishment.

136 "Credit card", a card, code or other device with which a person may defer payment of
137 debt, incur debt and defer the payment of the debt, or purchase property or services and defer
138 payment for the property or services, but not a card, code or other device used to activate a
139 preexisting agreement between a person and a financial institution to extend credit when the
140 person's account at the financial institution is overdrawn or to maintain a specified minimum
141 balance in the person's account at the financial institution.

142 "Credit instrument", a writing which evidences a gaming debt owed to a person who
143 holds a gaming license at the time the debt is created, and includes any writing taken in
144 consolidation, redemption or payment of a previous credit instrument.

145 "Division", the division of gaming enforcement under the office of the attorney general.

146 "Foreign business", any business that was organized outside of the United States or under
147 the laws of a foreign country.

148 "Gambling", the playing of a game by a patron of a gaming establishment.

149 "Game", a banking or percentage game played with cards, dice, tiles, dominoes or an
150 electronic, electrical or mechanical device or machine played for money, property, checks, credit
151 or any representative of value which has been approved by the commission under this chapter.

152 "Gaming", the dealing, operating, carrying on, conducting, maintaining or exposing for
153 pay of a game.

154 "Gaming area", the premises of a gaming establishment in which or on which gaming is
155 done.

156 "Gaming control employee" commissioners, board members and board officers, agents,
157 employees, consultants and advisors.

158 "Gaming device" or "Gaming equipment", an electronic, electrical, or mechanical
159 contrivance or machine used in connection with gaming or a game.

160 "Gaming employee", an employee of a gaming establishment who is: (i) directly
161 connected to the operation or maintenance of a gaming device, slot machine or game taking
162 place in a gaming establishment; (ii) provides security in a gaming establishment; (iii) has access
163 to a restricted area of the gaming establishment;(iv) is connected with the operation of a gaming
164 establishment; or (v) is so designated by the commission.

165 "Gaming establishment", the premises approved under a gaming license which includes a
166 gaming area and other nongaming structures related to the gaming area, including, but not
167 limited to, hotels, restaurants or other amenities.

168 "Gaming license", a license issued by the commission that permits the licensee to operate
169 a gaming establishment with table games and slot machines.

170 "Gaming licensee", a licensee who holds a gaming license.

171 "Gaming position", a designated seat or standing position where a patron of a gaming
172 establishment can play a game.

173 "Gaming service employee", an employee of a gaming establishment who is not
174 classified as a gaming employee or a key gaming employee, but is required to register with the
175 board.

176 "Gaming vendor", a person who holds a gaming vendor license and offers goods or
177 services to a gaming licensee on a regular or continuing basis which directly relates to gaming,
178 including, but not limited to, gaming equipment, suppliers and repairers.

179 "Gaming vendor license", a license issued by the commission that permits the licensee to
180 act as a vendor to a gaming establishment.

181 "Gross gaming revenue", the total of all sums actually received by a gaming licensee
182 from gaming operations less the total of all sums paid out as winnings to patrons; provided,
183 however, that the total of all sums paid out as winnings to patrons shall not include the cash
184 equivalent value of any merchandise or thing of value included in a jackpot or payout; provided,
185 further, that "gross gaming revenue" shall not include any amount received by a gaming licensee
186 from credit extended or collected by the licensee for purposes other than gaming.

187 "Holding company", a corporation, association, firm, partnership, trust or other form of
188 business organization other than a natural person which, directly or indirectly, owns, has the
189 power or right to control or has the power to vote any significant part of the outstanding voting
190 securities of a corporation or other form of business organization which holds or applies for a
191 gaming license; provided, however, that "holding company", in addition to other reasonable
192 meaning of the words used, a holding company shall indirectly have, hold or own any such
193 power, right or security if it does so through an interest in a subsidiary or successive subsidiaries,

194 regardless of the number of subsidiaries that may intervene between the holding company and
195 the gaming licensee or applicant.

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

198 "Institutional investor", any of the following entities having a 5 per cent or greater
199 ownership interest in a gaming establishment, gaming vendor or gaming licensee, or its holding
200 or management company: a corporation, bank, insurance company, pension fund or pension fund
201 trust, retirement fund, including funds administered by a public agency, employees' profit-
202 sharing fund or employees' profit-sharing trust, an association engaged, as a substantial part of its
203 business or operation, in purchasing or holding securities or a trust in respect of which a bank is
204 a trustee or co-trustee, investment company registered under the federal Investment Company
205 Act of 1940, collective investment trust organized by banks under part 9 of the Rules of the
206 Comptroller of Currency, closed end investment trust, chartered or licensed life insurance
207 company or property and casualty insurance company, investment advisor registered pursuant to
208 the federal Investment Advisors Act of 1940, banking and other chartered or licensed lending
209 institution, and such other persons as the commission may reasonably determine to qualify as an
210 institutional investor for reasons consistent with this chapter.

211 "Intermediary company", a corporation, association, firm, partnership, trust or any other
212 form of business organization other than a natural person which is a holding company with
213 respect to a corporation or other form of business organization which holds or applies for a
214 gaming license, and is a subsidiary with respect to a holding company.

215 "Joint venture application", an application submitted by an association of two or more businesses
216 in which one of the businesses is a minority business enterprise or a women business enterprise.

217 "Junket", an arrangement intended to induce any person to come to a gaming
218 establishment to gamble, where the person is selected or approved for participation on the basis
219 of the person's ability to satisfy a financial qualification obligation related to the person's ability
220 or willingness to gamble or on any other basis related to the person's propensity to gamble, and
221 pursuant to which, and as consideration for which, any or all of the cost of transportation, food,
222 lodging, and entertainment for the person is directly or indirectly paid by a gaming licensee or
223 affiliate of the gaming licensee.

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

228 "Junket representative", an individual who negotiates the terms of, or engages in the
229 referral, procurement or selection of persons who may participate in, any junket to a gaming
230 establishment, regardless of whether or not those activities occur within the commonwealth.

231 "Key gaming employee", an employee of a gaming establishment: (i) in a supervisory
232 capacity; (ii) empowered to make discretionary decisions which regulate gaming establishment
233 operations; or (iii) so designated by the commission.

234 "License", any license required under this chapter.

235 "List of excluded persons", the list of excluded persons maintained by the commission
236 under section 35.

237 "Lottery", the state lottery established under section 24 of chapter 10.

238 "Minority business enterprise" or "MBE", the meaning as defined in section 58 of chapter 7 of
239 the General Laws.

240 "Non-gaming vendor" a supplier or vendor, including, but not limited to, construction
241 companies, vending machine providers, linen suppliers, garbage handlers, maintenance
242 companies, limousine services, food purveyors or suppliers of alcoholic beverages, which
243 provide goods or services not directly related to games to a gaming establishment or gaming
244 licensee.

245

246 "Person", an individual, corporation, association, operation, firm, partnership, trust or
247 other form of business association.

248 "Promotional gaming credit", a slot machine or table game credit or other item issued by
249 a gaming licensee to a patron to enable the placement of a wager at a slot machine or table game.

250 "Qualification" or "qualified", the process of licensure set forth by the commission to determine
251 that all gaming licensees, gaming vendors, or the business of a gaming licensee or gaming
252 vendor, meet the same standards of suitability to operate or conduct business with a gaming
253 establishment in the Commonwealth.

254 "Slot machine", a mechanical, electrical or other device, contrivance or machine which,
255 upon insertion of a coin, token or similar object in the device, contrivance or machine, or upon

256 payment of any consideration, is available to play or operate, the play or operation of which,
257 whether by reason of the skill of the operator or application of the element of chance, or both,
258 may deliver or entitle the individual playing or operating the machine to receive cash or tokens to
259 be exchanged for cash, or to receive merchandise or anything of value whatsoever, whether the
260 payoff is made automatically from the machine or in any other manner whatsoever.

261 "State police", the state police established in chapter 22C.

262 "Subsidiary", a corporation, any significant part of whose outstanding equity securities
263 are owned, subject to a power or right of control, or held with power to vote, by a holding
264 company or an intermediary company; or a significant interest in a firm, association, partnership,
265 trust or other form of business organization, other than a natural person, which is owned, subject
266 to a power or right of control, or held with power to vote, by a holding company or an
267 intermediary company.

268 "Surrounding communities" municipalities in proximity to a host community which the
269 board determines experience or are likely to experience impacts from the development or
270 operation of a gaming establishment, including municipalities from which the transportation
271 infrastructure provides ready access to an existing or proposed gaming establishment.

272 "Table game", a game, other than a slot machine, which is authorized by the commission
273 to be played in a gaming establishment.

274 "Transfer", the sale and every other method, direct or indirect, of disposing of or parting
275 with property or with an interest in property, or with the possession of property, or of fixing a
276 lien upon property or upon an interest in property, absolutely or conditionally, voluntarily or
277 involuntarily, by or without judicial proceedings, as a conveyance, sale, payment, pledge,

278 mortgage, lien, encumbrance, gift, security or otherwise; provided, that, the retention of a
279 security interest in property delivered to a corporation shall be deemed a transfer conducted by
280 such corporation.

281 "Wager", a sum of money or representative of value that is risked on an occurrence for
282 which the outcome is uncertain.

283 "Women business enterprise" or "WBE", the meaning as the term is defined in section 58 of
284 chapter 7 of the General Laws.

285 Section 2. (a) There shall be a Massachusetts gaming commission to be composed of 5
286 commissioners.

287 (b) The governor shall appoint 3 of the commissioners, 1 of whom the governor shall
288 designate as chair. The attorney general and state treasurer shall each appoint 1 commissioner.
289 The appointment of each commissioner shall require the approval of at least 2 of the 3 appointing
290 authorities.

291 (1) Commissioners shall serve for a term of 5 years.

292 (2) No commissioner may serve more than 2 full terms.

293 (3) Not more than 3 commissioners shall be of the same political party.

294 (4) Not more than 2 commissioners shall be of the same professional background
295 or field.

296 (5) Each commissioner shall be a United States citizen and a resident of the
297 commonwealth.

298 (c) The commission shall meet as frequently as necessary but at least once each month.

299 (d) The gaming control board shall provide the commission with administrative and
300 clerical services and other assistance necessary for the commission to perform its functions.

301 (e) The chair of the commission may receive an annual salary of \$60,000.
302 Commissioners may receive a stipend of \$50,000.

303 (f) Three commissioners shall constitute a quorum and 3 affirmative votes shall be
304 required for an action or recommendation of the commission. The chairman or 3 members of the
305 commission may call a meeting; provided, however, that notice of all meetings shall be given to
306 each commissioner and to other persons who request such notice. The commission shall adopt
307 regulations establishing procedures, which may include electronic communications, by which a
308 request to receive notice shall be made and the method by which timely notice may be given.

309 (g) The governor may remove a commissioner if the commissioner: (i) is guilty of
310 malfeasance in office; (ii) substantially neglects the duties of a commissioner; (iii) is unable to
311 discharge the powers and duties of the commissioner's office; (iv) commits gross misconduct; or
312 (v) is convicted of a felony.

313 (h) No commissioner shall hold, or be a candidate for, elective office in the
314 commonwealth or be an officer or official of a political party.

315 (i) No commissioner shall be actively engaged or have a pecuniary interest in an
316 applicant for a license under this chapter or any gaming licensee.

317 (j) The governor shall conduct a background investigation on a candidate for appointment
318 to the commission regarding the financial stability, integrity and responsibility of the candidate

319 as well as the candidate's reputation for good character, honesty and integrity prior to appointing
320 the candidate as a commissioner.

321 (k) No commissioner, other than in the performance of the commissioner's official
322 duties, shall place a wager in a gaming establishment.

323 (l) The commission shall be a commission for the purposes of section 3 of chapter 12.

324 (m) The commission shall be a state authority under the definition in section 1 of chapter
325 29.

326 Section 3. (a) There shall be a Massachusetts gaming control board, which shall be
327 comprised of 3 members who shall be appointed by the governor; 1 of whom shall be a certified
328 public accountant or have experience in corporate finance; and 1 of whom shall have experience
329 in law enforcement, investigation or law.

330 (b) The governor shall appoint 1 member to serve as the chair, coordinate the activities of
331 the board and shall have at least 5 years managerial experience in public or business
332 administration. Each member shall:

333 (1) be a United States citizen;

334 (2) be a resident of the commonwealth or shall become a resident within 90 days
335 of appointment; and

336 (3) serve for a term of 4 years.

337 (c) Members shall devote their full time and attention to the duties of the board and may
338 receive an annual salary equal to the salary of the secretary of administration and finance;

339 provided, however, that the chair shall receive a stipend, in addition to the base salary, in an
340 amount equal to 7 per cent of the base salary. No member shall be compensated for any other
341 position.

342 (d) The governor may remove a board member if the member: (i) is guilty of malfeasance
343 in office; (ii) substantially neglects the duties of a board member; (iii) is unable to discharge the
344 powers and duties of the board member's office; (iv) commits gross misconduct; or (v) is
345 convicted of a felony.

346 (e) No board members shall hold, or be a candidate for, elective office in the
347 commonwealth, or be an officer or official of a political party.

348 (f) No board members shall be actively engaged or have a pecuniary interest in an
349 applicant for a license under this chapter or a gaming establishment licensed under this chapter.

350 (g) The governor shall conduct a background investigation on a candidate for
351 appointment to the board regarding the financial stability, integrity and responsibility of the
352 candidate as well as the candidate's reputation for good character, honesty and integrity prior to
353 appointing the candidate as a board member.

354 (h) The chair of the board shall serve as the board's executive director. The chair shall
355 be:

356 (i) the executive and administrative head of the board; and

357 (ii) responsible for administering and enforcing the laws, regulations and civil and
358 administrative penalties established under this chapter.

359 (i) The chair shall appoint and employ a chief financial and accounting officer and may
360 employ other employees, consultants, agents and advisors, including legal counsel and shall
361 attend the meetings of the commission. The chief financial and accounting officer of the board
362 shall be in charge of its funds, books of account and accounting records. No funds shall be
363 transferred by the board without the approval and the signatures of the chief financial and
364 accounting officer and the treasurer.

365 (j) In the case of the absence or vacancy of the chair, or in the case of disability as
366 determined by the board or commission, the governor may designate an acting chair until the
367 vacancy is filled or the absence or disability ceases. The acting chair shall have all the powers
368 and duties of the chair and shall have similar qualifications as the chair.

369 (k) The chair may establish within the board such administrative units as may be
370 necessary for the efficient and economical administration of the board and when necessary for
371 such purpose, may abolish any such administrative unit or may merge any 2 or more units. The
372 chair shall prepare and keep current a plan of the organization of the board, of the assignment of
373 its functions to its various administrative units, offices and employees and of the places at which
374 and the methods by which the public may receive information or make requests. A current copy
375 of the plan of organization shall be kept on file with the state secretary and in the office of the
376 secretary of administration and finance.

377 (l) The chair may appoint such persons as the chair considers necessary to perform the
378 functions of the board; provided that chapter 31 and section 9A of chapter 30 shall not apply to
379 any board employee. If an employee serving in a position which is classified under said chapter
380 31 or in which an employee has tenure by reason of said section 9A of chapter 30 shall be

381 appointed to a position within the board which is not subject to said chapter 31, the employee
382 shall, upon termination of the employee's service in such position, be restored to the position
383 which the employee held immediately prior to such appointment; provided, however, that the
384 employee's service in such position shall be determined by the civil service commission under
385 the standards applied by the civil service commission in administering said chapter 31. Such
386 restoration shall be made without impairment of the employee's civil service status or tenure
387 under said section 9A of chapter 30 and without loss of seniority, retirement or other rights to
388 which uninterrupted service in such prior position would have entitled the employee. During the
389 period of such appointment, each person so appointed from a position in the classified civil
390 service shall be eligible to take any competitive promotional examination for which the person
391 would otherwise have been eligible.

392 (m) The board may require a prospective employee to: (i) submit an application and a
393 personal disclosure on a form prescribed by the board which shall include a complete criminal
394 history, including convictions and current charges for all felonies and misdemeanors; (ii)
395 undergo testing which detects the presence of illegal substances in the body; and (iii) provide
396 fingerprints and a photograph consistent with standards adopted by the state police. The board
397 shall verify the identification, employment and education of each prospective employee,
398 including: (i) legal name, including any alias; (ii) all secondary and post secondary educational
399 institutions that the prospective employee attended regardless of graduation status; (iii) place of
400 residence; and (iv) employment history.

401 (n) (1) The board shall not hire a prospective employee if the prospective employee has:
402 (A) been convicted of a felony; (B) been convicted of a misdemeanor that, in the discretion of
403 the board, bears a close relationship to the duties and responsibilities of the position for which

404 employment is sought; or (C) intentionally made a false statement concerning a material fact in
405 connection with the prospective employee's application to the board.

406 (2) If an employee of the board is charged with a felony or misdemeanor while employed by the
407 board, the board may suspend the employee, with or without pay, and if the employee is
408 convicted the board may terminate the employee's employment with the board. If an employee
409 of the board is charged with a felony or misdemeanor related to gaming while employed by the
410 board, the board shall suspend the employee, with or without pay, and if the employee is
411 convicted the board shall terminate the employee's employment with the board.

412 (o) Immediately upon assuming office, each board member and employee of the board,
413 except for secretarial and clerical personnel, shall swear or affirm, under the penalty of perjury,
414 that the board member or employee possesses no financial interest in any gaming licensee or
415 gaming vendor.

416 (p) A board employee who, as part of the employee's duties, is required to be present in a
417 gaming establishment shall be considered an essential state employee.

418 (q) No board member, or employee of the board, other than in the performance of such
419 member's or employee's official duties, shall place a wager in a gaming establishment.

420 (r) No employee of the board shall pursue any other business or occupation or other
421 gainful employment outside of the board without the prior written approval of the commission
422 that such employment shall not interfere or be in conflict with the employee's duties to the
423 board.

424 (s) The board shall be a state authority under the definition in section 1 of chapter 29.

425 Section 4. (a) All gaming control employees shall:

426 (i) be sworn to the faithful performance of their official duties

427 (ii) conduct themselves in a manner so as to render decisions that are fair and
428 impartial and in the public interest;

429 (iii) avoid impropriety and the appearance of impropriety in all matters under their
430 jurisdiction;

431 (iv) avoid all prohibited communications;

432 (v) require staff and personnel subject to their direction and control to observe the
433 same standards of fidelity and diligence;

434 (vi) disqualify themselves from proceedings in which their impartiality might
435 reasonably be questioned;

436 (vii) refrain from financial or business dealings which would tend to reflect
437 adversely on impartiality;

438 (viii) not own, or be in the employ of, or own any stock in, any business which
439 holds a license under this chapter; nor shall a gaming control employee have in any way directly
440 or indirectly a pecuniary interest in, or be connected with, any such business or in the employ or
441 connected with any person financing any such business; provided, that immediate family
442 members of gaming control employees shall not own, or be in the employ of, or own stock in,
443 any business which holds a license under this chapter.

444 (b) No gaming control employee shall personally, or through any partner or agent, other
445 than in the normal course of the employee's duties, render any professional service or make or
446 perform any business contract with or for any gaming licensee or gaming vendor, except
447 contracts made with the board for furnishing of services, nor shall the employee directly or
448 indirectly receive any commission, bonus, discount, gift or reward from any gaming licensee.

449 (c) Neither the board nor any of its officers, agents, employees, consultants or advisors
450 shall be subject to sections 9A, 45, 46 and 52 of chapter 30, or to chapter 31 or to chapter 200 of
451 the acts of 1976.

452 (d) No individual shall be employed by the board if, during the period commencing 3
453 years prior to employment, that individual held any direct or indirect interest in, or was
454 employed by, a gaming licensee or gaming vendor.

455 (e) No commissioner or board member shall hold a direct or indirect interest in, or be
456 employed by, an applicant or by a gaming licensee or gaming vendor for at least 3 years
457 following the termination of the commissioner or board member's service as such a
458 commissioner or board member.

459 (f) No employee of the board holding a major policy making position shall acquire
460 interest in, or accept employment with, an applicant or licensee under this chapter for a period of
461 2 years after the termination of employment with the board.

462 (g) No employee of the board in a non-major policy making position shall acquire interest
463 in, or accept employment with, any applicant or licensee under this chapter for a period of 1 year
464 after termination of employment with the commission.

465 (h) Gaming control employees shall be considered state employees under chapters 268A
466 and 268B.

467 Section 5. The commission shall adopt regulations for the implementation, administration
468 and enforcement of this chapter. The adoption of such regulations shall only be made after the
469 board submits proposed regulations to the commission for the commission's review and
470 approval. The board, subject to chapter 30A, shall prepare its recommendations and submit such
471 recommendations to the commission. The regulations shall include, but not be limited to,
472 regulations that:

473 (1) prescribe the method and form of application which an applicant for a license or
474 registration shall follow and complete before consideration of an application by the commission
475 and board;

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

479 (3) prescribe the criteria for evaluation of the application for a gaming license including
480 with regard to the proposed gaming establishment an evaluation of architectural design and
481 concept excellence, integration of the establishment into its surroundings, tourism appeal, level
482 of capital investment committed, financial strength of the applicant and the robustness of the
483 applicant's financial plan;

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

486 (5) require fingerprinting or other methods of identification of an applicant for a license
487 or registration under this chapter;

488 (6) prescribe the manner and method of collection and payment of fees and issuance of
489 licenses;

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

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

496 (9) prescribe the minimum procedures for effective control over the internal fiscal affairs
497 of a gaming licensee, including the safeguarding of assets and revenues, the recording of cash
498 and evidence of indebtedness and the maintenance of reliable records, accounts and reports of
499 transactions, operations and events, including reports by the commission and board;

500 (10) provide for a minimum uniform standard of accounting engineering and procedures
501 and a process for the approval of accounting and engineering firms;

502 (11) establish licensure and registration procedures for employees working at the gaming
503 establishment and minimum training requirements; provided, further, that the commission and
504 board may establish certification procedures for any training schools in the commonwealth as
505 well as the minimum requirements for reciprocal licensing for out-of-state gaming employees;

506 (12) require that all gaming employees be properly trained in their respective positions;

507 (13) require a sticker or label to be affixed to the front of all slots machines in a gaming
508 establishment with the odds and holding percentage of the slot machines played in said gaming
509 establishment and the compulsive gambling hotline number;

510 (14) provide for the interim authorization of a gaming establishment under of section 17;

511 (15) concern the conduct of junkets and conditions of junket agreements between gaming
512 licensees and junket representatives;

513 (16) develop standards for granting a waiver under section 45;

514 (17) require gaming establishments to develop security measures, including checking the
515 parking areas of the gaming establishment for unattended minors and animals every 2 hours;

516 (18) prescribe the procedure for holding public hearings and seeking public input on the
517 process for siting gaming establishments and the review of all applications for a gaming license
518 before a gaming license is awarded or renewed

519 The commission may, under section 2 of chapter 30A, promulgate, amend, or repeal any
520 regulation promulgated under this chapter as an emergency regulation if such regulation is
521 necessary to protect the interests of the commonwealth in regulating a gaming establishment.

522 Section 6. The commission shall have all powers necessary or convenient to carry out and
523 effectuate its purposes, including, but not limited to, the following:

524 (1) to adopt an official seal;

525 (2) to execute all instruments necessary or convenient to accomplish the purposes of
526 this chapter;

527 (3) to enter into agreements or other transactions with any person, including, but not
528 limited to, any public entity or other governmental instrumentality or authority in connection
529 with its powers and duties under this chapter;

530 (4) to appear on its own behalf before boards, commissions, departments or other
531 agencies of municipal, state or federal government;

532 (5) to apply for and accept subventions, grants, loans, advances and contributions
533 from any source of money, property, labor or other things of value, to be held, used and applied
534 for its purposes;

535 (6) to assure that licenses and registrations shall not be issued to nor held by, nor shall
536 there be any material involvement, directly or indirectly, with a gaming establishment or a
537 gaming licensee, by unqualified, disqualified, or unsuitable persons or persons whose operations
538 are conducted in a manner not conforming with this chapter;

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

542 (8) to require a person who has any kind of business association with a gaming licensee
543 or applicant to be qualified for licensure or registration under this chapter;

544 (9) to develop criteria, in addition to those outlined in this chapter, to assess which
545 application for a gaming licenses will provide the highest and best value to the commonwealth
546 and the region in which a gaming establishment is to be located;

547 (10) to determine which applicants shall be awarded a gaming license, a gaming vendor
548 license and other licenses under this chapter;

549 (11) to deny any application or limit, condition, restrict, revoke or suspend a license,
550 registration, finding of suitability or approval or fine a person licensed, registered, found suitable
551 or approved for any cause the commission deems reasonable;

552 (12) to issue subpoenas and compel the attendance of witnesses at any place within the
553 commonwealth, administer oaths and require testimony under oath before the commission in the
554 course of a hearing conducted under this chapter;

555 (13) to conduct adjudicatory proceedings under chapter 30A;

556 (14) to hear appeals of the board's suspension or revocation of a license;

557 (15) to monitor any federal activity regarding internet gaming;

558 (16) to adopt, amend, or repeal regulations for the administration and enforcement of this
559 chapter; and

560 (17) to develop criteria, in addition to those outlined in this chapter, to assess which
561 applications for gaming licenses will provide the highest and best value to the commonwealth;
562 provided that the criteria so developed shall include and give additional consideration to a joint
563 venture application.?

564 Section 7. The board shall have all powers necessary or convenient to carry out and
565 effectuate its purposes, including, but not limited to, the following:

566 (1) to appoint officers and hire employees;

567 (2) to adopt an official seal;

568 (3) to establish, and amend as necessary, such a plan of organization as it may

569 consider expedient under subsection (k) of section 3;

570 (4) to execute all instruments necessary or convenient to accomplish the purposes of

571 this chapter;

572 (5) to enter into agreements or other transactions with any person, including, but not

573 limited to, a public entity or other governmental instrumentality or authority in connection with

574 the board's powers and duties under this chapter;

575 (6) to appear on its own behalf before boards, commissions, departments or other

576 agencies of municipal, state or federal government;

577 (7) to apply for and accept subventions, grants, loans, advances and contributions

578 from any source of money, property, labor or other things of value, to be held, used and applied

579 for its purposes;

580 (8) to provide and pay for advisory services and technical assistance as may be

581 necessary in its judgment to carry out the purpose of this chapter and fix the compensation of

582 persons providing such services or assistance;

583 (9) to prepare, publish and distribute, with or without charge, as the commission or

584 board may determine, such studies, reports and bulletins and other material as the commission

585 and board considers appropriate;

586 (10) to monitor the conduct of all licensees and other persons having a material

587 involvement, directly or indirectly with a licensee for the purpose of ensuring that licenses are

588 not issued to or held by, and there is no direct or indirect material involvement with a licensee by
589 unqualified, or unsuitable persons or persons whose operations are conducted in an unsuitable
590 manner or in unsuitable or prohibited places as provided in this chapter;

591 (11) to recommend:

592 (i) the denial or approval of an application, license or registration or
593 qualification for licensure;

594 (ii) conditions, limitations or restrictions of any license, registration,
595 qualification for licensure or approval;

596 (iii) the suspension or revocation of a license, registration, qualification for
597 licensure or approval or the imposition of a fine upon a person licensed, registered or qualified
598 for licensure or approved for any cause considered reasonable by the board;

599 (12) to conduct investigations into the qualifications of all applicants for employment
600 by the board and all applicants for registration or licensure under this chapter;

601 (13) to ensure that there is no duplication of duties and responsibilities between the
602 board, commission and division; provided, however, that the commission may not place any
603 restriction upon the board or the division's ability to investigate or prosecute violations of this
604 chapter or the regulations adopted under this chapter;

605 (14) to request and receive from the state police, the criminal history systems board,
606 or other criminal justice agencies, including, but not limited to, the Federal Bureau of
607 Investigation and the federal Internal Revenue Service, such criminal offender record
608 information relating to criminal and background investigations as necessary for the purpose of

609 evaluating employees of, and applicants for, employment by the board and any gaming licensee
610 or gaming vendor, and evaluating licensees and applicants for licensure;

611 (15) to be present through its inspectors and agents at all times in gaming
612 establishments to: (i) certify the revenue of the establishment; (ii) receive complaints from the
613 public relating to the conduct of gaming and wagering operations; (iii) examine records of
614 revenues and procedures, inspect and audit all books, documents and records of any gaming
615 licensee or gaming vendor; (iv) conduct periodic reviews of operations and facilities; and (v)
616 otherwise exercise its oversight responsibilities with respect to gaming;

617 (16) to inspect and have access to all equipment and supplies in a licensed gaming
618 establishment or in any gaming area or other premises where gaming equipment is manufactured,
619 sold or distributed;

620 (17) to seize and remove from the gaming area or other premises of a gaming licensee
621 and impound any equipment, supplies, documents or records for the purpose of examination and
622 inspection;

623 (18) to demand access to and inspect, examine, photocopy and audit all papers, books
624 and records of any affiliate of a gaming licensee or gaming vendor whom the commission or
625 board suspects is involved in the financing, operation or management of the gaming licensee or
626 gaming vendor; provided, however, that the inspection, examination, photocopying and audit
627 may take place on the affiliate's premises or elsewhere as practicable, and in the presence of the
628 affiliate or the affiliate's agent;

629 (19) to require that the books and financial or other records or statements of a gaming
630 licensee or gaming vendor be kept in a manner that the board considers proper;

631 (20) to assist the commission in conducting adjudicatory proceedings and developing
632 regulations in accordance with chapter 30A;

633 (21) to refer cases for criminal prosecution to the appropriate federal, state or local
634 authorities;

635 (22) to issue subpoenas and compel the attendance of witnesses at any place within
636 the commonwealth, administer oaths and require testimony under oath before the commission
637 and board in the course of any investigation or hearing conducted under this chapter;

638 (23) to maintain an official internet website for the commission and board;

639 (24) to establish parameters for elections under clause 7 of subsection (a) of section
640 12;

641 (25) to determine which municipalities are the surrounding communities of a proposed
642 gaming establishment; provided, however, that in making such determination the board shall
643 consider factors including, but not limited to, population, infrastructure, distance from the
644 gaming establishment and political boundaries;

645 (26) to provide technical assistance to cities and towns that are conducting referendum
646 votes or negotiating community mitigation impact agreements for the purposes of this chapter
647 and to facilitate the negotiation of fair and reasonable agreements between an applicant and host
648 or surrounding communities;

649 (27) to levy and collect assessments, fees and fines and impose penalties and sanctions
650 for violations of this chapter and regulations under section 5;

651 (28) to levy and collect assessments for the operation of the board, bureau,
652 commission, state police unit and division;

653 (29) to levy and collect taxes established in section 63;

654 (30) to ensure that all environmental laws and regulations are followed and the
655 mitigation of any impact on natural resources in the host and surrounding communities as a
656 result of a gaming establishment; and

657 (31) to receive and investigate or cause to be investigated pursuant to regulations
658 promulgated by the board complaints by employees and prospective employees including
659 contract labor employees, minority business enterprises, and women business enterprises which
660 allege practices that are inconsistent with meeting or contrary to the commitments made by the
661 licensee pursuant to subsections (18), (19), (20) and (21) of section 16 of this chapter; and

662 (32) to establish a system of sanctions, including but not limited to fines and penalties,
663 for failure to comply with the requirements of a gaming license, in particular subsections (18),
664 (19), (20), (20), (21) and (22).

665 Section 8. The board shall administer and enforce chapter 128A and 128C and any other
666 general or special law related to pari-mutuel wagering. The board shall serve as a host racing
667 commission and an off-track betting commission for purposes of 15 U.S.C.A.3001, et seq.

668 Section 9. (a) The board may require anyone with an interest in the business of an
669 applicant for a gaming license or a close associate of an applicant for a gaming license, to be
670 qualified for licensure by meeting the criteria set forth in sections 11 and 14 and to provide any
671 other information that the board requires.

672 (1) For every business which applies for a gaming license, the board shall determine
673 whether: each officer and director of a corporation, other than a publicly traded corporation;
674 general partner and limited partner of a limited partnership; and member or transferee of a
675 member's interest in a limited-liability company; and director and manager of a limited-liability
676 company which applies for a gaming license meets the standards for qualification of licensure
677 under sections 11 and 14. The board may also require that any of an applicant's business?
678 individual stockholders, lenders, holders of evidence of indebtedness, underwriters, close
679 associates, key gaming employees, key executives, agents or employees shall also be required to
680 meet the standards for qualification of licensure.

681 (2) Any person owning more than 5 per cent of the common stock of the applicant
682 company directly or indirectly or a holding, intermediary or subsidiary of an applicant company
683 may be required to meet the qualifications for licensure under sections 11 and 14. The board may
684 waive these requirements for institutional investors holding up to 15 per cent of the stock of the
685 applicant company or holding, intermediary or subsidiary company of the applicant company
686 upon a showing by the person seeking the waiver that the applicant purchased the securities for
687 investment purposes only and does not have an intention to influence or affect the affairs or
688 operations of the applicant company or a holding, intermediary or subsidiary of the applicant
689 company. An institutional investor granted a waiver which subsequently determines to influence
690 or affect the affairs or operations of the applicant company or a holding, intermediary or
691 subsidiary of the applicant company shall provide not less than 30 days notice to the board of
692 such intent and the board shall ensure that the institutional investor meets the qualifications for
693 licensure under sections 11 and 14 before the institutional investor may take an action that may

694 influence or affect the affairs of the applicant company or a holding, intermediary or subsidiary
695 of the applicant company.

696 (3) The board may require a person who is required to be qualified for licensure by this
697 section to meet the standards for qualification of licensure under sections 11 and 14 and any
698 other standards the board determines before providing a recommendation to the commission on a
699 gaming license application under section 14.

700 (b) The board shall require any person involved in the financing of an applicant's
701 proposed gaming establishment to be qualified for licensure under sections 11 and 14 and may
702 grant a waiver under clause (2) of subsection (a).

703 (c) If a corporation or other form of business organization applying for a gaming license
704 is to become a subsidiary, each holding company, intermediary company and other entity having
705 an interest in the applicant shall be required to be qualified for licensure under sections 11 and
706 14.

707 (d) The board may require that a company or individual that may exercise control or
708 provide direction to an applicant company or a holding, intermediary or subsidiary of an
709 applicant company be qualified for licensure under section 11 and 14 and may allow such person
710 to seek a waiver under clause (2) of subsection (a).

711 Section 10. (a) After a gaming license is awarded to an applicant, the board may require
712 that anyone with an interest in the gaming establishment be licensed by the commission or
713 registered by the board.

714 (1) When a business is awarded a gaming license, all close associates, key gaming
715 employees, institutional investors, junket representatives, junket enterprises, each officer and
716 director if it is a corporation other than a publicly traded corporation, each general partner and
717 limited partner if it is a limited partnership, and if it is a limited-liability company each member,
718 transferee of a member's interest in the limited-liability company, director and manager of the
719 limited-liability company, shall be licensed by the commission prior to the business beginning
720 operations at the gaming establishment.

721 (2) Any person owning more than 5 per cent of the common stock of the gaming licensee
722 or a holding, intermediary or subsidiary of a gaming licensee shall be licensed. The board may
723 waive the licensing requirements for institutional investors holding up to 15 per cent of the stock
724 of the gaming licensee or holding, intermediary or a subsidiary company of the gaming licensee
725 upon a showing by the person seeking the waiver that the applicant purchased the securities for
726 investment purposes only and does not have an intention to influence or affect the affairs or
727 operations of the gaming licensee or a holding, intermediary or a subsidiary of the gaming
728 licensee. An institutional investor granted a waiver which subsequently determines to influence
729 or affect the affairs or operations of the gaming licensee or a holding, intermediary or a
730 subsidiary of the gaming licensee shall provide not less than 30 days notice to the board of such
731 intent and shall file an application and be subject to the licensing requirements of this chapter
732 before taking an action that may influence or affect the affairs of the gaming licensee or a
733 holding, intermediary or a subsidiary of the gaming licensee.

734 (3) All other gaming employees, gaming service employees, or any other person or
735 business with an interest in the gaming establishment as determined by the board, shall be
736 required to register with the board and provide such information as the board may require.

737 (b) Any person required to be licensed shall file an application with the board and shall
738 provide any additional information as the board requires. The application shall be on a form
739 prescribed by the board and shall include, but shall not be limited to, the following:

740 (1) the name of the applicant;

741 (2) the mailing address and if a corporation, the name of the state under the laws of which
742 the corporation is incorporated, the location of the corporation's principal place of business and
743 the names and addresses of the corporation's directors and stockholders;

744 (3) any criminal or arrest record;

745 (4) any civil judgments obtained against the applicant pertaining to antitrust or security
746 regulation;

747 (5) if the applicant is a business, the identity of every person or entity having a direct or
748 indirect interest in the business and the nature of such interest; provided, that, if the entity is a
749 trust, the application shall disclose the names and addresses of all beneficiaries; provided,
750 further, that if the entity is a partnership, the names and addresses of all partners, both general
751 and limited; and provided, further, that if the disclosed entity is a limited liability company, the
752 names and addresses of all members;

753 (6) an independent audit report of all financial activities and interests including, but not
754 limited to, the disclosure of all contributions, donations, loans or any other financial transactions
755 to or from any gaming licensee or operator of any gaming establishment in any jurisdiction
756 within the past 5 years; and

757 (7) clear and convincing evidence of financial stability including, but not limited to, bank
758 accounts, records, references, business and personal income and disbursement schedules, tax
759 returns and other reports filed with government agencies and business and personal accounting
760 check records and ledgers. The board may require such other information and documentation as
761 it deems appropriate including, without limitation, information related to the financial integrity
762 of the applicant.

763 (c) The board, by a majority vote of all members, may (i) make a recommendation to the
764 commission that the commission deny the application for a license; (ii) extend the period for
765 issuing a recommendation in order to obtain additional information necessary for a complete
766 evaluation of the application for a license; or (iii) recommend to the commission that the
767 commission grant the applicant a license.

768 (d) The commission may deny an application for a license and the board may deny an
769 application for a registration if the board or commission finds that a license applicant or
770 registrant is disqualified under section 11 or is unsuitable under section 14.

771 (e) A person who is required to be licensed under this section as a general or limited
772 partner shall not serve as such a partner for a licensee until the person obtains the required
773 license or waiver from the commission.

774 (f) The board shall require any person involved in the financing of a gaming
775 establishment to be licensed under this section but may grant a waiver under clause (2) of
776 subsection (a).

777 (g) A person serving in a position that is required to be licensed or registered shall apply
778 to be licensed by the commission or registered by the board not later than 30 days after taking a

779 position with the business. A person who is required to be licensed or registered under a decision
780 of the board shall apply for a license or registration not later than 30 days after the decision.

781 (h) If a corporation or other form of business organization holding a gaming license is to
782 become a subsidiary, the board shall require each holding company, intermediary company and
783 other entity to be licensed.

784 (i) The commission and board may require the licensing of a company or individual that
785 may exercise control or provide direction to a gaming licensee or a holding, intermediary or
786 subsidiary of a gaming licensee.

787 (j) The commission or board may condition, suspend or revoke a license or registration
788 under this section if the commission or board finds that a licensee or registrant has:

789 (1) been arrested or convicted of a crime; or

790 (2) failed to comply with this chapter pertaining to licensees or registrants.

791 Section 11. The commission shall deny an application for a gaming license or a license or
792 registration issued under this chapter, if the applicant:

793 (i) has been convicted of a felony or other convictions involving embezzlement, theft, fraud
794 or perjury; provided, however, that for convictions which occurred before the 10-year period
795 immediately preceding application for licensure, an applicant may demonstrate and the
796 commission shall consider, the applicant's rehabilitation and whether such conviction should not
797 result in a denial of the application under this section;

798 (ii) submitted an application for a license under this chapter that contains false or misleading
799 information;

800 (iii) committed prior acts which have not been prosecuted or convicted but form a pattern of
801 misconduct that make the applicant unsuitable for a license under this chapter; or
802 (iv) has affiliates or close associates who would not qualify for a license or whose
803 relationship with the applicant could pose an injurious threat to the interests of the
804 commonwealth in awarding a gaming license to the applicant.

805 Section 12. (a) No applicant shall be eligible to bid on a gaming license unless the
806 applicant meets the following initial criteria and clearly states as part of an application that the
807 applicant shall:

808 (1) agree to be a state lottery reseller for the purpose of lottery and keno games and
809 demonstrates that state lottery and keno games would be readily accessible to guests of the
810 gaming establishment;

811 (2) prior to beginning operations, invest not less than \$600,000,000 into a gaming
812 establishment proposed to be located in region 1 or 2 and not less than \$400,000,000 into a
813 gaming establishment proposed to be located in region 3, which shall not include the purchase of
814 the land where the gaming establishment would be located;

815 (3) meet the licensee bonding requirement as set by the board;

816 (4) have a debt to equity ratio of not more than 4 to 1 when the application is submitted;

817 (5) own or acquire within 60 days after a license has been awarded, the land where the
818 gaming establishment is proposed to be constructed;

819 (6) demonstrate the ability to pay and commit to paying the licensing fee of at least
820 \$75,000,000 if the gaming establishment is to be located in region 1 or 2 or \$50,000,000 if the

821 gaming establishment is to be located in region 3 and the operating licensing payment of 25 per
822 cent of all gross gaming revenues; and demonstrate the ability to raise and commit to invest the
823 funds required in subsection (2);

824 (7) have received a certified and binding vote on a ballot question at an election in the
825 host community, in favor of such license; provided, that, the vote must take place after the
826 effective date of this chapter; provided, further, that a binding vote shall be conducted not less
827 than 60 days after the execution of a signed agreement between the host community and the
828 applicant as provided in subsection (10); provided, further, that the city, town or district that
829 holds an election shall be reimbursed for its expenses related to the election by the applicant;
830 provided, further, that, upon the signing of an agreement between the host community and the
831 applicant as provided in subsection (10), and on the request of the applicant, the city or town
832 clerk shall set a date certain for an election on said ballot question in the host community;
833 provided, further that, at such election, the question submitted to the voters shall be worded as
834 follows:-- "Shall the (city/town) of _____ permit the Massachusetts Gaming Commission to
835 authorize a gaming facility to be located at ____[description of site]____? YES ____ NO
836 ____?"; provided, further, that, if a majority of the votes cast in a host community in answer to
837 the ballot question is in the affirmative, such host community shall be taken to have voted in
838 favor of the applicant's license.

839 (8) provide a community impact fee to the host community;

840 (9) pay for infrastructure costs of the host and surrounding communities incurred in direct
841 relation to the construction and operation of a gaming establishment;

842 (10) provide to the commission a signed agreement between the host community and the
843 applicant to have a gaming establishment located within the host community; provided, that the
844 agreement shall include the community impact fee for the host community and all stipulations of
845 responsibilities between the host community and the applicant, including stipulations of known
846 impacts from the development and operation of a gaming establishment;

847 (11) comply with state and local building codes and local ordinances and bylaws;

848 (12) formulate for board approval and abide by an affirmative marketing program by
849 which the applicant identifies specific goals, expressed as an overall program goal applicable to
850 the total dollar amount of contracts, for the utilization of (i) minority business enterprises and
851 women business enterprises to participate as contractors in the design phase of the gaming
852 establishment, (ii) minority business enterprises and women business enterprises to participate as
853 contractors in the construction phase of the gaming establishment, and (iii) minority business
854 enterprises and women business enterprises to participate as vendors in the provision of goods
855 and services procured by the gaming facility and any businesses operated as part of the gaming
856 establishment;

857 (13) formulate for board approval and abide by an affirmative-action program of equal
858 opportunity whereby the applicant establishes specific goals for the utilization of minorities and
859 women on said design phase and construction phase jobs; provided that such goals be equal to or
860 greater than the goals contained in the Executive Office of Administration and Finance
861 Administration Bulletin #14. In furtherance of specific goals for the utilization of minorities and
862 women on said construction jobs, the licensee will send to each labor union or representative of
863 workers with which the applicant has a collective bargaining agreement or other contract or

864 understanding, a notice advising the labor union or workers' representative of the applicant's
865 commitments;

866 (14) collect and annually report to the board a detailed statistical report on the number,
867 job titles, salary, gender, race, ethnicity and disability of employees hired and retained in
868 employment at the gaming establishment;

869 (15) formulate for board approval and abide by an affirmative-action program of equal
870 opportunity whereby the licensee guarantees to provide equal employment opportunities to all
871 employees qualified for licensure in all employment categories, including persons with a
872 disability, under the laws of the commonwealth and whereby the licensee shall establish specific
873 goals for the utilization of minorities and women; provided that such goals be equal to or greater
874 than the proportion of minority and women population in the Commonwealth as reported by the
875 most recent U.S. Census data;

876 (16) formulate for board approval and abide by an affirmative marketing program by
877 which the licensee identifies specific goals, expressed as an overall program goal applicable to
878 the total dollar amount or value of contracts entered into, for the utilization of (i) minority
879 business enterprises and women business enterprises to participate as contractors in the design
880 phase of the gaming establishment, (ii) minority business enterprises and women business
881 enterprises to participate as contractors in the construction phase of the gaming establishment,
882 and (iii) minority business enterprises and women business enterprises to participate as vendors
883 in the provision of goods and services procured by the gaming facility and any businesses
884 operated as part of the gaming establishment. Said specific goals for the utilization of such
885 minority business enterprises and women business enterprises shall be based on the availability

886 of such minority business enterprises and women business enterprises engaged in the type of
887 work to be contracted by the licensee;

888 (17) formulate for board approval and abide by an affirmative-action program of equal
889 opportunity whereby the licensee establishes specific goals for the utilization of minorities and
890 women on said design phase and construction phase jobs; provided that such goals be equal to or
891 greater than the goals contained in Executive Office of Administration and Finance
892 Administration Bulletin #14. In furtherance of said specific goals for the utilization of minorities
893 and women on said construction jobs, the licensee will send to each labor union or representative
894 of workers with which the licensee or its agent has a collective bargaining agreement or other
895 contract or understanding a notice advising the labor union or workers' representative of the
896 licensee's commitments;

897 (18) provide to the board, on a quarterly basis, a detailed statistical report on the number,
898 gender, ethnicity and race of individuals hired to perform labor as part of the construction phases
899 of the gaming establishment;

900 (19) collect and annually provide to the board a detailed statistical report on the total
901 dollar amounts contracted with and actually paid to minority business enterprises and women
902 business enterprises in (i) design phase contracts, (ii) construction phase contracts) and (iii)
903 contracts for each and every good and service procured by the gaming establishment. Said
904 statistical report shall also identify the amounts so contracted as a percentage of total dollar
905 amounts contracted with and actually paid to all firms; and

906 (20) pay to the board a non-refundable application fee in the amount of \$350,000.

907 (b) Notwithstanding any general or special law to the contrary, the construction of a new gaming
908 facility or the reuse of an existing structure or facility for the purposes of establishment of a
909 gaming facility shall require a review under sections 61 to 62H, inclusive, of chapter 30: the
910 Massachusetts Environmental Policy Act; and 301 CMR 11.00.

911 Section 13. (a) The board shall prescribe the form of the application for a gaming license
912 which shall require, but not be limited to, the following:

913 (1) the name of the applicant;

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

917 (3) the identity of every person or entity having a direct or indirect interest in the
918 business and the nature of such interest; provided, that, if the entity is a trust, the application
919 shall disclose the names and addresses of all beneficiaries; provided, further, that if a partnership,
920 the names and addresses of all partners, both general and limited; and provided, further, that if a
921 limited liability company, the names and addresses of all members;

922 (4) whether the applicant is a federally recognized Native American tribe located in
923 the commonwealth or is partnering with a federally recognized Native American tribe located in
924 the commonwealth; provided, that if the applicant is a federally recognized Native American
925 tribe located in the commonwealth, such an applicant shall indicate whether the applicant has
926 entered into a contractual agreement with the commonwealth and whether the tribe has entered
927 into an agreement with the commonwealth to waive its rights under the Indian Regulatory
928 Gaming act, 25 U.S.C. sections 2701, et seq. and be subject to the civil and criminal laws,

929 statutes, ordinances and jurisdiction of the commonwealth with respect to activities relating to
930 the development and operation of a gaming establishment;

931 (5) information and documentation to demonstrate that the applicant has sufficient
932 business ability and experience to establish the likelihood of creation and maintenance of a
933 successful gaming establishment;

934 (6) if an applicant has ever applied for or has been granted a license to conduct
935 gaming in another jurisdiction, or has had a license issued by any other jurisdiction that has been
936 denied, restricted, suspended, revoked or not renewed the applicant shall include a statement
937 describing the facts and circumstances concerning the application, denial, restriction, suspension,
938 revocation or nonrenewal, including the identity of the licensing authority, the date each action
939 was taken and the reason for each action;

940 (7) an independent audit report of all financial activities and interests including, but
941 not limited to, the disclosure of all contributions, donations, loans or any other financial
942 transactions to or from any gaming establishment or operator of a gaming establishment in the
943 past 5 years;

944 (8) clear and convincing evidence of financial stability including, but not limited to,
945 bank references, business and personal income and disbursement schedules, tax returns and other
946 reports filed by government agencies and business and personal accounting check records and
947 ledgers;

948 (9) evidence of ability and commitment to pay the gaming license fee;

949 (10) a capital investment plan and the total amount of investment proposed by the
950 applicant in the proposed gaming establishment, including all facilities, amenities and
951 infrastructure;

952 (11) evidence of sufficient capital to finance the proposed capital investment plan,
953 including investment in all facilities, amenities, infrastructure improvements as specified in the
954 design plan and continued operation of the proposed gaming establishment; provided, that, a
955 gaming licensee shall engage a third-party engineering and accounting firms to certify expenses
956 of its capital investment plan and provide documentation of such accounting to the board;
957 provided, further, that, the third-party engineering and accounting firms shall be approved by the
958 board and shall certify expenses under rules and regulations adopted by the commission under
959 section 5; provided, further, that, the design plan shall describe timelines and milestones for
960 design and construction of such infrastructure improvements and the applicant shall make
961 quarterly reports on the progress of such infrastructure improvements to the board, the respective
962 host communities and the house and senate committees on ways and means;

963 (12) the location for the proposed gaming establishment, which shall include the
964 address, maps, book and page numbers from the appropriate registry of deeds, assessed value of
965 the land at the time of application and ownership interests over the past 20 years including all
966 interests, options, agreements in property and demographic, geographic and environmental
967 information and any other information requested by the commission related to the proposed
968 location;

969 (13) the design plans for the proposed gaming establishment, including, but not limited
970 to:

- 971 (i) detailed design plans detailing all phases of construction;
- 972 (ii) the names and addresses of the architects, engineers and designers;
- 973 (iii) a detailed timeline for construction that includes all phases of construction
974 for the gaming establishment and non-gaming structures; and
- 975 (iv) the number of construction hours estimated to complete the work and
976 whether the developer has contracts with labor organizations or a provision assuring labor
977 harmony during all phases of such construction, renovation or reconstruction of the development,
978 and capital and routine maintenance;
- 979 (14) a detailed description of types of games to be conducted at the gaming
980 establishment; number and type of each games and the specific gaming area;
- 981 (15) a detailed description of the other amenities at the gaming establishment,
982 including but not limited to:
- 983 (i) the number of hotels and rooms per hotel and other amenities to be located
984 at the proposed gaming establishment;
- 985 (ii) the number of restaurants and other dining establishments to be located at
986 the proposed gaming establishment; and
- 987 (iii) a description of ancillary entertainment services and amenities to be
988 offered at the proposed gaming establishment;
- 989 (16) a detailed description of the proposed internal controls and security systems at the
990 proposed gaming establishment;

- 991 (17) whether the applicant purchased or intends to purchase publicly owned land for
992 the proposed gaming establishment;
- 993 (18) the number of permanent employees to be employed at the gaming establishment,
994 including detailed information on pay rate and benefits;
- 995 (19) a detailed description of the proposed gaming establishment's hiring and training
996 practices, how it will promote the development of a skilled and diverse workforce, how it will
997 provide opportunities for promotion;
- 998 (20) whether the applicant would agree to hire any qualified persons permanently
999 employed as of June 1, 2010 at a facility authorized to conduct simulcasting under chapter 128C
1000 that is in operation on June 1, 2010 within the region for which the gaming license was granted if
1001 said facility terminates operation within 1 year of the commission awarding the gaming license,
1002 subject to all other requirements and conditions of employment under this chapter;
- 1003 (21) whether the applicant has a contract with organized labor and has the support of
1004 organized labor for its application;
- 1005 (22) an agreement and detailed description of how the applicant will mitigate potential
1006 negative public health consequences associated with gambling and the operation of a gambling
1007 establishment;
- 1008 (23) completed studies and reports as required by the board, which shall include, but
1009 shall not be limited to, an examination of the proposed gaming establishment's: (a) economic
1010 benefits to the region and the commonwealth; (b) local and regional social, environmental, traffic
1011 and infrastructure impacts; (c) impact on the local and regional economy, including on cultural

1012 institutions and on small businesses in the host and surrounding communities; (d) cost to the host
1013 community and surrounding communities and the commonwealth for the proposed gaming
1014 establishment to be located at the proposed location; and (e) the estimated municipal and state
1015 tax revenue to be generated by the gaming establishment;

1016 (24) a statement as to whether the applicant's proposed gaming establishment is part of
1017 or in accord with a regional or local economic development plan;

1018 (25) a plan to identify, evaluate and mitigate social, economic, cultural and public safety
1019 impacts in surrounding communities; provided, that, the plan shall include proposed surrounding
1020 community impact fees and participation by the surrounding communities in identifying impacts
1021 and mitigation agreements with the surrounding communities;

1022 (26) the names of proposed vendors of gaming equipment;

1023 (27) responses to any additional questions that the board may ask; and

1024 (28) a plan to identify, evaluate and mitigate transportation infrastructure impacts in
1025 surrounding communities.

1026 (b) Applications for licenses shall be public records for the purposes of section 10 of chapter 66;
1027 provided further that trade secrets, competitively-sensitive or other proprietary information
1028 provided in the course of an application for a gaming license under this chapter, the disclosure of
1029 which would place the applicant at a competitive disadvantage, may be withheld from disclosure
1030 under chapter 66.

1031 Section 14. (a) Upon receipt of an application for a license or registration under this
1032 chapter, the board shall investigate the suitability of the applicant. In evaluating the suitability of

1033 an applicant, the board shall consider the overall reputation of the applicant including, but not
1034 limited to:

1035 (1) the integrity, honesty, character and reputation of the applicant;

1036 (2) the financial stability and background of the applicant;

1037 (3) the business practices and the business ability of the applicant;

1038 (4) whether the applicant has a history of compliance with gaming licensing
1039 requirements in other jurisdictions;

1040 (5) whether the applicant, at the time of application, is a defendant in litigation
1041 involving its business practices;

1042 (6) the suitability of all parties in interest to the gaming license, including affiliates,
1043 close associates and the financial resources of the applicant; and

1044 (7) whether the applicant is disqualified from receiving a license under section 11;
1045 provided, however, that in considering the rehabilitation of an applicant for a gaming license, the
1046 commission shall not automatically disqualify an applicant if the applicant affirmatively
1047 demonstrates, by clear and convincing evidence, that the applicant has financial responsibility,
1048 character, reputation, integrity and general fitness as such to warrant belief by the commission or
1049 board that the applicant will act honestly, fairly, soundly and efficiently as a licensee or
1050 registrant.

1051 (b) If the board determines during its suitability investigation under subsection (a) that an
1052 applicant for a gaming license has failed to: (i) establish the applicant's integrity or the integrity
1053 of an affiliate, close associate, financial source or person required to be qualified by the board;

1054 (ii) demonstrate responsible business practices in any jurisdiction; (iii) overcome any other
1055 reason, as determined by the board, as to why it would be injurious to the interests of the
1056 commonwealth in awarding the applicant a gaming license, the board shall cease any further
1057 review and recommend to the commission that the application be denied.

1058 Section 15. (a) If the board has determined an applicant for a gaming license is suitable to
1059 receive a gaming license, the board shall commence a review of the applicant's entire
1060 application.

1061 (b) The board shall identify which communities shall be designated as the surrounding
1062 communities of a proposed gaming establishment. In making that determination the board shall
1063 consider the plan submitted by the applicant under clause (24) of subsection (a) of section 13,
1064 information received from the public and factors which include, but shall not be limited to,
1065 population, infrastructure, distance from the gaming establishment and political boundaries. Prior
1066 to the public hearing, the applicant shall provide to the board a signed agreement with each of the
1067 surrounding communities; provided that each agreement shall include a surrounding community
1068 impact fee and all stipulations of responsibility between the community and the applicant,
1069 including stipulations of known impacts from the development and operation of the gaming
1070 establishment. When necessary the board may facilitate the negotiation of fair and reasonable
1071 agreements between the applicant and surrounding communities.

1072 (c) After a review of the entire application and any independent evaluations, the board
1073 shall conduct a public hearing on the application under section 11? of chapter 30A. An applicant
1074 for a gaming license and a municipality designated as a host or surrounding community shall be
1075 given at least 30 days notice of the public hearing. The board shall hold the public hearing within

1076 the host community; provided, however, that the host community may request that the board
1077 hold the hearing in another city or town upon request by a majority of members of the town
1078 council, or in a city having a Plan D or Plan E charter, the city manager and the city council and
1079 in any other city the mayor and city council and in towns a majority vote of those present and
1080 voting at a town meeting and approval by the board of selectmen.

1081 (d) The public hearing shall provide the board the opportunity to address questions and
1082 concerns relative to the proposal of an applicant for a gaming license including the breadth and
1083 quality of the gaming area and amenities, the integration of the establishment into the
1084 surrounding community, the extent of required mitigation plans, as well as receive input from
1085 members of the public from the impacted community or communities. During the hearing, along
1086 with allowing members of the public to give verbal testimony, the board may read into the record
1087 letters of support, opposition or concern from members of the public.

1088 (e) Not later than 90 days after the conclusion of the public hearing the board shall take
1089 action on the application. The board, by a majority vote of all members, may: (i) make a
1090 recommendation to the commission that the commission deny the application; (ii) extend the
1091 period for issuing a recommendation in order to obtain additional information necessary for a
1092 complete evaluation of the application; or (iii) recommend to the commission that the
1093 commission grant the applicant a gaming license.

1094 (f) Upon making a decision to recommend denial of an application, the board shall
1095 prepare and file the board's decision with the commission and, if requested by the applicant,
1096 shall further prepare and file a statement of the reasons for the recommendation of denial,
1097 including specific findings of fact.

1098 (g) The applicant shall be entitled to a hearing before the commission after the filing of
1099 the board's recommendation. The applicant shall have the right to contest the board's findings.
1100 A representative of the board shall also appear at the hearing and the commission may put such
1101 questions to that representative as it deems appropriate.

1102 (h) Not later than 60 days after the receipt of the recommendation of the board, the
1103 commission shall take action on the application. The commission, by majority vote of all
1104 commissioners, may: (i) deny the application; (ii) extend the period for issuing a decision in
1105 order to obtain any additional information necessary for a complete evaluation of the application;
1106 or (iii) grant the application for a gaming license.

1107 (i) Upon denial of an application, the commission shall prepare and publish its order and,
1108 if requested by the applicant, shall further prepare and file a statement of the reasons for the
1109 denial, including specific findings of fact.

1110 (j) The commission shall have full discretion as to whether to issue a license. Applicants
1111 shall have no legal right or privilege to a gaming license and shall not be entitled to any further
1112 review if denied.

1113 Section 16. (a) In determining whether an applicant should receive a gaming license, the
1114 commission shall evaluate:

1115 (1) whether the proposed gaming establishment offers the highest and best value
1116 creating a secure and robust gaming market in the region and the commonwealth;

1117 (2) the revenues received by the commonwealth;

1118 (3) the number and quality of the jobs provided by the proposed gaming
1119 establishment;

1120 (4) the degree to which the proposed gaming establishment meets the criteria
1121 identified in regulations adopted under section 5;

1122 (5) the degree to which potential impacts on host and surrounding communities
1123 which might result from the development or operation of the gaming establishment are
1124 mitigated;

1125 (6) the degree to which potential adverse effects which might result from the project
1126 including but not limited to, the cost of meeting the increase in demand for public health care,
1127 child care, public transportation, affordable housing and social services, are mitigated;

1128 (7) the distance between the proposed gaming establishment and any other gaming
1129 establishment;

1130 (8) how well the proposal protects the lottery from adverse impacts due to expanded
1131 gaming, including, but not limited to, developing cross-marketing strategies with the lottery and
1132 increasing ticket sales to out-of-state residents;

1133 (9) how well the proposal promotes local businesses in host and surrounding
1134 communities, including developing cross-marketing strategies with local restaurants, hotels,
1135 retail outlets and performing arts organizations;

1136 (10) how well the proposal implements an affirmative marketing program that
1137 identifies specific goals, expressed as an overall program goal applicable to the total dollar
1138 amount of contracts, for the utilization of (i) minority business enterprises and women business

1139 enterprises to participate as contractors in the design of the gaming establishment, (ii) minority
1140 business enterprises and women business enterprises to participate as contractors in the
1141 construction of the gaming establishment, and (iii) minority business enterprises and women
1142 business enterprises to participate as vendors in the provision of goods and services procured by
1143 the gaming facility and any businesses operated as part of the gaming establishment;

1144 (11) how well the proposal implements a workforce development plan that (i)
1145 incorporates an affirmative-action program of equal opportunity by which the applicant
1146 guarantees to provide equal employment opportunities to all employees qualified for licensure in
1147 all employment categories, including persons with a disability, (ii) utilizes the existing labor
1148 force in the commonwealth, (iii) estimates the number of construction jobs a proposed gaming
1149 establishment will generate and provides for equal employment opportunities and which includes
1150 specific goals for the utilization of minorities and women on said construction jobs, (iv)
1151 identifies workforce training programs offered by the gaming establishment, and (v) identifies
1152 the methods for accessing employment at the gaming establishment; (whether the proposal
1153 would build a gaming establishment with a variety of amenities and operate in partnership with
1154 local hotels, dining, retail and entertainment facilities so that patrons experience the diversified
1155 regional tourism industry;

1156 (12) whether the proposal takes additional measures to address problem gambling,
1157 including, but not limited to, training gaming employees in prevention programs targeted toward
1158 vulnerable populations and to identify patrons exhibiting problems with gambling;

1159 (13) the market analysis detailing the benefits of the site location of the gaming
1160 establishment and the estimated recapture rate of gaming-related spending by residents travelling
1161 to out-of-state gaming establishments;

1162 (14) whether the proposal utilizes sustainable development and high performance
1163 design principles, including, but not limited to: (i) being certified as gold or higher under the
1164 appropriate certification category in the Leadership in Environmental and Energy Design
1165 program created by the United States Green Building Council; (ii) meeting or exceeding the
1166 stretch energy code requirements contained in Appendix 120AA of the Massachusetts building
1167 energy code or equivalent commitment to advanced energy efficiency as determined by the
1168 secretary of the executive office of energy and environmental affairs; (iii) efforts to mitigate
1169 vehicle trips; (iv) efforts to conserve water and manage storm water; (v) demonstration that
1170 electrical and HVAC equipment and appliances will be EnergyStar labeled where available; (vi)
1171 procuring or generating on-site 10 per cent of its annual electricity consumption from renewable
1172 sources qualified by the department of energy resources under section 11F of chapter 25A; and
1173 (vii) developing an on-going plan to sub-meter and monitor all major sources of energy
1174 consumption and undertake regular efforts to maintain and improve energy efficiency of
1175 buildings in their systems;

1176 (15) whether the proposal establishes, funds and maintains human resource hiring and
1177 training practices and promotes the development of a skilled and diverse workforce and access to
1178 promotion opportunities through a workforce training program that: (i) establishes transparent
1179 career paths within the establishment, leading to increased responsibility and pay, with
1180 measurable criteria designed to assist employees pursuing career advancement and promotion;
1181 (ii) provides employees access to additional resources, such as tuition reimbursement or stipend

1182 policies, to enable employees to acquire education or job training needed to advance on those
1183 career paths; and (iii) establishes an on-site child day care program;

1184 (16) whether the applicant would contracts with local business owners to provide
1185 services and goods to the gaming establishment; and

1186 (17) the degree to which the proposed gaming establishment provides a suitable buffer
1187 to residential and commercial abutters.

1188 (b) The commission shall issue a statement of findings of how each applicant proposes to
1189 meet the objectives in subsection (a).

1190 Section 17. (a) The commission may issue not more than 3 gaming licenses based on the
1191 applications and bids submitted to the commission. Not more than 1 license may be awarded per
1192 region, as follows:

1193 region 1: suffolk, middlesex, essex and worcester counties;

1194 region 2: norfolk, bristol, plymouth, nantucket, dukes and barnstable counties;

1195 region 3: hampshire, hamden, franklin and berkshire counties.

1196 Gaming licenses shall only be issued to applicants who are qualified under the criteria set
1197 forth in this chapter as determined by the commission. Within any of the regions, if the
1198 commission is not convinced that there is an applicant that has both met the eligibility criteria
1199 and provided convincing evidence that the applicant will provide value to the region in which the
1200 gaming establishment is proposed to be located and to the commonwealth, no gaming license
1201 shall be awarded in that region.

1202 (b) No other gaming license shall be issued by the commission for a period of 10 years.

1203 (c) No gaming licensee shall transfer a license or any direct or indirect interest in the
1204 license or a gaming establishment without the majority approval of the commission. Any person
1205 seeking to acquire a license through a transfer shall qualify for licensure under this chapter. The
1206 commission shall reject any license transfer or transfer of interest in the gaming establishment to
1207 an unsuitable person and may reject a proposed transfer that, in the opinion of the commission,
1208 would be disadvantageous to the interests of the commonwealth.

1209 (d) (1) Notwithstanding any general or special law or rule or regulation to the
1210 contrary, the commission may grant, upon request of an applicant for a gaming license, a gaming
1211 beverage license for the sale and distribution of alcoholic beverages to be drunk on the premises
1212 of a gaming establishment. The alcoholic beverage control commission shall have the exclusive
1213 authority to enforce, regulate and control the distribution of alcoholic beverages in the gaming
1214 establishment.

1215 (2) Chapter 138 and the rules and regulations promulgated by the alcoholic
1216 beverages control commission shall apply to a gaming establishment and a gaming beverage
1217 license unless otherwise provided by this section.

1218 (3) The fee for the gaming beverage license and any renewals of the license shall
1219 be determined by the commission. The application fee shall be remitted with the gaming
1220 application fee.

1221 (4) A licensee under this section shall be permitted to distribute alcohol free of
1222 charge and for on-premise consumption to patrons in the gaming area or as a complimentary
1223 service or item in the gaming establishment; provided, however, that the commission shall

1224 promulgate regulations on such distribution as well as the forms of identification that may be
1225 presented to the licensee to demonstrate proof that a person has attained the age of 21.

1226 (5) The request submitted to the commission for a gaming beverage license by an
1227 applicant for a gaming license shall detail all areas where alcoholic beverages will be served
1228 within the gaming establishment. In issuing a gaming beverage license, the commission shall
1229 describe the scope of the particular license and any restrictions and limitations; provided,
1230 however, that the license shall not permit the sale or distribution of alcoholic beverages between
1231 the hours of 2 a.m. and 8 a.m.

1232 (6) A gaming licensee shall be responsible for violations of gaming beverage
1233 license in the gaming establishment. The commission may revoke, suspend, refuse to renew or
1234 refuse to transfer a gaming beverage license for violations of chapter 138, regulations
1235 promulgated by the alcoholic beverages control commission and the regulations adopted by the
1236 commission. If, at any time, a licensee elects temporary suspension of their gaming license due
1237 to violations of this section, said licensee shall owe the commonwealth the average tax on gross
1238 gaming revenue based on an appropriate period of time as determined by the commission for the
1239 number of days operation was suspended.

1240 (7) A gaming beverage license shall be nontransferable without prior approval
1241 from the commission. If the license granted under this section is cancelled, revoked or no longer
1242 in use, it shall be returned physically, with all the legal rights, privileges and restrictions
1243 pertaining to the license, to the commission and the commission may then grant the license to a
1244 new gaming licensee under the same conditions as specified in this section.

1245 (8) A license granted under this section shall not decrease the number of such
1246 licenses authorized to be granted to the host community under chapter 138.

1247 (e) A gaming license issued under this chapter shall be valid for a period of 10 years from
1248 the date of first issuance. Ten years after issuance, and every 10 years thereafter, the
1249 commission shall perform a thorough review of the business strategy of the gaming
1250 establishment which shall include plans for expansion and marketing submitted by the licensee.
1251 The commission shall establish procedures for renewal and set the renewal fee based on the cost
1252 associated with the evaluation of a licensee requesting a renewed gaming license.

1253 A gaming licensee shall issue an annual report to the board explicitly stating its progress
1254 on meeting each of the stated goals and stipulations from the licensee's original application. If a
1255 licensee is unable to meet stated goals within a reasonable time frame, as determined by the
1256 board, the board may levy additional fees, so long as the fees are fair and reasonable and the
1257 commission may revoke the license, so long as the licensee has been afforded a proper hearing
1258 on the matter.

1259 Nothing in this section shall preclude the board at any time from reviewing the business
1260 operations of a gaming licensee to ensure that the conditions of licensure are being met,
1261 including, but not limited to, the suitability of the licensee and any affiliates and the fiscal
1262 stability of the gaming establishment.

1263 (f) The commission may condition, suspend or revoke a gaming license upon a finding
1264 that a licensee: (i) has committed a criminal or civil offense under this chapter or any other laws
1265 of the commonwealth; (ii) is not in compliance with gaming regulations or is under criminal
1266 investigation in another jurisdiction; (iii) has breached a condition of the gaming license; (iv) is

1267 conducting business with or employing a person or entity subject to license or registration under
1268 this chapter that is not licensed or registered; (v) is no longer capable of maintaining operations
1269 at a gaming establishment; or (vi) whose business practice, upon a determination by the
1270 commission, is injurious to the policy objectives of this chapter.

1271 (g) Whenever any person contracts to transfer any property relating to an ongoing gaming
1272 establishment, including a security holding in a gaming licensee or holding or intermediary
1273 company, under circumstances which require that the transferee obtain licensure under this
1274 chapter, the contract shall not specify a closing or settlement date which is sooner than 121 days
1275 after the submission of a completed application for licensure or qualification, which application
1276 shall include a fully executed and approved trust agreement.

1277 The commission shall hold a hearing and render a decision on the interim authorization of the
1278 applicant. If the commission grants interim authorization, then the closing or settlement may
1279 occur without interruption of gaming operations. If the commission denies interim authorization,
1280 there shall be no closing or settlement until the commission makes a determination on the
1281 qualification of the applicant. If the commission then denies qualification the contract shall be
1282 terminated for all purposes without liability on the part of the transferor.

1283 (h) No person or affiliate shall be awarded, purchase or otherwise hold or have a financial
1284 interest in more than 1 gaming license issued by the commission.

1285 (i) When granting the gaming licenses, the commission shall take into consideration the
1286 physical distance in of the proposed gaming establishments as they relate to each other and how
1287 to maximize the benefits to the commonwealth. No gaming establishment shall be located
1288 within 40 miles of any other gaming establishment in the commonwealth.

1289 (j) The commission shall evaluate all gaming license applications to determine which
1290 application provides the highest and best value to the region and to the commonwealth based on
1291 the criteria set out in this chapter, and any other terms the commission determines by regulation.
1292 If there is more than 1 applicant in a region who is determined by the commission to be eligible
1293 for a gaming license under this section, the commission shall allow each eligible applicant to
1294 resubmit its application. An eligible applicant may, in its resubmitted application, voluntarily
1295 increase the license fee required by subsection (k) and may modify any portion of their
1296 application related to the factors listed in section 16. The commission shall consider the entire
1297 application and not base its decision solely on the additional license fee payments in determining
1298 which applicant shall be awarded a license.

1299 (k) A gaming licensee which has received a license in region 1 or 2 shall pay to the board
1300 a fee of not less than \$75,000,000 and a gaming licensee which has received a license in region 3
1301 shall pay to the board a fee of not less than \$50,000,000. These fees shall be paid not later than
1302 30 days after the final award of the license which sets forth the conditions to be satisfied by the
1303 licensee before the gaming establishment may be opened to the public.

1304 Section 18. (a) The board shall prescribe the form of the gaming license, which shall
1305 include, but shall not be limited to, the following license conditions:

1306 (1) Each gaming licensee shall have an affirmative obligation to abide by every
1307 statement made in its application to the board under section 13 and every statement made in its
1308 bid submission to the board under section 17.

1309 (2) Each gaming licensee shall comply with all laws of the commonwealth and all
1310 rules and regulations promulgated under this chapter.

1311 (3) Each gaming licensee shall abide by all state and local building codes.

1312 (4) Each gaming licensee shall pay daily to the board the gross gaming revenue
1313 payment.

1314 (5) Each gaming licensee shall make, or cause to be made, capital expenditures to its
1315 gaming establishment in a minimum aggregate amount equal to or greater than 3.5 per cent of
1316 the net gaming revenues derived from the establishment.

1317 (6) No person including, but not limited to, a substantial party in interest, affiliates
1318 and those entities established under the rules and regulations of the state secretary, shall transfer
1319 a license, a direct or indirect real interest, structure, real property, premises, facility, personal
1320 interest or pecuniary interest under a license issued under this chapter or enter into an option
1321 contract, management contract or other agreement or contract providing for such transfer in the
1322 present or future, without the notification to, and approval by, the commission. The commission
1323 may promulgate rules and regulations, under section 5, that create exemptions from the approval
1324 requirement; provided, that:

1325 (i) in no event shall a bona fide commercial financial institution licensed by
1326 the division of banks which becomes a substantial party of interest with a licensee be considered
1327 a transferee;

1328 (ii) the commission may require the transferor, transferee, or both, to pay to
1329 the board an amount representing the commonwealth's share of the increased value for the
1330 transferred licenses, property or interest; provided, further, that the commission shall consider as
1331 a factor in determining the amount of the payment the market value of said license, property or
1332 interest when it was acquired and at the time of the transfer; provided, further, that the

1333 commission may place additional conditions or restrictions on said transfer that the commission
1334 considers suitable; provided, further, that the commission may reject said transfer if the
1335 commission considers the transfer unsuitable; and

1336 (iii) any payments collected by the board on behalf of the commonwealth
1337 based on said transfer shall be deposited in the same manner as license fees are deposited.

1338 (7) No gaming licensee shall be permitted to change its business governing structure
1339 without the notification and approval of the commission.

1340 (8) No gaming licensee shall operate, invest or own, in whole or in part, another
1341 licensee's license or gaming establishment. The commission shall promulgate rules and
1342 regulations, under section 5, to address violations of this subsection.

1343 (9) Each gaming licensee shall cooperate with the commission, the board and the
1344 attorney general in all gaming-related investigations. Each licensee shall make readily available
1345 all documents, materials, equipment, personnel and any other items requested during all
1346 investigations. Material that the licensee considers a trade secret or detrimental to the licensee if
1347 it were made public may, with the board's approval, be protected from public disclosure and the
1348 gaming licensee may require non-disclosure agreements with the board before disclosing such
1349 material.

1350 (10) Each gaming licensee shall cooperate with the commission, the board and the
1351 attorney general with respect to the investigation of any criminal matter that is discovered on the
1352 gaming establishment. The gaming licensee shall, upon receipt of criminal or civil process
1353 compelling testimony or production of documents in connection with a civil or criminal
1354 investigation, immediately disclose such information to the board. This section shall not prohibit

1355 private persons or public entities from seeking any remedy or damages against a gaming
1356 licensee.

1357 (11) Each gaming licensee shall allow the board to conduct warrantless searches of the
1358 licensee's gaming area.

1359 (12) Each gaming licensee shall have a duty to inform the board of any action which
1360 the licensee reasonably believes would constitute a violation of this chapter, and shall assist the
1361 board and any federal or state law enforcement agency in the investigation and prosecution of
1362 such violation. No person who informs the board of such an action shall be discriminated against
1363 by an applicant or licensee as a consequence for having supplied of such information.

1364 (13) Each gaming licensee shall agree to be a state lottery reseller for the purpose of
1365 lottery, multi-jurisdictional lottery and keno games and to demonstrate that state lottery and keno
1366 games are readily accessible to people in the gaming establishment.

1367 (14) Each gaming licensee shall provide an office for the board at the gaming
1368 establishment. The board shall establish the minimum requirements for said office.

1369 (15) Each gaming licensee shall provide an office for the designated state police unit at
1370 the gaming establishment. The board shall establish the minimum requirements for square
1371 footage for the state police office, office furnishings and parking space.

1372 (16) Each gaming licensee shall collect and annually report to the board a detailed
1373 statistical report on the number, job titles, benefits and salary of employees hired and retained in
1374 employment at the gaming establishment.

1375 (17) Each gaming licensee shall agree to make a good faith effort to identify and
1376 recruit candidates from the local labor market area and other nearby labor market areas to ensure
1377 a diverse workforce.

1378 (18) Each gaming licensee shall establish, fund and maintain internal human resource
1379 hiring and training practices that promote the development of a skilled and diverse workforce
1380 with access to promotion opportunities by:

1381 (i) establishing transparent career paths with measurable criteria within the
1382 gaming establishment that lead to increased responsibility and higher pay grades that are
1383 designed to allow employees to pursue career advancement and promotion;

1384 (ii) establishing employee access to additional resources, such as tuition
1385 reimbursement or stipend policies, to enable employees to acquire the education or job training
1386 needed to advance career ladders based on increased responsibility and pay grades; and

1387 (iii) establishing an on-site child day care program.

1388 (19) Each gaming licensee shall formulate for board approval and abide by an
1389 affirmative-action program of equal opportunity by which the applicant guarantees to provide
1390 equal employment opportunities to all employees qualified for licensure in all employment
1391 categories, including a person with a disability, under the laws of the commonwealth.

1392 (20) Each gaming licensee shall employ only those persons licensed by the
1393 commission or registered by the board.

1394 (21) Each gaming licensee shall do business only with those vendors licensed by the
1395 commission or registered by the board.

1396 (22) Each gaming licensee shall provide to the board aggregate demographic
1397 information with respect to the licensee's customers in a manner and under a schedule to be
1398 defined by the board.

1399 (23) Each gaming licensee shall meet the requirements under clauses 7 through 11 of
1400 subsection (a) of section 12 and clause (23) of subsection (a) of section 13 to the satisfaction of
1401 the board.

1402 (24) Each gaming licensee shall provide complimentary on-site space for an
1403 independent substance abuse, compulsive gambling and mental health counseling service and
1404 establish a program to train the gaming employees in the identification of and intervention with
1405 customers exhibiting problem gaming behavior.

1406 (25) Each gaming licensee shall keep conspicuously posted in the gaming area a notice
1407 containing the name and a telephone number for problem gambling assistance. The board may
1408 require the licensee to provide this information in more than 1 language.

1409 (26) Each gaming licensee shall provide a process for individuals to exclude such
1410 individuals' names and contact information from the gaming licensee's database or any other list
1411 held by the gaming licensee for use in marketing or promotional communications.

1412 (27) Each gaming licensee shall meet the requirements under clause (22) of subsection
1413 (a) of section 13 to the satisfaction of the board.

1414 (28) Each gaming licensee shall institute additional public health strategies as required
1415 by the board.

1416 (29) No gaming licensee or gaming establishment shall authorize or conduct direct
1417 marketing and promotional communications relative to gaming targeted towards persons under
1418 the age of 21.

1419 (b) The board may include any reasonable additional requirements to the license
1420 conditions.

1421 Section 19. (a) No person or business shall conduct any business with a gaming licensee
1422 regarding the licensee's gaming establishment unless such person has been licensed by the
1423 commission or registered by the board.

1424 (1) No person or business shall manufacture, sell, distribute or repair gaming equipment
1425 or slot machines, other than antique slot machines as defined in section 5A of chapter 271,
1426 without a valid gaming vendor license issued by the commission.

1427 (2) Non-gaming vendors shall be required to register with the board and shall produce
1428 such information as the board may require; provided, however, that the board may require any
1429 vendor otherwise considered a non-gaming vendor, which regularly conducts over \$250,000 of
1430 business with a gaming licensee within a 12 month period, or \$100,000 of business within a 3
1431 year period, to be licensed as a gaming vendor.

1432 (b) Any person seeking a gaming vendor license shall file an application with the board.
1433 Such application shall be on a form prescribed by the board and shall include, but shall not be
1434 limited to, the following:

1435 (1) the name of the applicant;

1436 (2) the mailing address and if a corporation, the name of the state under the laws of which
1437 the corporation is incorporated, the location of the corporation's principal place of business and
1438 the names and addresses of the corporation's directors and stockholders;

1439 (3) any criminal or arrest record;

1440 (4) any civil judgments obtained against the person pertaining to antitrust or security
1441 regulation;

1442 (5) the identity of every person or entity having a direct or indirect interest in the business
1443 and the nature of such interest; provided, that, if the entity is a trust, the application shall disclose
1444 the names and addresses of all beneficiaries; provided, further, that if the entity is a partnership,
1445 the names and addresses of all partners, both general and limited; and provided, further, that if
1446 the disclosed entity is a limited liability company, the names and addresses of all members;

1447 (6) an independent audit report of all financial activities and interests including, but not
1448 limited to, the disclosure of all contributions, donations, loans or any other financial transactions
1449 to or from any gaming licensee or operator of a gaming establishment in the past 5 years; and

1450 (7) clear and convincing evidence of financial stability including, but not limited to, bank
1451 accounts, records, references, business and personal income and disbursement schedules, tax
1452 returns and other reports filed by government agencies and business and personal accounting
1453 check records and ledgers.

1454 The board may require such other information as it deems appropriate including, without
1455 limitation, information related to the financial integrity of the applicant and may require the
1456 applicant to submit other documentation the board considers appropriate.

1457 (c) Any person owning more than 5 per cent of the common stock of a company required
1458 to be licensed as a gaming vendor, or a holding, intermediary or subsidiary of such company,
1459 shall be required to file for licensure. The commission may waive the licensing requirements for
1460 institutional investors holding up to 15 per cent of the stock of the company, or holding,
1461 intermediary or subsidiary company of the company, upon a showing by the person seeking the
1462 waiver that the applicant purchased the securities for investment purposes only and does not have
1463 any intention to influence or affect the affairs or operations of the company or a holding,
1464 intermediary or subsidiary of the such company. Any institutional investor granted a waiver
1465 which subsequently determines to influence or affect the affairs or operations of the gaming
1466 vendor, or a holding, intermediary or subsidiary of the gaming vendor, shall provide not less than
1467 30 days notice to the board of such intent and shall file an application and be subject to the
1468 licensing requirements of this chapter before taking an action that may influence or affect the
1469 affairs of the applicant company or a holding, intermediary or subsidiary of the applicant
1470 company.

1471 (d) The board, by a majority vote of all members, may (i) make a recommendation to the
1472 commission that it deny a gaming vendor license application; (ii) extend the period for issuing a
1473 recommendation in order to obtain additional information necessary for a complete evaluation of
1474 the gaming vendor license application; or (iii) recommend to the commission that it grant the
1475 applicant a gaming vendor license.

1476 (e) The board may deny an application for registration of a non-gaming vendor or
1477 supplier if the board finds that an applicant or registrant is disqualified under section 11 or may
1478 be unsuitable for registration under section 14.

1479 (f) The commission or board, in the case of a non-gaming vendor, may condition,
1480 suspend or revoke any license or registration under this section if the commission or board finds
1481 that a licensee or registrant has:

1482 (i) been arrested or convicted of a crime;

1483 (ii) failed to comply with section 10; or

1484 (iii) failed to comply with this chapter pertaining to licensees.

1485 (g) The board shall establish a master vendor list to monitor all gaming and non-gaming
1486 vendor contracts with a gaming establishment. A vendor doing business with a gaming
1487 establishment which has failed to submit an application for licensure or registration shall be
1488 prohibited from engaging in any future business with a gaming establishment; provided,
1489 however, that the board may terminate any contracts that have been entered into with an
1490 unlicensed or unregistered vendor.

1491 (h) Each gaming licensee shall have a continuing duty to inform the board of all gaming
1492 and non-gaming vendor contracts.

1493 (i) A license or registration issued under this section shall be issued for a term of 3 years.
1494 It shall be the responsibility of the vendor to ensure that the vendor's license or registration is
1495 current.

1496 (j) The board shall establish fees for gaming vendor licenses which shall include costs
1497 incurred for conducting a background investigation into an applicant for said license. The board
1498 shall establish fees for non-gaming vendor registration which shall include costs incurred for
1499 conducting a background investigation into an applicant for said registration.

1500 (k) The board shall monitor the conduct of all gaming vendors and other persons having a
1501 material involvement, directly or indirectly, with a gaming vendor to ensure that gaming vendor
1502 licenses are not issued to, or held by, and there is no direct or indirect material involvement with,
1503 a gaming vendor by unqualified, disqualified or unsuitable persons.

1504 Section 20. (a) Each labor organization, union or affiliate seeking to represent employees
1505 who are employed at a gaming establishment shall register with the board.

1506 (b) Neither a labor organization, nor its officers who are not otherwise licensed or registered
1507 under this chapter, may hold any financial interest in a gaming establishment whose employees
1508 are represented by the organization.

1509 Section 21. (a) A gaming licensee shall be permitted to issue credit to a patron of a
1510 gaming establishment under regulations promulgated under section 5. Such regulations shall
1511 include, but not be limited to: (i) procedures for confirming that a patron has an established
1512 credit history and is in good standing; (ii) whether the patron has a good credit history with the
1513 gaming establishment; (iii) authorization of a credit instrument; (iv) methods for acknowledging
1514 a credit instrument and payment of debt; and (v) information to be provided by the patron to the
1515 gaming establishment to be shared with the board for auditing purposes.

1516 (b) Except as otherwise authorized by the board through regulations under section 5, no
1517 establishment, nor any person acting on behalf of an establishment shall: (1) cash any check,
1518 make any loan or otherwise provide or allow to a person any credit or advance of anything of
1519 value, or which represents value, to enable a person to place a wager; or (2) release or discharge
1520 a debt, either in whole or in part, or make a loan which represents any losses incurred by a player
1521 in gaming activity, without maintaining a written record of the release or discharge under the

1522 rules of the commission. Nothing in this section shall prohibit an establishment from accepting
1523 credit cards for non-gaming related purchases or services.

1524 (c) Checks cashed in conformity with the requirements of this chapter shall be valid
1525 instruments enforceable under the laws of the commonwealth. Any check cashed, transferred,
1526 conveyed or given in violation of this chapter or regulations promulgated under section 5 shall be
1527 invalid and unenforceable.

1528 (c 1/2) The commission shall, in consultation with the department of transitional
1529 assistance, the department of labor and workforce development, the department of housing and
1530 community development or the applicable administering agency, establish by regulation, under
1531 section 5, procedures and standards to prohibit an establishment or any person acting on behalf
1532 of an establishment from: (1) cashing a government-issued check; (2) from operating on its
1533 premises any credit card or ATM machine that would allow a patron to obtain cash from a
1534 government-issued Electronic Benefits Transfer Card; and (3) from extending or issuing credit to
1535 a patron of a gaming establishment who receives any form of income-based public assistance
1536 including, but not limited to, the Supplemental Nutrition Assistance Program, Temporary
1537 Assistance for Needy Families, Emergency Aid to Elders, Disabled and Children, public housing
1538 assistance, MassHealth and unemployment insurance. The procedures and standards established
1539 shall ensure the privacy of all patrons receiving public assistance.

1540 (d) The commission shall establish by regulation, under section 5, procedures and
1541 standards for approving promotional gaming credits; provided, that, no such credit shall be
1542 reported as a promotional gaming credit by an operator of a gaming establishment unless the
1543 operator can establish that the credit was issued by the gaming establishment and received from a

1544 patron as a wager at a game in the gaming establishment; provided, further, that such
1545 promotional gaming credit shall not be taxable for the purposes of determining gross revenue.

1546 (e) No other person or entity, other than a gaming licensee licensed under this chapter,
1547 shall issue credit to a person while the person is a patron of a gaming establishment.

1548 (f) Debt collections under this section and debt collection regulations promulgated under
1549 section 5 shall be limited to key gaming employees or attorneys acting directly on behalf of
1550 gaming licensees; provided further that a key gaming employee shall be prohibited from making
1551 any such collections if the key gaming employee serves as a junket representative for the gaming
1552 establishment.

1553 (g) On an annual basis, each gaming licensee shall report to the commission the number
1554 of debt collection processes on patrons that the commission initiates and the total amount
1555 recovered by the licensee. Notwithstanding any general or special laws to the contrary, this
1556 report shall be considered public record.

1557 Section 22. (a) No junkets may be organized or permitted and no person may act as a
1558 junket representative or junket enterprise except as authorized by the board under this chapter.

1559 (b) A junket representative employed by a gaming licensee or affiliate shall be licensed as
1560 a gaming employee; provided, however, that a junket representative need not be a resident of the
1561 commonwealth. A person who holds a valid gaming employee license may act as a junket
1562 representative while employed by a gaming licensee or an affiliate. No gaming licensee shall
1563 employ or otherwise engage a junket representative who is not licensed under this chapter.

1564 (c) The board shall deny an application for a license under this section if the board finds
1565 that an applicant is disqualified under section 11 or may be unsuitable for licensure under section
1566 14.

1567 (d) Each gaming licensee, junket representative or junket enterprise shall file a report
1568 with the board with respect to each list of junket patrons or potential junket patrons purchased
1569 directly or indirectly by the gaming licensee, junket representative or enterprise.

1570 (e) No junket enterprise or junket representative or person acting as a junket
1571 representative shall: (i) engage in efforts to collect upon checks that have been returned by banks
1572 without full and final payment; (ii) exercise approval authority with regard to the authorization or
1573 issuance of credit under this chapter; (iii) act on behalf of or under any arrangement with a
1574 gaming licensee or a gaming patron with regard to the redemption, consolidation or substitution
1575 of the gaming patron's checks awaiting deposit; (iv) individually receive or retain any fee from a
1576 patron for the privilege of participating in a junket; or (v) pay for any services, including
1577 transportation, or other items of value provided to, or for the benefit of, any patron participating
1578 in a junket.

1579 Section 23. (a) No gaming licensee shall offer complimentary services, gifts, cash or
1580 other items of value to any person unless those complimentary services or items are provided
1581 through a complimentary distribution program which shall be filed and approved by the board
1582 upon the implementation of the program or maintained under regulations adopted under section
1583 5.

1584 (b) Gaming licensees shall submit quarterly reports to the board covering all
1585 complimentary services offered or engaged in by the licensee during the immediately preceding

1586 quarter. The reports shall identify regulated complimentary services and the costs of those
1587 services, the number of people who received each service or item and such other information as
1588 the board may require. The report shall also document any services or items valued in excess of
1589 \$2,000 that were provided to patrons, including detailed reasons as to why they were provided.

1590 (c) Complimentary services or items shall be valued in an amount based upon the retail
1591 price normally charged by the gaming licensee for the service or item. The value of a
1592 complimentary service or item not normally offered for sale by a gaming licensee or provided by
1593 a third party on behalf of a gaming licensee shall be the cost to the gaming licensee of providing
1594 the service or item, as determined under rules adopted by the commission.

1595 Section 24. (a) Upon revocation or suspension of a gaming license under section 26 or
1596 upon the failure or refusal to renew a gaming license the commission may appoint a conservator
1597 to temporarily manage and operate the business of the licensee relating to the gaming
1598 establishment. Such conservator shall be a person of similar experience in the field of gaming
1599 management and, in the case of replacing a gaming licensee, shall have experience operating a
1600 gaming establishment of similar caliber in another jurisdiction, and shall be in good standing in
1601 all jurisdictions in which the conservator operates a gaming establishment.

1602 Upon appointment, a conservator shall agree to all licensing provisions of the former
1603 licensee.

1604 (b) A conservator shall, before assuming managerial or operational duties, execute and
1605 file a bond for the faithful performance of such duties payable to the board with such surety and
1606 in such form and amount as the board shall approve.

1607 (c) The board shall require that the former or suspended licensee purchase liability
1608 insurance, in an amount determined by the board, to protect a conservator from liability for acts
1609 or omissions of the conservator during the conservator's appointment reasonably related to, and
1610 within the scope of, the conservator's duties.

1611 (d) During the period of temporary management of the gaming establishment, the
1612 commission shall initiate proceedings under this chapter to award a new gaming license to a
1613 qualified applicant whose gaming establishment shall be located at the site of the preexisting
1614 gaming establishment.

1615 (e) Applicants for a new gaming license shall be qualified for licensure under this
1616 chapter; provided, however, that the commission shall determine an appropriate level of
1617 investment by an applicant into the preexisting gaming establishment.

1618 (f) Upon award of a new gaming license, the new gaming licensee shall pay the licensing
1619 fee.

1620 Section 25. (a) There shall be within the board an investigations and enforcement bureau,
1621 which shall be the primary enforcement agent for regulatory matters under this chapter. The
1622 bureau shall perform such functions as the chair of the board determines in relation to
1623 enforcement, including the investigations of all licensees under this chapter. The bureau shall be
1624 under the supervision and control of the deputy director for investigations and enforcement. The
1625 deputy director shall be the executive and administrative head of the bureau and shall be
1626 responsible for administering and enforcing the law relative to the bureau and to each
1627 administrative unit of the bureau. The duties given to the deputy director in this chapter and in

1628 any other general or special law shall be exercised and discharged subject to the direction,
1629 control and supervision of the chair of the board.

1630 (b) The bureau shall be a law enforcement agency and its employees shall have such law
1631 enforcement powers as to effectuate the purposes of this chapter, including the power to receive
1632 intelligence on an applicant or licensee under this chapter and to investigate a suspected violation
1633 of this chapter.

1634 (c) Officers and employees of the gaming enforcement unit of the state police assigned to the
1635 commission under section 70 of chapter 22C shall work with employees of the bureau, under the
1636 direction of the deputy director, to investigate violations of this chapter by a licensee under this
1637 chapter or any activity taking place on the premises of a gaming establishment. Officers
1638 assigned to work with the bureau shall record their time and submit total hours to the bureau.
1639 The board shall reimburse the state police.

1640 (d) The bureau shall notify the division of gaming enforcement in the office of the attorney
1641 general of any criminal violations by a gaming licensee. The bureau and the division shall
1642 cooperate on the regulatory and criminal enforcement of this chapter and may determine whether
1643 to proceed with civil or criminal sanctions, or both against said licensee.

1644 (e) To further effectuate the purposes of this chapter with respect to the investigation and
1645 enforcement of licensed gaming establishments and licensees, the bureau may obtain or provide
1646 pertinent information regarding applicants or licensees from or to law enforcement entities or
1647 gaming authorities and other domestic, federal or foreign jurisdictions, including the Federal
1648 Bureau of Investigation and may send or receive such information electronically.

1649 (f) The gaming enforcement unit of the department of state police shall have exclusive police
1650 jurisdiction of any criminal activity relating to the operation of a gaming establishment or
1651 relating to games or gaming that occurs inside a gaming establishment; provided, however, that
1652 the state police shall have concurrent jurisdiction with the law enforcement agency of the host
1653 community on all other policing matters and, in consultation with the board, shall execute a
1654 memorandum of understanding with the law enforcement agency of the host community that
1655 shall include, but not be limited to, procedures involving: (i) assignment of police officers of the
1656 host community to the gaming enforcement unit of the state police; (ii) first responder calls from
1657 the gaming establishment; (iii) emergencies occurring within the gaming establishment,
1658 including the gaming area; and (iv) criminal investigations involving employees or patrons of the
1659 gaming establishment.

1660 Section 26. (a) The board shall have the authority to issue orders requiring persons to
1661 cease activity which violates this chapter, a regulation adopted under this chapter or a law related
1662 to gaming in the commonwealth. The board may, in its order, require compliance with such
1663 terms and conditions as are reasonably necessary to effectuate the purposes of this chapter.

1664 (b) If the board finds, under the procedures established in this section and the regulations
1665 adopted under said section 5, that a person is not in compliance with an order issued under this
1666 section, it shall assess a civil administrative penalty on such person and the regulations adopted
1667 under section 5. The penalty may be assessed whether or not the violation was willful. In
1668 determining the amount of the civil penalty, the board shall consider: (i) the nature of the
1669 violation; (ii) the length of time the violation occurred; (iii) the risk to the public and to the
1670 integrity of gaming operations created by the conduct of the person; (iv) the seriousness of the
1671 conduct of the person; (v) any justification or excuse for such conduct by the person; (vi) the

1672 prior history of the particular person involved with respect to gaming activity; (vii) any
1673 corrective action taken by person to prevent future misconduct; and (viii) other relevant factors.

1674 (c) In addition to collecting any civil penalties recoverable under this chapter or any other
1675 general or special law, the board may bring an action in the superior court to restrain, prevent or
1676 enjoin any conduct prohibited by this chapter or to compel action to comply immediately and
1677 fully with an order issued by the bureau. Except in the case of an emergency during which, in the
1678 opinion of the court, immediate abatement of the unlawful conduct is required to protect the
1679 public interest, the court may in its decree fix a reasonable time during which the person
1680 responsible for the unlawful conduct may abate and correct the violation. The expense of the
1681 proceeding shall be recoverable from the subject of the proceeding.

1682 (d) Upon a recommendation from the board, the commission may issue orders to
1683 condition, suspend or revoke a license or permit issued under this chapter.

1684 (e) The board may issue an order to cease and desist any activity if the board finds that a
1685 licensee has engaged in or is about to engage in an act or practice which constitutes a violation of
1686 this chapter or laws of the commonwealth and may take such affirmative action to effectuate the
1687 order. If the board finds that the licensee is engaged in an act or practice that would cause
1688 irreparable harm to the security and integrity of the gaming establishment or the interests of the
1689 commonwealth in ensuring the security and integrity of gaming under this chapter, the board
1690 may issue a temporary suspension of the license.

1691 (f) Any licensee who has been issued a temporary order of suspension by the board shall
1692 be entitled to a hearing before the commission on such suspension within 7 days of the day on

1693 which the order was issued. At the conclusion of the hearing, the commission may issue a final
1694 order to condition, suspend or revoke the license in question.

1695 (g) Any licensee shall have the right to an adjudicatory hearing under chapter 30A on an
1696 order issued by the board.

1697 Section 27. (a) The board may assess a civil administrative penalty on a licensee or
1698 registrant who fails to comply with any provision of this chapter or any regulation or order
1699 adopted by the commission; provided, however, that such noncompliance occurred after the
1700 board had given the licensee or registrant written notice of such noncompliance and the time
1701 stated in the notice for coming into compliance had elapsed. The board may assess a civil
1702 administrative penalty on a licensee or registrant without providing written notice of such
1703 noncompliance if the failure to comply: (i) was part of a pattern of noncompliance and not an
1704 isolated instance; (ii) was willful or neglectful and not the result of error; (iii) resulted in a
1705 significant breach to the integrity of the gaming establishment or gaming laws of the
1706 commonwealth; and (iv) consisted of failure to promptly report to the board any knowledge of
1707 evidence or circumstances that would cause a reasonable person to believe that a violation of this
1708 chapter had been committed. The civil administrative penalty shall be in addition to any other
1709 civil penalty that may be prescribed by law.

1710 (b) For the purpose of determining whether such noncompliance was part of a pattern of
1711 noncompliance and not an isolated instance, the board shall consider without limitation the
1712 following: (i) whether the board had previously notified the person of such noncompliance on
1713 more than 1 occasion during the previous month or of any noncompliance similar to the current
1714 noncompliance during the previous 6 months; or (ii) whether the current and previous instances

1715 of noncompliance, considered together, indicate a potential threat to the integrity of the gaming
1716 establishment and gaming in the commonwealth or an interference with the commission's ability
1717 to efficiently and effectively regulate gaming in the commonwealth and enforce any regulation,
1718 license or order. If a licensee or registrant who has received a notice of noncompliance fails to
1719 come into compliance within the time period stated in such notice, the civil administrative
1720 penalty may be assessed by the board upon such licensee or registrant from the date of receipt of
1721 such notice.

1722 (c) Whenever the board seeks to assess a civil administrative penalty on a licensee or
1723 registrant, the board shall cause to be served upon such licensee or registrant, either by service,
1724 in hand, or by certified mail, return receipt requested, a written notice of the board's intent to
1725 assess a civil administrative penalty which shall include:

1726 (i) a concise statement of the alleged act or omission for which the board seeks to
1727 assess the civil administrative penalty;

1728 (ii) each law, regulation, order, license or approval which has not been complied
1729 with as a result of the alleged act or omission;

1730 (iii) the amount which the board seeks to assess as a civil administrative penalty
1731 for each such alleged act or omission;

1732 (iv) a statement of the licensee's or registrant's right to an adjudicatory hearing on
1733 the proposed assessment;

1734 (v) the requirements such licensee or registrant shall comply with to avoid
1735 waiving the licensee's or registrant's right to an adjudicatory hearing; and

1736 (vi) the manner of payment of the penalty if the licensee or registrant elects to pay
1737 the penalty and waive an adjudicatory hearing.

1738 After written notice of noncompliance or intent to assess a civil administrative penalty
1739 has been given, each subsequent day during which such noncompliance occurs or continues shall
1740 constitute a separate offense and may be subject to a separate civil administrative penalty if
1741 reasonable efforts have not been made by the licensee or registrant to promptly come into
1742 compliance.

1743 (d) Whenever the board seeks to assess a civil administrative penalty on a licensee or
1744 registrant, such licensee or registrant shall have the right to an adjudicatory hearing. Chapter
1745 30A shall apply to adjudicatory hearings under this chapter; provided, however, that if there is a
1746 conflict between this chapter and said chapter 30A, this chapter shall govern.

1747 (e) A licensee or registrant shall be deemed to have waived the licensee's or registrant's
1748 right to an adjudicatory hearing unless, within 21 days of the date of the board's notice that it
1749 seeks to assess a civil administrative penalty, the licensee or registrant files with the board a
1750 written statement denying the occurrence of the acts or omissions alleged by the board in such
1751 notice or asserting that the amount of the proposed civil administrative penalty is excessive. In an
1752 adjudicatory hearing the board shall be required to prove the occurrence of each act or omission
1753 alleged by the board by a preponderance of the evidence.

1754 (f) If a licensee or registrant waives the licensee's or registrant's right to an adjudicatory
1755 hearing, the proposed civil administrative penalty shall be final immediately upon such waiver.
1756 If a civil administrative penalty is assessed at the conclusion of an adjudicatory hearing, the civil

1757 administrative penalty shall be final upon the expiration of 30 days if no action for judicial
1758 review of the decision is commenced under chapter 30A.

1759 (g) A licensee or registrant who institutes proceedings for judicial review of the final
1760 assessment of a civil administrative penalty shall place the full amount of the final assessment in
1761 an interest-bearing escrow account in the custody of the clerk or magistrate of the reviewing
1762 court. The establishment of such an interest-bearing escrow account shall be a condition
1763 precedent to the jurisdiction of the reviewing court unless the party seeking judicial review
1764 demonstrates in a preliminary hearing held within 30 days of the filing of the complaint an
1765 inability to pay. Upon such a demonstration, the court may grant an extension or waiver of the
1766 interest-bearing escrow account or may require, in lieu of such interest-bearing escrow account,
1767 the posting of a bond payable directly to the commonwealth in the amount of 125 per cent of the
1768 assessed penalty.

1769 (i) If, after judicial review, in a case where the requirement for an escrow account
1770 has been waived, and in cases where a bond has been posted in lieu of such requirement, the
1771 court affirms, in whole or in part, the assessment of a civil administrative penalty the board shall
1772 be paid the amount of the penalty together with interest at the rate set forth in section 6C of
1773 chapter 231.

1774 (ii) If, after such review in a case where an interest-bearing escrow account has
1775 been established, the court affirms the assessment of such penalty, in whole or in part, the board
1776 shall be paid the amount of the penalty together with the accumulated interest on the amount of
1777 the penalty in such interest-bearing escrow account.

1778 (iii) If the court sets aside the assessment of a civil administrative penalty in a
1779 case where the amount of such penalty has been deposited in an interest-bearing escrow account,
1780 the licensee or registrant on whom the civil administrative penalty was assessed shall be repaid
1781 the amount so set aside, together with the accumulated interest on the amount deposited.

1782 (h) Each licensee or registrant who fails to pay a civil administrative penalty in a timely
1783 fashion, and each person who issues a bond under this section and who fails to pay to the board
1784 in a timely fashion the required amount, shall be liable to the commonwealth for up to 3 times
1785 the amount of the civil administrative penalty, or the amount of economic benefit realized by the
1786 licensee or registrant as a result of noncompliance, whichever is greater, together with costs, plus
1787 interest from the time the civil administrative penalty became final and attorneys' fees, including
1788 all costs and attorneys' fees incurred directly in the collection of the penalty. The rate of interest
1789 shall be the rate set forth in section 6C of chapter 231.

1790 Section 28. (a) Whoever conducts or operates, or permits to be conducted or operated,
1791 any game or gaming device in violation of this chapter or the regulations adopted under this
1792 chapter shall be punished by imprisonment in the state prison for not more than 5 years or
1793 imprisonment in the house of correction for not more than 2? years, or by a fine not to exceed
1794 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1795 \$100,000.

1796 (b) Whoever employs, or continues to employ, an individual in a position, the duties of
1797 which require a license or registration under this chapter, who is not so licensed or registered,
1798 shall be punished by imprisonment the house of correction for not more than 6 months, or by a

1799 fine not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a
1800 fine not to exceed \$100,000.

1801 (c) Whoever works or is employed in a position, the duties of which require licensing or
1802 registration under this chapter, without the required license or registration, shall be punished by
1803 imprisonment in the house of correction for not more than 6 months or a fine not to exceed
1804 \$10,000, or both.

1805 (d) A gaming licensee who, without the permission of the commission: (i) places a game
1806 or gaming device into play or displays a game or gaming device in a gaming establishment; or
1807 (ii) receives, directly or indirectly, any compensation or reward or any percentage or share of the
1808 revenue for keeping, running or carrying on a game, or owning the real property upon, or the
1809 location within which any game occurs, shall be punished by imprisonment in the house of
1810 correction for not more than 2? years or by a fine not to exceed \$25,000, or both, and in the case
1811 of a person other than a natural person, by a fine not to exceed \$100,000.

1812 (e) Whoever conducts or operates any game or gaming device after the person?s gaming
1813 license has expired and prior to the actual renewal of the gaming license shall be punished by
1814 imprisonment in the house of correction for not more than 1? years or a fine not to exceed
1815 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1816 \$100,000.

1817 (f) A gaming licensee who knowingly fails to exclude from the licensee?s gaming
1818 establishment any person placed by the commission on the list of excluded persons shall be
1819 punished by a fine not to exceed \$5,000 or by imprisonment in the house of correction for not

1820 more than 1 year, or both, and in the case of a person other than a natural person, by a fine not to
1821 exceed \$100,000.

1822 (g) Whoever willfully:

1823 (i) fails to report, pay or truthfully account for and pay over a license fee or tax
1824 imposed by this chapter or by the regulations adopted under this chapter; or

1825 (ii) evades or defeats, or attempts to evade or defeat, a license fee or tax or
1826 payment of a license fee or tax shall be punished by imprisonment in the state prison for not
1827 more than 5 years or in the house of correction for not more than 2? years or a fine not to exceed
1828 \$100,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1829 \$5,000,000.

1830 Section 29. Whoever willfully resists, prevents, impedes, interferes with, or makes any
1831 false, fictitious or fraudulent statement or representation to the board, bureau, commission or
1832 division or to agents or employees of the board, bureau, commission or division in the lawful
1833 performance of the agent?s or employee?s duties under this chapter shall be punished by
1834 imprisonment in the state prison for not more than 5 years or in the house of correction for not
1835 more than 2? years, or by a fine not to exceed \$25,000, or both.

1836 Section 30. (a) Whoever, during a game in a gaming establishment, knowingly and by
1837 any trick or sleight of hand performance or by a fraud or fraudulent scheme, cards, dice or other
1838 gaming device, for himself, for another or for a representative of either:

1839 (i) wins, or attempts to win, money or property; or

1840 (ii) reduces, or attempts to reduce, a losing wager in a gaming establishment shall
1841 be guilty of cheating and swindling.

1842 (b) Whoever knowingly uses a cheating and swindling device or game in a gaming
1843 establishment shall be guilty of cheating and swindling.

1844 (c) Whoever commits the offense of cheating and swindling shall be punished as follows:

1845 (i) if the value of the money, property or wager cheated and swindled is \$75,000
1846 or more, by imprisonment in the state prison for not more than 10 years or in the house of
1847 correction for not more than 2? years or by a fine not to exceed \$1,000,000, or both, and in the
1848 case of a person other than a natural person, by a fine not to exceed \$10,000,000;

1849 (ii) if the value of the money, property or wager cheated and swindled is \$10,000
1850 or more but less than \$75,000, by imprisonment in the state prison for not more than 5 years or in
1851 the house of correction for not more than 2? years or by a fine not to exceed \$500,000, or both,
1852 and in the case of a person other than a natural person, by a fine not to exceed \$5,000,000;

1853 (iii) if the value of the money, property or wager cheated and swindled is \$1,000
1854 or more but less than \$10,000, by imprisonment in the state prison for not more than 3 years or in
1855 the house of correction for not more than 2? years or by a fine not to exceed \$100,000, or both,
1856 and in the case of a person other than a natural person, by a fine not to exceed \$1,000,000;

1857 (iv) if nothing of value was obtained in violation of this subsection or if the value
1858 of the money, property or wager cheated and swindled is less than \$1,000, by imprisonment in
1859 the house of correction for not more than 2? years or by a fine not to exceed \$10,000, or both,
1860 and in the case of a person other than a natural person, by a fine not to exceed \$100,000.

1861 (d) Each episode or transaction of swindling and cheating may be the subject of a
1862 separate prosecution and conviction. In the discretion of the commonwealth, multiple episodes
1863 or transactions of swindling and cheating committed as part of a single scheme or course of
1864 conduct may be treated as a single offense and the amounts involved in acts of swindling and
1865 cheating committed according to a scheme or course of conduct, whether by the same person or
1866 several persons, may be aggregated in determining the value of money, property or wager
1867 involved in the offense.

1868 (e) A gaming licensee, or an employee of a gaming licensee, who, in a gaming
1869 establishment, knowingly:

1870 (i) conducts or operates any game using a cheating and swindling device or game;

1871 (ii) displays for play a cheating and swindling game; or

1872 (iii) permits to be conducted, operated or displayed, any cheating and swindling
1873 device or game shall be punished by imprisonment in the state prison for not more than 5 years
1874 or imprisonment in the house of correction for not more than 2? years, or by a fine not to exceed
1875 \$25,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
1876 \$100,000.

1877 Section 31. (a) Whoever possesses a cheating and swindling device or game, with the
1878 intent to defraud, cheat or steal, shall be punished by imprisonment in the house of correction for
1879 not more than 2? years, or by a fine not to exceed \$10,000, or both, and in the case of a person
1880 other than a natural person, by a fine not to exceed \$100,000.

1881 (b) Possession of a cheating and swindling device or game within a gaming establishment
1882 shall constitute prima facie evidence of an intent to defraud, cheat or steal, except possession by
1883 a licensee or an employee of a licensee, acting lawfully in furtherance of such person's
1884 employment within the gaming establishment, shall be punished by imprisonment in the house of
1885 correction for not more than 2? years, or a fine not to exceed \$10,000, or both.

1886 Section 32. Whoever manufactures, distributes, sells or services a gaming device, in
1887 violation of this chapter or regulations adopted under this chapter and for the purpose of
1888 defrauding, cheating or stealing from a person playing, operating or conducting a game in a
1889 gaming establishment, shall be punished by imprisonment in the state prison for not more than 5
1890 years or imprisonment in the house of correction for not more than 2? years, or by a fine not to
1891 exceed \$25,000, or both, and in the case of a person other than a natural person, by a fine not to
1892 exceed \$150,000.

1893 Section 33. (a) Any device, game or gaming device possessed, used, manufactured,
1894 distributed, sold or serviced in violation of this chapter shall be subject to seizure and forfeiture
1895 by the division or bureau. Forfeiture proceedings shall be conducted as provided in subsections
1896 (b) to (j), inclusive, of section 47 of chapter 94C. For purposes of subsection (d) of said section
1897 47 of said chapter 94C, the commission shall be considered a police department, entitled to a
1898 police department?s distribution of forfeiture proceedings.

1899 Section 34. (a) Whoever, being under 21 years old, plays, places wagers at, or collects
1900 winnings from, whether personally or through an agent, a game in a gaming establishment shall
1901 be punished by imprisonment in the house of correction for not more than 6 months or a fine not
1902 to exceed \$1,000, or both.

1903 (b) Whoever, being a gaming licensee or an employee of a gaming licensee, who
1904 knowingly allows a person under the age of 21 to play, place wagers at, or collect winnings from
1905 a game in a gaming establishment, whether personally or through an agent, shall be punished, for
1906 a first offense, by imprisonment in a the house of correction for not more than 1 year or a fine
1907 not to exceed \$10,000, or both, and in the case of a person other than a natural person, by a fine
1908 not to exceed \$500,000 and, for a second or subsequent offense, by imprisonment in the house of
1909 correction for not more than 2 years or a fine not to exceed \$50,000, or both, and in the case of a
1910 person other than a natural person, by a fine not to exceed \$1,000,000.

1911 Section 35. (a) The board shall, by regulation promulgated under section 5, provide for
1912 the establishment of a list of excluded persons who are to be excluded or ejected from a gaming
1913 establishment. In determining the list of excluded persons, the board may consider, but shall not
1914 be limited to:

1915 (1) whether a person has been convicted of a criminal offense under the laws of any state
1916 or the United States that is punishable by more than 6 months in prison, a crime of moral
1917 turpitude or a violation of the gaming laws of any state;

1918 (2) whether a person has violated or conspired to violate this chapter relating to:

1919 (i) failure to disclose an interest in a gaming establishment for which the person
1920 must obtain a license; or

1921 (ii) willful evasion of fees or taxes;

1922 (3) whether a person has a notorious or unsavory reputation which would adversely affect
1923 public confidence and trust that the gaming industry is free from criminal or corruptive elements;
1924 and

1925 (4) the potential of injurious threat to the interests of the commonwealth in the gaming
1926 establishment.

1927 (b) No person shall be placed on the list of excluded persons due to race, color, religion, national
1928 origin, ancestry, sexual orientation, disability or sex.

1929 (c) The board may revoke, limit, condition, suspend or fine a gaming establishment if such
1930 establishment knowingly fails to exclude or eject from its premises any person placed by the
1931 commission on the list of excluded persons.

1932 (d) Whenever the board places a name on the list of excluded persons, the board shall serve
1933 written notice upon that person by personal service, registered or certified mail return receipt
1934 requested to the last ascertainable address, or by publication in a daily newspaper of general
1935 circulation for 1 week.

1936 (e) (1) Within 30 days of receipt of service by mail or 60 days after the last
1937 publication under subsection (d), a person placed on the list of excluded persons may request an
1938 adjudicatory hearing before the commission under chapter 30A and show cause as to why the
1939 person should be removed from the list of excluded persons. Failure to demand a hearing within
1940 the time allotted in this section shall preclude the person from having an administrative hearing,
1941 but in no way affect the person's right to petition for judicial review.

1942 (2) Upon receipt of a demand for hearing, the commission shall set a time and
1943 place for the hearing. This hearing shall be held not later than 30 days after receipt of the demand
1944 for the hearing, unless the time of the hearing is changed by agreement of the commission and
1945 the person demanding the hearing.

1946 (3) If, upon completion of the hearing, the commission determines that the person
1947 was wrongfully placed on the list of excluded persons, the commission shall remove the person's
1948 name from the list of excluded persons and notify all gaming licensees. A person aggrieved by a
1949 final decision of the commission in an adjudicatory proceeding under this section may petition
1950 for judicial review under section 14 of chapter 30A.

1951 (f) The board shall establish a list of self-excluded persons from gaming establishments.
1952 A person may request such person's name to be placed on the list of self-excluded persons by
1953 filing a statement with the board acknowledging that the person is a problem gambler and by
1954 agreeing that, during any period of voluntary exclusion, the person may not collect any winnings
1955 or recover any losses resulting from any gaming activity at a gaming establishment. The
1956 commission shall adopt further regulations, under section 5, for the self-excluded persons list
1957 including procedures for placement, removal and transmittal of such list to gaming
1958 establishments.

1959 (g) Gaming establishments shall not market to persons on the excluded persons list and
1960 shall deny access to complimentaries, check cashing privileges, club programs and other similar
1961 benefits to persons on the self-excluded persons list.

1962 (h) Notwithstanding any other law to the contrary, the self-excluded persons list shall not
1963 be open to public inspection. Nothing in this section, however, shall prohibit a gaming

1964 establishment from disclosing the identity of persons on the self-excluded persons list under this
1965 section to affiliated gaming establishments in this commonwealth or other jurisdictions for the
1966 limited purpose of assisting in the proper administration of responsible gaming programs
1967 operated by affiliated gaming establishments.

1968 (i) As used in this subsection the following words shall, unless the context clearly
1969 requires otherwise, have the following meanings:-

1970 (i) "Problem gambler", a person who chronically or habitually gambles to the
1971 extent that: (1) such gambling substantially interferes with the person's social or economic
1972 functioning; or (2) the person has lost the power of self-control over such person's gambling.

1973 (ii) "Relative", the father or mother of an individual; a stepfather, stepmother,
1974 stepbrother, stepsister or any blood relative of an individual, including those of the half blood,
1975 except cousins who are more distantly related than first cousins; an adoptive relative of equal
1976 propinquity to the foregoing; or a spouse of any such persons.

1977 A police officer, physician, spouse, relative, guardian or court official may petition, in
1978 writing, a district court for an order of exclusion from gaming establishments applicable to a
1979 person whom the petitioner has reason to believe is a problem gambler. Upon receipt of a
1980 petition for an order of exclusion of a person and any sworn statements the court may request
1981 from the petitioner, the court shall immediately schedule a hearing on the petition and shall cause
1982 a summons and a copy of the petition to be served upon the person as provided by section 25 of
1983 chapter 276. The person may be represented by legal counsel and may present independent
1984 expert or other testimony. The court shall order examination by a qualified psychologist.

1985 If, after a hearing, the court based upon competent testimony finds that said person is a
1986 problem gambler and there is a likelihood of serious harm as a result of the person's gambling,
1987 the court may order that such person be prohibited from gaming in gaming establishments. The
1988 court shall communicate this order to the board, which shall place the person's name on the list
1989 of excluded persons.

1990 (j) A person who is prohibited from gaming in a gaming establishment under this section
1991 shall not collect any winnings or recover losses arising as a result of prohibited gaming.
1992 Winnings obtained by a person who is prohibited from gaming in a gaming establishment shall
1993 be forfeited to the board.

1994 (k) A person who enters the premises of a gaming establishment after having been placed
1995 on the list of excluded persons, without first having obtained a determination by the commission
1996 that such person should not have been placed on the list of excluded persons, shall be punished
1997 by imprisonment in a jail or house of correction for not more than 2? years or by a fine of not
1998 more than \$10,000, or both.

1999 (l) The board shall pursue an interstate compact for the purposes of sharing information
2000 regarding the excluded persons list.

2001 Section 36. A gaming establishment offering a cashless wagering system shall allow
2002 individuals to monitor and impose betting limits on their cashless wagering. The gaming
2003 establishment shall allow individuals to set betting limits on their cashless wagering including,
2004 but not limited to, per bet limits, hourly limits, daily limits, weekly limits and monthly limits. An
2005 individual may lower limits and increase limits; provided, that, the player shall not increase
2006 betting limits more than once in a 24 hour period. Upon request by an individual, the gaming

2007 establishment shall provide to that individual a statement of that individual's cashless wagering
2008 activity for any given time period including total bets, wins and losses. Activity under this
2009 section shall be monitored by the board. Individuals on the list of excluded persons or list of self-
2010 excluded persons shall not be permitted to participate in a cashless wagering system.

2011 Section 37. A liability to the commonwealth under this chapter shall constitute a debt to
2012 the commonwealth. Once a statement naming a licensee is recorded, registered or filed, any such
2013 debt shall constitute a lien on all commercial property owned by a gaming licensee in the
2014 commonwealth and shall have priority over an encumbrance recorded, registered or filed with
2015 respect to any site.

2016 Section 38. (a) Prior to disbursement of cash or prizes in excess of \$600, a licensee shall
2017 review information made available by the IV-D agency, as set forth in chapter 119A and by the
2018 department of revenue to ascertain whether the winner of the cash or prize owes past due child
2019 support to the commonwealth or to an individual to whom the IV-D agency is providing services,
2020 and to ascertain whether the winner of the cash or prize owes any past due tax liability to the
2021 commonwealth.

2022 (b) If the winner of the cash or prize owes past due child support or a past due tax
2023 liability, the licensee shall notify the IV-D agency or the commonwealth, respectively, of the
2024 winner's name, address and social security number. Subsequent to statutory and federal tax
2025 withholding, the licensee shall first disburse to the IV-D agency the full amount of the cash or
2026 prize or such portion of the cash or prize that satisfies the winner's past due child support
2027 obligation.

2028 (c) If funds remain available after the disbursement to the IV-D agency, or if no such
2029 obligation to the IV-D agency is owed, the licensee shall disburse to the department of revenue
2030 the full amount of the cash or prize or such portion of the cash or prize that satisfies the winner's
2031 past due tax liability.

2032 (d) The licensee shall disburse to the winner only that portion of the cash or prize, if any,
2033 remaining after the winner's past due child support obligation and the winner's past due tax
2034 liability have been satisfied.

2035 Section 39. Gaming licensees shall, on a monthly basis, transmit to the department of
2036 transitional assistance and to the IV-D agency, as set forth in chapter 119A, a list of all persons
2037 who were awarded cash winnings, or a prize, valued in excess of \$600.00 in the prior month. The
2038 information shall be provided in a format which is compatible with the automated data
2039 processing systems of said department and said agency, to ensure the immediate identification of
2040 persons who may be receiving public assistance benefits. The information provided shall include
2041 the name, address and social security number of the person who was awarded the cash or prize
2042 valued in excess of \$600.00.

2043 Section 40. Unclaimed cash and prizes shall be retained by the gaming licensee for the
2044 person entitled to the cash or prize for 1 year after a game in which the cash or prize was won. If
2045 no claim is made for the cash or prize within 1 year, the cash or equivalent cash value of the
2046 prize shall be deposited with the board.

2047 Section 41. If the person entitled to cash or a prize is under the age of 21 years, said cash
2048 or prize shall be remitted to the board.

2049 Section 42. A gaming establishment, including a business located within such
2050 establishment, shall not be a certified project within the meaning of section 3F of chapter 23A;
2051 shall not be designated an economic opportunity area within the meaning of section 3E of
2052 chapter 23A; shall not be eligible for tax increment financing as set forth in section 59 of chapter
2053 40 or special tax assessments set forth in section 3E of chapter 23A; shall not be classified and
2054 taxed as recreational land under chapter 61B; and shall not be designated as a development
2055 district within the meaning of chapter 40Q.

2056 Unless otherwise provided, a gaming establishment or a business located or to be located
2057 within such establishment shall not be eligible for the following credits or deductions listed in
2058 chapter 62 or chapter 63: the investment tax credit under section 31A of chapter 63, the
2059 employment credit under section 31C of chapter 63, the shuttle van credit under section 31E of
2060 chapter 63, the deduction for expenditures for industrial waste treatment or air pollution control
2061 under section 38D of chapter 63, the deduction for compensation paid to an eligible business
2062 facility's employees domiciled in a section of substantial poverty under section 38F of chapter
2063 63, the alternative energy sources deduction under section 38H of chapter 63, the research
2064 expense credit under section 38M of chapter 63, the economic opportunity area credit under
2065 subsection (g) of section 6 of chapter 62 and section 38N of chapter 63, the abandoned building
2066 deduction under paragraph (10) of subsection (a) of Part B of section 3 of chapter 62 and section
2067 38O of chapter 63, the harbor maintenance tax credit under section 38P of chapter 63, the film
2068 tax credit under subsection (l) of section 6 of chapter 62 and section 38X of chapter 63, the
2069 environmental response action tax credit under subsection (j) of section 6 of chapter 62 and
2070 section 38Q of chapter 63, the historic rehabilitation tax credit under section 6J of chapter 62 and

2071 section 38R of chapter 63 or the automatic sprinkler system depreciation deduction under section
2072 38S of chapter 63.

2073 Section 43. The board shall audit as often as the board determines necessary, but not less
2074 than annually, the accounts, programs, activities and functions of all licensees. To conduct the
2075 audit, the authorized officers and employees of the board shall have access to such accounts at
2076 reasonable times and the board may require the production of books, documents, vouchers and
2077 other records relating to a matter within the scope of such audit. The superior court shall have
2078 jurisdiction to enforce the production of records that the board requires to be produced under this
2079 section and the court shall order the production of all such records within the scope of any such
2080 audit. All such audits shall be conducted in accordance with generally accepted auditing
2081 standards established by the American Institute of Certified Public Accountants. In any audit
2082 report of the accounts, funds, programs, activities and functions of a licensee issued by the board,
2083 containing adverse or critical audit results, the board may require a response, in writing, to the
2084 audit results. The response shall be forwarded to the board within 15 days of notification by the
2085 board.

2086 On or before April 1 of each year, the board shall submit a report to the clerks of the
2087 house of representatives and the senate who shall forward the report to the house and senate
2088 committees on ways and means which shall include, but not be limited to: (i) the number of
2089 audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost
2090 of each audit.

2091 Section 44. Unless the board otherwise determines it to be in the best fiscal interests of
2092 the commonwealth, the board shall utilize the services of 1 or more independent testing

2093 laboratories that are registered to perform the testing of gaming equipment and slot machines and
2094 may also utilize any additional services or applicable data from 1 or more independent testing
2095 laboratories.

2096 The board shall develop standards to register independent testing laboratories to perform
2097 the testing of gaming equipment and slot machines. Each said independent testing laboratory
2098 shall, at a minimum, meet the requirements of sections 11 and 14, shall not be owned or
2099 controlled by, or have any interest in, a gaming licensee, a gaming vendor or slot machine
2100 manufacturer and shall provide such information as the board may require in order to qualify for
2101 registration.

2102 Section 45. Live entertainment in an entertainment venue in the gaming establishment
2103 with more than 1,000 seats shall require approval by the board. A gaming establishment shall
2104 submit information regarding a planned performance for live entertainment in an entertainment
2105 venue in the gaming establishment with more than 1,000 seats to the board not less than 3
2106 months prior to the performance. The board shall submit this information to the subcommittee on
2107 cultural facilities as established in subsection (b) of section 46 for a recommendation on whether
2108 to approve or deny the performance. The subcommittee may also make recommendations as to
2109 whether the performance should be approved under certain conditions, which may include, but
2110 not be limited to, a contract term requiring the live entertainment performer to perform another
2111 show in the commonwealth, not at a gaming establishment, within 6 months of performing at the
2112 gaming establishment. If the board deviates from the subcommittee's recommendation, the
2113 board shall state its reasons for doing so in writing.

2114 Section 46. (a) There shall be a gaming policy advisory committee consisting of 14
2115 members: 1 of whom shall be the governor, or the governor's designee, who shall serve as chair;
2116 1 of whom shall be the chair of the commission; 1 of whom shall be the chair of the board; 1 of
2117 whom shall be the senate president or the president's designee; 1 of whom shall be the speaker of
2118 the house of representatives or the speaker's designee; 1 of whom shall be the commissioner of
2119 public health or the commissioner's designee and 7 of whom shall be appointed by the
2120 governor, 3 of whom shall be representatives of gaming licensees, 1 of whom shall be a
2121 representative of a federally recognized Native American tribe in the commonwealth, 1 of whom
2122 shall be a representative of organized labor who shall be selected from a list of 3 names proposed
2123 by the president of the Massachusetts AFL-CIO and 3 of whom shall be appointed from the
2124 vicinity of each gaming establishment, as defined by host community and surrounding
2125 community, upon determination of the licensee and site location by the commission. The
2126 committee shall designate subcommittees to examine community mitigation, compulsive
2127 gambling and gaming impacts on cultural and tourism. Members of the committee shall serve for
2128 2 year terms. The committee shall meet at least once annually for the purpose of discussing
2129 matters of gaming policy. The recommendations of the committee concerning gaming policy
2130 made under this section are advisory and shall not be binding on the commission and board.

2131 (b) There shall be a subcommittee on cultural facilities under the gaming policy advisory
2132 committee consisting of 5 members: 1 of whom shall be a representative of the Massachusetts
2133 performing arts center coalition; 1 of whom shall be a representative from the Massachusetts
2134 cultural council; 1 of whom shall be a representative of the board; and 2 of whom shall be
2135 appointed by the governor, 1 of whom shall have professional experience in the gaming
2136 entertainment booking industry and 1 of whom shall be a representative of organized labor who

2137 shall be selected from a list of 3 names proposed by the president of the Massachusetts AFL-
2138 CIO. The subcommittee shall develop recommendations for regulations to be developed by the
2139 board to address cultural mitigation including, but not limited to, the relationship between
2140 gaming entertainment venues and currently existing performing arts centers in the
2141 commonwealth and standards for granting waivers of the requirements in section 45.

2142 (c) There shall be a subcommittee on community mitigation under the gaming policy
2143 advisory committee consisting of 7 members: 1 of whom shall be appointed from the host
2144 community in region 1; 1 of whom shall be appointed from the host community in region 2; 1 of
2145 whom shall be appointed from the host community in region 3; 1 of whom shall be a
2146 representative from the department of revenue's division of local services; 1 of whom shall be a
2147 representative of the board; 1 of whom shall be appointed by the governor and have professional
2148 experience in community mitigation related to gaming; and 1 of whom shall be a representative
2149 from the Massachusetts municipal association. The subcommittee shall develop regulations to be
2150 considered by the board to address issues of community mitigation as a result of the development
2151 of gaming establishments in the commonwealth, including, but not limited to: how funds may be
2152 expended from the Community Mitigation Fund, the impact of gaming establishments on the
2153 host community as well as surrounding communities including, but not limited to, the impact on
2154 local resources as a result of new housing construction and potential necessary changes to
2155 affordable housing laws, increased education costs and curriculum changes due to population
2156 changes in the region, development and maintenance of infrastructure related to increased
2157 population and utilization in the region and public safety impacts resulting from the facility and
2158 how to address that impact. The subcommittee shall receive input from local community
2159 mitigation advisory committees. The subcommittee shall review annually the expenditure of

2160 funds from the Community Mitigation Fund and make recommendations to the board relative to
2161 appropriate and necessary use of community mitigation funds. The subcommittee shall submit
2162 updated regulations relating to community mitigation annually to the gaming policy advisory
2163 committee and the board. The board shall promulgate such regulations as advised by the
2164 subcommittee.

2165 (d) There shall be a subcommittee on addiction services under the gaming policy
2166 advisory committee consisting of 5 members: 1 of whom shall be a representative from the
2167 department of public health's bureau of substance abuse services; 1 of whom shall be a
2168 representative from the Massachusetts Council on Compulsive Gambling, Inc.; 1 of whom shall
2169 be a representative of the board; and 2 of whom shall be appointed by the governor with
2170 professional experience in the area of gambling addictions. The subcommittee shall develop
2171 recommendations for regulations to be developed by the board to address issues related to
2172 addiction services as a result of the development of gaming establishments in the
2173 commonwealth, including but not limited to, prevention and intervention strategies.

2174 (e) There shall be a subcommittee on public safety under the gaming policy advisory
2175 committee consisting of 7 members: 1 of whom shall be a member of the board; 1 of whom shall
2176 be the secretary of the executive office of public safety or the secretary's designee; 1 of whom
2177 shall be the attorney general or the attorney general's designee; 1 of whom shall be a
2178 representative from the Massachusetts District Attorneys Association; 1 of whom shall be the
2179 colonel of the state police or the colonel's designee; 1 of whom shall be a representative from the
2180 Massachusetts Chiefs of Police Association; and 1 of whom shall be a representative of a public
2181 safety labor union. The subcommittee shall develop recommendations for regulations to be
2182 developed by the board to address public safety issues as a result of the development of gaming

2183 establishments in the commonwealth, including but not limited to, how to mitigate the impact of
2184 gaming establishments on crimes committed in the commonwealth. The subcommittee shall also
2185 study the impact of gaming establishments on all aspects of public safety in the commonwealth.

2186 (f) Each region, as defined in section 17, may establish a local community mitigation
2187 advisory committee, which shall include not fewer than 6 members: 1 of whom shall be
2188 appointed by each of the host and surrounding communities; 1 of whom shall be appointed by
2189 each regional planning agency to which at least 1 of the host or surrounding communities
2190 belongs; and 4 of whom shall be appointed by the board, of whom at least 1 shall represent a
2191 chamber of commerce in the region, 1 shall represent a regional economic development
2192 organization in the region, and 2 shall represent human service providers in the region. Each
2193 local committee shall annually elect a chair and such other officers as it deems necessary to carry
2194 out its duties.

2195 Each local committee may provide information and develop recommendations for the
2196 subcommittee on community mitigation on any issues related to the gaming establishment
2197 located in its region including, but not limited to: issues of community mitigation; how funds
2198 may be expended from the community mitigation fund; and the impact of the gaming
2199 establishments on the host and surrounding communities. Additionally, each local committee
2200 may present information to the commission or board, consistent with the rules of the commission
2201 or board, on any issues related to the gaming establishment located in its region.

2202 Section 47. As used in sections 48 to 56, inclusive, the following words shall have the
2203 following meanings, unless the context clearly requires otherwise:-

2204 "Compensation", any money, thing of value or economic benefit conferred on or received
2205 by any employee of the gaming industry in return for services rendered or to be rendered by the
2206 employee or another.

2207 "Gaming official", a person who is employed, temporarily or permanently, by an entity
2208 licensed under this chapter, including, but not limited to, key gaming employees and other
2209 employees, agents, consultants and advisors.

2210 "Gaming entity", a person or business that is licensed under this chapter.

2211 "Official act", a decision, action or inaction within the official capacity of the gaming
2212 official as a gaming official.

2213 "Official responsibility", the direct administrative or operating authority, whether
2214 intermediate or final, either exercisable alone or with others, and whether personal or through
2215 subordinates, to approve, disapprove or otherwise direct gaming-related action.

2216 "Participate", engaging in gaming-related action personally and substantially as an
2217 official, through approval, disapproval, decision, recommendation, the rendering of advice,
2218 investigation or otherwise.

2219 Section 48. No person shall directly or indirectly, corruptly give, offer or promise
2220 anything of value to a gaming official, or offer or promise any such official to give anything of
2221 value to any other person or entity, with intent to:

2222 (1) influence an official act or an act within the official responsibility of the gaming
2223 official; or

2224 (2) influence the gaming official to commit or aid in committing, or collude in, or allow,
2225 any fraud or make opportunity for the commission of a fraud on the commonwealth, a state,
2226 county or municipal agency or any person or business entity doing business with a gaming
2227 entity; or

2228 (3) induce a gaming official to do or omit to do any act in violation of the official's
2229 lawful duty.

2230 A violation of this section shall be punished by a fine of not more than \$10,000, or by
2231 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2232 not more than 2 1/2 years, or both.

2233 Section 49. (a) No person shall, other than as provided by law for the proper discharge of
2234 official duty, directly or indirectly, give, offer or promise anything of substantial value to a
2235 gaming official:

2236 (i) for or because of an official act performed or to be performed by such a
2237 gaming official; or

2238 (ii) to influence, or attempt to influence, an official action of a gaming entity.

2239 A violation of this section shall be punished by a fine of not more than \$10,000, or by
2240 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2241 not more than 2 1/2 years, or both.

2242 (b) No present or former gaming official shall, other than as provided by law for the
2243 proper discharge of official duty, directly or indirectly, ask, demand, exact, solicit, seek, accept,
2244 receive or agree to receive anything of substantial value:

2245 (i) for the gaming official, for or because of any official act or act within the
2246 gaming official's official responsibility performed or to be performed by the gaming official; or

2247 (ii) to influence, or attempt to influence, the gaming official in an official act
2248 taken.

2249 A violation of this section shall be punished by a fine of not more than \$10,000, or by
2250 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2251 not more than 2 1/2 years, or both.

2252 (c) Nothing in this section shall be construed to prohibit the awarding of gratuities in
2253 compliance with an official gratuity policy established by the gaming establishment, the board or
2254 the commission.

2255 Section 50. (a) Except as permitted by subsection (b), no board member shall participate
2256 as such a member in a particular matter in which to the member's knowledge, the member's
2257 immediate family or partner, a business organization in which the member is serving as officer,
2258 director, trustee, partner or employee or any person or organization with whom the member is
2259 negotiating or has any arrangement concerning prospective employment, has a financial interest.

2260 A violation of this section shall be punished by a fine of not more than \$25,000, or by
2261 imprisonment in the state prison for not more than 10 years, or in a jail or house of correction for
2262 not more than 2 1/2 years, or both.

2263 (b) A board member whose duties would otherwise require such member to participate in
2264 such a particular matter shall advise the commission of the nature and circumstances of the

2265 particular matter and shall make a full disclosure of such financial interest, and the commission
2266 shall thereupon either:

2267 (1) require that the member not participate in the particular matter; or

2268 (2) make a written determination that the interest is not so substantial as to be
2269 deemed likely to affect the integrity of the board, in which case it shall not be a violation for the
2270 member to participate in the particular matter. Copies of such written determination shall be
2271 forwarded to the member and filed with the commission. Such copy shall be retained by the
2272 commission for a period of 6 years and shall be a public record.

2273 Section 51. No commissioner or board member shall be eligible for a position under the
2274 supervision of the commission or board until the expiration of 30 days from the termination of
2275 the commissioner's or member's service as a commissioner or board member.

2276 Section 52. (a) In addition to other remedies provided by law, a violation of sections 48 to
2277 51, inclusive, which has substantially influenced the action taken by a gaming entity in a
2278 particular matter, shall be grounds for avoiding, rescinding or canceling the action on such terms
2279 as the interests of an innocent third person requires.

2280 (b) In addition to the remedies set forth in subsection (a), the commission, upon a finding
2281 pursuant to an adjudicatory proceeding that a person has acted to the person's economic
2282 advantage in violation of sections 48 to 51, inclusive, may issue an order: (1) requiring the
2283 violator to pay the board in the amount of the economic advantage or \$500, whichever is greater;
2284 and (2) requiring the violator to make restitution to an injured third party. If there has been no
2285 final criminal judgment of conviction or acquittal of the same violation, upon receipt of the
2286 written approval of the attorney general, the commission may order payment of additional

2287 damages in an amount not exceeding twice the amount of the economic advantage or \$500,
2288 whichever is greater.

2289 (c) The remedies authorized by this section shall be in addition to any civil penalty
2290 imposed by the commission.

2291 Section 53. The commission shall designate a gaming ombudsmen, who shall be
2292 available to advise gaming officials of the officials' responsibilities under this chapter. A gaming
2293 official shall be entitled to the opinion of the gaming ombudsmen upon any question arising
2294 under this chapter relating to the duties, responsibilities and interests of such official.

2295 Section 54. All disclosures and certifications required by this chapter shall be made in
2296 writing and, unless otherwise specifically provided in this chapter, shall be kept open by the
2297 commission to inspection by the public.

2298 Section 55. The board shall prepare, and update as necessary, summaries of sections 47
2299 to 54, inclusive, for gaming officials which the board shall publish on its official website. Every
2300 gaming official shall, within 30 days of becoming such an official, and on an annual basis
2301 thereafter, be furnished with a summary of said sections prepared by the board, sign a written
2302 acknowledgment that the gaming official has been provided with such a summary and undergo
2303 training explaining the requirements of this chapter. The board shall establish procedures for
2304 implementing this section and ensuring compliance.

2305 Section 56. No gaming establishment, or its agents or employees shall employ, contract
2306 with, or use any skill or barker to induce any person to enter a gaming establishment or play at
2307 any game or for any purpose.

2308 A violation of this section shall be punishable by a fine of \$5,000 or by imprisonment in
2309 the state prison for not more than 5 years, or in a jail or house of correction for not more than 2
2310 1/2 years, or both.

2311 Section 57. (a) No gaming official shall, except in the normal course of the official's
2312 duties, wager in the gaming establishment in which such official is employed.

2313 (b) No gaming official shall, except in the normal course of the official's duties, wager in
2314 an establishment which is owned or operated by the same licensee who owns or operates the
2315 gaming establishment for which the official is employed.

2316 Section 58. A gaming official, not including key gaming employees and employees
2317 holding major policy-making positions, who, in the judgment of the commission, is not directly
2318 involved with the conduct of gaming operations, shall wait at least 30 days following the date
2319 that the gaming official either leaves or is terminated from employment with a gaming
2320 establishment before the gaming official may gamble in the gaming establishment in which the
2321 gaming official was formerly employed or in any other gaming establishment which is owned or
2322 operated by the same licensee.

2323 Section 59. No key gaming employee or gaming control employee, or any other gaming
2324 official who serves in a supervisory position shall solicit or accept, any tip or gratuity from any
2325 player or patron in the gaming establishment where the employee is employed.

2326 Section 60. The board shall report monthly to the governor, the attorney general, the
2327 senate and house committees on ways and means and the chairs of the joint committee on
2328 revenue the total gaming revenues, prize disbursements and other expenses for the preceding
2329 month and shall make an annual report to the same recipients which shall include a full and

2330 complete statement of gaming revenues, prize disbursements and other expenses, including such
2331 recommendations as the board considers necessary or advisable. The board shall report
2332 immediately to the governor, the attorney general, the senate and house committees on ways and
2333 means and the chairs of the joint committee on revenue any matter which requires immediate
2334 changes in the laws of the commonwealth in order to prevent abuses or evasions of the laws,
2335 rules or regulations related to gaming or to rectify undesirable conditions in connection with the
2336 administration or operation of gaming in the commonwealth.

2337 Section 61. The commission shall annually submit a complete and detailed report of the
2338 commission's activities within 90 days after the end of the fiscal year to the clerk of the house of
2339 representatives, the clerk of the senate, the chairs of the joint committee on economic
2340 development and emerging technologies and the chairs of the house and senate committees on
2341 ways and means.

2342 Section 62. There is hereby established and placed upon the books of the board a Gaming
2343 Licensing Fund which shall consist of all licensing fees collected from licensees and any
2344 proceeds from the investment of such fees. The board shall be the trustee of the fund and shall
2345 not allow the fund to carry a negative balance.

2346 Section 63. (a) A licensee shall pay a daily tax of 25 per cent on gross gaming revenues;
2347 provided that, taxes imposed under this section shall be remitted to the board by a licensee the
2348 day following each day of wagering.

2349 (b) The board shall remit the revenues received to the commonwealth on a daily basis and
2350 shall be deposited into the Gaming Revenue Fund, established in section 64.

2351 Section 64. (a) There is hereby established and placed upon the books of the board a
2352 Gaming Revenue Fund which shall consist of all revenues collected from the tax on gross
2353 gaming revenue received from gaming licensees under section 63 and any proceeds from the
2354 investment of such revenues. The board shall be the trustee of the fund.

2355 (b) A transfer under this section shall be made under a transfer schedule to be developed
2356 by the comptroller and the board for each item after consulting with the appropriate agency
2357 secretary, the secretary of administration and finance and the state treasurer. The schedule shall
2358 provide for transfers in increments considered appropriate to meet the cash flow needs of each
2359 fund and all transfers under the schedule shall be completed annually not later than June 30.

2360 (c) The board shall transfer 10 per cent of collected revenues to the Gaming Mitigation
2361 Trust Fund, created in section 65 and remit the remaining 90 per cent of collected revenues to the
2362 comptroller. The comptroller may make all necessary transfers among funds to ensure that
2363 monies in the fund are transferred as follows:-

2364 (i) one-third of the amount remitted to the General Fund, subject to appropriation,
2365 shall be used for debt reduction through a program of debt defeasance and accelerated debt
2366 payments; provided, that, this program shall be developed jointly by the state treasurer and the
2367 secretary of administration and finance and shall be implemented in compliance with state
2368 finance law; provided, further, that this program shall prioritize the reduction of risk in the
2369 commonwealth's debt portfolio; provided further, that the state secretary and state treasurer shall
2370 provide a written description of the program to the finance advisory board established in section
2371 97 of chapter 6 for the board's review and comment before the program is implemented and shall
2372 file a copy of that description with the house and senate committees on ways and means and the

2373 house and senate committees on bonding, capital expenditures and state assets when it is
2374 submitted to the finance advisory board;

2375 (ii) one-third of the amount remitted to the State Lottery and Gaming Fund,
2376 created in section 35 of chapter 10; provided, that, the total transfer to the State Lottery and
2377 Gaming Fund shall not exceed \$150,000,000 in any fiscal year; and provided, further, that any
2378 amount in excess of \$150,000,000 shall be transferred to the Local Aid Stabilization Fund,
2379 created in section 2BBBB of chapter 29;

2380 (iii) one third of the amount remitted to the Gaming Economic Development
2381 Fund, created in section 2CCCC of chapter 29.

2382 Section 65. (a) There is hereby established and set up on the books of the board a fund to
2383 be known as the Gaming Mitigation Trust Fund. The Gaming Mitigation Trust Fund shall
2384 consist of monies transferred from the Gaming Revenue Fund and all other monies credited or
2385 transferred to the fund from any other fund or source and proceeds from the investment of such
2386 funds. The board shall be the trustee of the fund.

2387 (b) The board shall administer the Gaming Mitigation Trust Fund and shall expend
2388 monies in the fund to address the impacts of expanded gaming in the commonwealth as follows:

2389 (1) Thirty-five per cent of fund revenues in a fiscal year shall be expended for
2390 community mitigation including, but not limited to, the areas of local and regional education,
2391 transportation, infrastructure, housing, environmental issues and public safety, including police,
2392 fire, and emergency services, in impacted communities, that may include host and surrounding
2393 communities;

2394 (2) Thirty-five per cent of fund revenues in a fiscal year shall be expended for
2395 social mitigation including, but not limited to, problem gambling prevention, intervention and
2396 treatment services, substance abuse services and gaming-related research;

2397 (3) Twenty per cent of fund revenues in a fiscal year shall be expended for
2398 cultural mitigation including, but not limited to, assistance to not-for-profit or municipally-
2399 owned performing arts centers; and

2400 (4) Ten per cent of fund revenues in a fiscal year shall be expended for racetrack
2401 mitigation including, but not limited to, developing programs to improve the purses offered at
2402 live racing venues, the horse breeding industry, programs to promote the live horse racing
2403 industry and other existing programs that provide health, medical, food, substance abuse
2404 treatment and other social services for horse racing industry employees.

2405 Section 66. All political contributions or contributions in kind made by an applicant for a
2406 gaming license to any municipal employee, as defined in section 1 of chapter 268A, of the host
2407 community of the applicant's proposed gaming establishment shall be disclosed, by the
2408 applicant, to the board and the city or town clerk of the host community. Such disclosure shall be
2409 made by the applicant bi-annually, on or before July 15 for the period covering January 1
2410 through June 30 of that year and on or before January 15 for the period covering July 1 through
2411 December 31 of the preceding year. The office of campaign and political finance shall
2412 promulgate regulations to provide for timely and expeditious public reporting, which shall
2413 include electronic means or public posting in a city or town hall and post office, by city and town
2414 clerks of the contribution disclosures they receive from applicants.

2415 Section 67. (a) Any vendor who operates an ATM machine on the premise of a gaming
2416 establishment shall be prohibited from selling or sharing any information about patrons using the
2417 machine with any party.

2418 (b) Licensees shall be prohibited from using information about patrons' usage of ATM
2419 machines including, but not limited to, the identity of the patron, the address of the patron, the
2420 amounts withdrawn from the ATM machine and the dates or times the machines are used, for
2421 marketing purposes.

2422 SECTION 14. Section 62 of chapter 23K of the General Laws is hereby repealed.

2423 SECTION 15. Section 1 of chapter 29 of the General Laws, as appearing in the 2008
2424 Official Edition, is hereby amended by striking out the definition of "State authority," and
2425 inserting in place thereof the following definition:-

2426 "State authority" a body politic and corporate constituted as a public instrumentality of
2427 the commonwealth and established by an act of the General Court to serve an essential
2428 governmental function; provided, however that "state authority" shall not include: (1) a state
2429 agency; (2) a city or town; (3) a body controlled by a city or town; or (4) a separate body politic
2430 where the governing body is elected, in whole or in part, by the general public or by
2431 representatives of member cities or towns.

2432 SECTION 16. Chapter 29 of the General Laws is hereby amended by inserting after
2433 section 2AAAA the following 2 sections:

2434 Section 2BBBB. There shall be established and set up on the books of the
2435 commonwealth a separate fund to be known as the Local Aid Stabilization Fund. The Local Aid

2436 Stabilization Fund shall consist of monies transferred from the Gaming Revenue Fund,
2437 established in section 64 of chapter 23K, to the fund, all other monies credited or transferred
2438 from any other fund or source and proceeds from the investment of such funds. Subject to
2439 appropriation, the fund shall be distributed to cities and towns as a supplement to other sources
2440 of local aid distributions, but shall not be subject to section 5C of chapter 29.

2441 Section 2CCCC. There shall be established and set up on the books of the commonwealth
2442 a separate fund to be known as the Gaming Economic Development Fund. The fund shall be
2443 credited with revenues transferred to it from the Gaming Revenue Fund, established in section 64
2444 of chapter 23K. Amounts credited to the fund shall be expended, subject to appropriation, to
2445 support economic development and job growth in the commonwealth including, but not limited
2446 to: (1) workforce training, including transfers to the Workforce Competiveness Trust Fund; (2)
2447 tourism promotion; (3) summer jobs; (4) Massachusetts Marketing Partnership, (5) higher
2448 education scholarships; (6) regional economic development initiatives; (7) small business
2449 lending; (8) green jobs promotion; and (9) STEM pipeline initiatives.

2450 SECTION 17. Section 38 of said chapter 29, as appearing in the 2008 Official Edition, is
2451 hereby amended by striking out in lines 115 to 116, the words "State Lottery Fund, as established
2452 and defined in section thirty-five of chapter ten" and inserting in place thereof the following
2453 words:- State Lottery and Gaming Fund established in section 35 of chapter 10.

2454 SECTION 18. Said section 38 of said chapter 29, as so appearing, is hereby further
2455 amended by striking out, in lines 127 to 128, the words "the said State Lottery Fund" and
2456 inserting in place thereof the following words:- said State Lottery and Gaming Fund.

2457 SECTION 19. Section 1 of chapter 32 of the General Laws, as so appearing, is hereby
2458 amended by inserting after the word "connector", in line 211, the following words:- , the
2459 Massachusetts gaming commission, the Massachusetts gaming control board.

2460 SECTION 20. Section 2 of chapter 32A of the General Laws, as so appearing, is hereby
2461 amended by inserting after the word "authority", in line 12, the following words:- , the
2462 Massachusetts gaming commission, the Massachusetts gaming control board.

2463 SECTION 21. Section 94 of chapter 41 of the General Laws, as so appearing, is hereby
2464 amended by inserting after the word "and", in line 7, the first time it appears, the following word:
2465 illegal.

2466 SECTION 22. Section 18C of said chapter 58, as so appearing, is hereby amended by
2467 inserting after the word "Lottery", in line 6, the following words:- and Gaming.

2468 SECTION 23. Section 18D of chapter 58 of the General Laws is hereby repealed.

2469 SECTION 24. Section 5A of chapter 62 of the General Laws, as appearing in the 2008
2470 Official Edition, is hereby amended by inserting after the word "commonwealth", in line 24, the
2471 following words:- ,including gaming winnings acquired at or through a gaming establishment
2472 under chapter 23K.

2473 SECTION 25. The seventh paragraph of section 2 of chapter 62B of the General Laws,
2474 as so appearing, is hereby amended by striking out the first 2 sentences and inserting in place
2475 thereof the following 2 sentences:-

2476 Every person, including the United States, the commonwealth or any other state, or any
2477 political subdivision or instrumentality of the foregoing, making any payment of lottery or

2478 gaming winnings, acquired at or through a gaming establishment under chapter 23K, which are
2479 subject to taxation under chapter 62 and which are subject to withholding under section 3402(q)
2480 of the Internal Revenue Code shall deduct and withhold from such payment an amount equal to 5
2481 per cent of such payment, except that such withholding for purposes of this chapter shall apply to
2482 payments of winnings of \$600 or greater notwithstanding any contrary provisions of the Internal
2483 Revenue Code; provided, however that the exception contained in subsection (q)(5) and (r) of the
2484 Internal Revenue Code shall not apply to winnings under this section. For purposes of this
2485 chapter and chapter 62C, such payment of winnings shall be treated as if it were wages paid by
2486 an employer to an employee.

2487 SECTION 26. Said chapter 62B is hereby further amended by striking out section 5, as so
2488 appearing, and inserting in place thereof the following section:-

2489 Section 5. Every employer required to deduct and withhold from an employee or payee a
2490 tax under section 2, or who would have been required under said section in the case of an
2491 employee to deduct and withhold a tax if the employee had not claimed any personal exemption
2492 or dependency exemptions, shall furnish to each such employee or payee in respect of the wages
2493 or other payments paid by such employer to such employee or payee during the calendar year, on
2494 or before January 31 of the succeeding year, or, if an employee's employment is terminated
2495 before the close of such calendar year, within 30 days from the day on which the last payment of
2496 wages is made, a written statement in duplicate showing the name of the employer, the name of
2497 the employee or payee and the employee or payee's social security account number, if any, the
2498 total amount of wages or other amounts subject to taxation under chapter 62 and the total amount
2499 deducted and withheld as tax. This statement may contain such other information as the

2500 commissioner may prescribe. The commissioner may grant reasonable extensions of time, not
2501 exceeding 60 days, for the furnishing of the statement.

2502 Every employer who fails to withhold or pay to the commissioner any sums required by
2503 this chapter to be withheld or paid shall be personally and individually liable for such sums to the
2504 commonwealth. The term "employer" as used in this section and in section 11, shall include any
2505 person or entity required to withhold tax from any payee and shall include an officer or employee
2506 of a corporation, or a member or employee of a partnership or limited liability company, who as
2507 such officer, employee or member is under a duty to withhold and pay over taxes under this
2508 section and section 2. Any sum withheld under section 2 shall be considered to be held in trust
2509 for the commonwealth.

2510 If an employer in violation of this chapter fails to withhold the tax under section 2, and
2511 thereafter the tax against which such tax may be credited, under section 9, is paid, the tax so
2512 required to be withheld shall not be collected from the employer; but this paragraph shall in no
2513 case relieve the employer from liability for any penalties or addition to the tax otherwise
2514 applicable in respect of such failure to withhold.

2515 SECTION 27. The first paragraph of section 8 of chapter 62C of the General Laws, as so
2516 appearing, is hereby amended by striking out the last sentence and inserting in place thereof the
2517 following sentence:- The same basis of reporting shall be utilized for income that is subject to
2518 taxation or withholding under chapter 62 or 62B but is not subject to taxation or withholding
2519 under the Code.

2520 SECTION 28. Subsection (f) of section 38 of chapter 63 of the General Laws, as so
2521 appearing, is hereby amended by striking out the third paragraph and inserting in place thereof
2522 the following paragraph:-

2523 For the purposes of this subsection: (1) in the case of the licensing of intangible property,
2524 the income-producing activity shall be considered to be performed in the commonwealth to the
2525 extent that the intangible property is used in the commonwealth; (2) the corporation shall be
2526 considered to be taxable in the state of the purchaser if the tangible personal property is delivered
2527 or shipped to a purchaser in a foreign country; (3) sales of tangible personal property to the
2528 United States government or an agency or instrumentality of the United States for purposes of
2529 resale to a foreign government or an agency or instrumentality of a foreign government shall not
2530 be sales made in the commonwealth; (4) in the case of the sale, exchange or other disposition of
2531 a capital asset, as defined in paragraph (m) of section 1 of chapter 62, used in a taxpayer's trade
2532 or business, including a deemed sale or exchange of such asset, "sales" shall be measured by the
2533 gain from the transaction; (5) "security" shall mean an interest or instrument commonly treated
2534 as a security as well as other instruments which are customarily sold in the open market or on a
2535 recognized exchange including, but not limited to, transferable shares of a beneficial interest in a
2536 corporation or other entity, bonds, debentures, notes and other evidences of indebtedness,
2537 accounts receivable and notes receivable, cash and cash equivalents including foreign currencies
2538 and repurchase and futures contracts; (6) in the case of a sale or deemed sale of a business, the
2539 term "sales" shall not include receipts from the sale of the business "good will" or similar
2540 intangible value, including, without limitation, "going concern value" and "workforce in place";
2541 (7) to the extent authorized under the life sciences tax incentive program established by section 5
2542 of chapter 23I, a certified life sciences company may be deemed a research and development

2543 corporation for purposes of exemptions under chapters 64H and 64I; and (8) in the case of a
2544 business deriving receipts from operating a gaming establishment or otherwise deriving receipts
2545 from conducting a wagering business or activity, income-producing activity shall be considered
2546 to be performed in the commonwealth to the extent that the location of wagering transactions or
2547 activity that generated the receipts is in the commonwealth.

2548 SECTION 29. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby
2549 amended by inserting after the word "Lottery", in line 355, the following words:- and Gaming.

2550 SECTION 29A. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby
2551 amended by striking out, in line 99, the words "or dog".

2552 SECTION 30. Said section 2 of said chapter 128 of the General Laws, as so appearing, is
2553 hereby further amended by striking out subsection (i).

2554 SECTION 31. Section 1 of chapter 128A of the General Laws, as so appearing, is hereby
2555 amended by striking out, in line 6, the words "state racing commission" and inserting in place
2556 thereof the following words:- Massachusetts gaming commission established in chapter 23K.

2557 SECTION 32. Section 1 of chapter 128C of the General Laws, as so appearing, is hereby
2558 amended by striking out, in line 12, the words "state racing commission" and inserting in place
2559 thereof the following words:- gaming commission established in chapter 23K.

2560 SECTION 33. Section 1 of chapter 137 of the General Laws, as so appearing, is hereby
2561 amended by inserting after the word "gaming", in line 2, the following words:- , except for
2562 gaming conducted in gaming establishments under chapter 23K.

2563 SECTION 34. Section 2 of said chapter 137, as so appearing, is hereby amended by
2564 inserting after the word "building", in line 1, the following words:- , except for an owner or
2565 operator of a gaming establishment licensed under chapter 23K.

2566 SECTION 35. Section 3 of said chapter 137, as so appearing, is hereby amended by
2567 adding the following sentence:- Nothing in this section shall prohibit any activity authorized
2568 under chapter 23K.

2569 SECTION 36. Section 18 of chapter 139 of the General Laws, as so appearing, is hereby
2570 amended by inserting after the word "of", in line 6, the word:- illegal.

2571 SECTION 37. Section 26A of chapter 180 of the General Laws, as so appearing, is
2572 hereby amended by striking out, in lines 4 and 16, the following words:- or dog.

2573 SECTION 38. The General Laws are hereby amended by inserting after chapter 267 the
2574 following chapter:-

2575 Chapter 267A

2576 Money Laundering

2577 Section 1. As used in this chapter, the following words shall, unless the context clearly
2578 requires otherwise, have the following meanings:-

2579 "Criminal activity", a criminal offense punishable under the laws of the commonwealth
2580 by imprisonment in a state prison or a criminal offense committed in another jurisdiction
2581 punishable under the laws of that jurisdiction as a felony.

2582 "Financial institution", a: (1) bank as defined in section 1 of chapter 167; (2) national
2583 banking association, bank, savings and loan, savings bank, cooperative bank, building and loan
2584 or credit union organized under the laws of the United States; (3) banking association, bank,
2585 savings and loan, savings bank, cooperative bank, building and loan or credit union organized
2586 under the laws of any state; (4) agency, agent or branch of a foreign bank; (5) currency dealer or
2587 exchange; (6) person or business engaged primarily in the cashing of checks; (7) person or
2588 business regularly engaged in the issuing, selling or redeeming of traveler's checks, money
2589 orders or similar instruments; (8) broker or dealer in securities or commodities; (9) licensed
2590 transmitter of funds or other person or business regularly engaged in the transmission of funds to
2591 a foreign nation for others; (10) investment banker or investment company; (11) insurer; (12)
2592 dealer in precious metals, stones or jewels; (13) pawnbroker or scrap metal dealer; (14) telegraph
2593 or other communications company; (15) personal property or real estate broker; (16) dealer in
2594 vehicles including, but not limited to, automobiles, aircraft and vessels; (17) operator of a betting
2595 or gaming establishment; (18) travel agent; (19) thrift institution; (20) operator of a credit card
2596 system; or (21) loan or finance company.

2597 "Monetary instrument", the currency and coin of the United States or any foreign
2598 country; any bank check, money order, stock, investment security, or negotiable instrument in
2599 bearer form or otherwise in such form that title passes upon delivery; gold, silver or platinum
2600 bullion or coins; diamonds, emeralds, rubies, or sapphires; any negotiable instrument including:
2601 bank checks, cashier's checks, traveler's checks, or monetary orders made payable to the order of
2602 a named party that have not been endorsed or which bear restrictive endorsements; poker chips,
2603 vouchers or other tokens exchangeable for cash by gaming entities; and credit cards, debit cards,
2604 gift cards, gift certificates or scrips.

2605 "Transaction", a purchase, sale, loan, pledge, gift, transfer, delivery, or other disposition,
2606 and with respect to a financial institution including, but not limited to, a deposit, withdrawal,
2607 bailment, transfer between accounts, exchange of currency, loan, extension of credit, purchase or
2608 sale of any stock, bond, certificate of deposit, or other monetary instrument, use of a safe deposit
2609 box, or any other payment, transfer, or delivery by, through, or to a financial institution, by
2610 whatever means effected.

2611 Section 2. Whoever knowingly:

2612 (1) transports or possesses a monetary instrument or other property that was derived from
2613 criminal activity with the intent to promote, carry on or facilitate criminal activity;

2614 (2) engages in a transaction involving a monetary instrument or other property known to
2615 be derived from criminal activity:

2616 (i) with the intent to promote, carry on or facilitate criminal activity; or

2617 (ii) knowing that the transaction is designed in whole or in part either to: (A)
2618 conceal or disguise the nature, location, source, ownership or control of the property derived
2619 from criminal activity; or (B) avoid a transaction reporting requirement of this chapter, of the
2620 United States, or of any other state; or

2621 (3) directs, organizes, finances, plans, manages, supervises or controls the transportation
2622 of, or transactions in, monetary instruments or other property known to be derived from criminal
2623 activity or which a reasonable person would believe to be derived from criminal activity;

2624 shall be guilty of the crime of money laundering and shall be punished by imprisonment in the
2625 state prison for not more than 6 years or by a fine of not more than \$250,000 or twice the value

2626 of the property transacted, whichever is greater, or by both such imprisonment and fine; and for
2627 any subsequent offense shall be punished by imprisonment in the state prison for not less than 2
2628 years, but not more than 8 years or by a fine of not more than \$500,000 or 3 times the value of
2629 the property transacted, whichever is greater, or by both such imprisonment and fine.

2630 Section 3. (a) A financial institution shall file with the attorney general a copy of any and
2631 all reports required by the Currency and Foreign Transactions Act, set forth in 31 U.S.C.,
2632 sections 5311 through 5315, 31 C.F.R. 103.

2633 (b) A financial institution, or any officer, employee, or agent of a financial institution that
2634 maintains and files a record or report under this section shall not be liable to its customer, to a
2635 state or local agency, or to any person for any loss or damage caused in whole or in part by the
2636 making, filing or governmental use of the record or report, or any information contained in the
2637 record or report. Nothing in this chapter shall be construed to give rise to a private cause of
2638 action for relief or damages. This subsection shall not preclude a financial institution, in its
2639 discretion, from instituting contact with, and then communicating with and disclosing customer
2640 financial records to appropriate federal, state or local law enforcement agencies if the financial
2641 institution has reason to suspect that the records or information demonstrate that the customer
2642 has violated this chapter.

2643 (c) Any report, record or information obtained by the attorney general under this section
2644 shall not be a public record under clause Twenty-sixth of section 7 of chapter 4 or section 10 of
2645 chapter 66 and shall not be subject to disclosure, except to other state and federal law
2646 enforcement agencies.

2647 (d) Any violation of this section, which is not a violation of section 2, shall be punished
2648 by a fine of \$100 for each report not filed.

2649 (e) The timely filing of complete and accurate reports required under subsection (a) with
2650 the appropriate federal agency shall constitute compliance with the requirements of subsection
2651 (a).

2652 Section 4. All monetary instruments or other property, real, intellectual or personal,
2653 obtained directly as a result of a violation of section 2 of this chapter, shall be subject to
2654 forfeiture to the commonwealth. Forfeiture proceedings shall be conducted as provided in
2655 subsections (b) to (j), inclusive of section 47 of chapter 94C. For purposes of subsection (d) of
2656 said section 47 of said chapter 94C, the investigation and enforcement bureau of the gaming
2657 control board shall be considered a police department, entitled to a police department's
2658 distribution of forfeiture proceedings.

2659 SECTION 40. Section 1 of chapter 271 of the General Laws, as so appearing, is hereby
2660 amended by inserting after the word "gaming", in lines 3 and 4, the following words:- , except as
2661 permitted under chapter 23K.

2662 SECTION 41. Section 2 of said chapter 271, as so appearing, is hereby amended by
2663 inserting after the words "playing", in line 4, the following words:- , except as permitted under
2664 chapter 23K.

2665 SECTION 42. Section 3 of said chapter 271, as so appearing, is hereby amended by
2666 inserting after the words "gaming", in line 3, the following words:- , except as permitted under
2667 chapter 23K.

2668 SECTION 43. Section 5 of said chapter 271, as so appearing, is hereby amended by
2669 inserting after the words "thing", in line 7, the following words:- except as permitted under
2670 chapter 23K.

2671 SECTION 44. The second paragraph of section 5A of said chapter 271, as so appearing,
2672 is hereby amended by adding the following sentence:- This section shall not apply to persons
2673 who manufacture, transport, sell, offer for sale, store, display, repair, recondition, possess or use
2674 any gambling device or parts for use in such a device for licensed gaming conducted under
2675 chapter 23K.

2676 SECTION 45. Section 6 of said chapter 271, as so appearing, is hereby amended by
2677 striking out, in lines 3 and 4, the words "gambling or unlawful game" and inserting in place
2678 thereof the words:- illegal gaming.

2679 SECTION 46. Section 7 of said chapter 271, as so appearing, is hereby amended by
2680 inserting after the word "device", in line 7, the first time it appears, the following words:- that is
2681 not taking place in a gaming establishment licensed under chapter 23K.

2682 SECTION 47. Said chapter 271 is hereby further amended by striking out section 8, as
2683 so appearing, and inserting in place thereof the following section:

2684 Section 8. Whoever owns, occupies, or is in control of a house, shop or building and
2685 knowingly permits the establishing, managing or drawing of such lottery, or such disposal or
2686 attempt to dispose of property, or the sale of a lottery ticket or share of a ticket, or any other
2687 writing, certificate, bill, token or other device purporting or intended to entitle the holder, bearer
2688 or any other person to a prize or to a share of or interest in a prize to be drawn in a lottery, or in
2689 such disposal or property and whoever knowingly suffers money or other property to be raffled

2690 for or won by throwing or using dice or by any other game of chance that is not being conducted
2691 in a licensed gaming establishment under chapter 23K, shall be punished by a fine of not more
2692 than \$2000 or by imprisonment in a jail or house of correction for not more than 1 year.

2693 SECTION 48. Section 14 of said chapter 271, as so appearing, is hereby further amended
2694 by inserting after the word "by", in line 3, the first time it appears, the following words:- illegal
2695 gaming, including games of.

2696 SECTION 48A. Section 16A of said chapter 271, as so appearing, is hereby amended by
2697 inserting after the word "wagerers", in line 14, the following words: - or to persons who
2698 organize, supervise, manage, or finance persons for the purpose of gaming conducted under
2699 chapter 23K.

2700 SECTION 49. Section 17 of said chapter 271, as so appearing, is hereby amended by
2701 adding the following sentence:- This section shall not apply to persons who organize, supervise,
2702 manage or finance persons for the purpose of licensed gaming conducted under chapter 23K.

2703 SECTION 50. Section 19 of said chapter 271, as so appearing, is hereby amended by
2704 adding the following words:- ; provided, however, that this section shall not apply to advertising
2705 of licensed gaming conducted under chapter 23K.

2706 SECTION 51. Section 20 of said chapter 271, as so appearing, is hereby amended by
2707 adding the following sentence:- Nothing in this section shall prohibit a gaming establishment
2708 licensed under chapter 23K from posting or exposing materials relevant to its gaming operations.

2709 SECTION 52. Section 22 of said chapter 271, as so appearing, is hereby amended by
2710 adding the following words:- or any receipt, carriage or delivery by a gaming establishment
2711 licensed under chapter 23K.

2712 SECTION 53. Section 23 of said chapter 271, as so appearing, is hereby amended by
2713 striking out the last sentence and inserting in place thereof the following sentence:- Chapter 276
2714 relative to the disposal of gaming articles seized upon search warrants shall apply to all articles
2715 and property seized under this section; provided, however, that such disposal shall not apply to
2716 licensed gaming conducted under chapter 23K.

2717 SECTION 54. Section 28 of said chapter 271, as so appearing, is hereby amended by
2718 inserting after the word "of", in line 3, the third time it appears, the following word:- illegal.

2719 SECTION 55. Section 31 of said chapter 271, as so appearing, is hereby amended by
2720 striking out in lines 3 and 4 the words "thereto by section fourteen of chapter one hundred and
2721 eighty" and inserting in place thereof the following words:- to conduct such trials or gaming
2722 establishments licensed under chapter 23K.

2723 SECTION 56. The General Laws are hereby amended by inserting after chapter 271 the
2724 following chapter:-

2725 Chapter 271A

2726 Enterprise Crime

2727 Section 1. As used in this chapter, the following words shall, unless the context clearly
2728 requires otherwise, have the following meanings:-

2729 "Criminal enterprise activity", the commission, attempt to commit or conspiracy to
2730 commit or the solicitation, coercion, aiding, abetting or intimidation of another to commit any of
2731 the following criminal activity under the laws of the commonwealth or equivalent crimes under
2732 the laws of any other jurisdiction: a violation of any criminal provision of chapter 23K; a felony
2733 offense under chapter 271; distributing, dispensing, manufacturing, or possessing with intent to
2734 distribute, dispense or manufacture a controlled substance in violation of chapter 94C; murder;
2735 rape; manslaughter, not including motor vehicle homicide; assault; assault and battery; assault
2736 and battery in order to collect a loan; assault with intent to rob or murder; poisoning; mayhem;
2737 robbery; extortion; stalking; criminal harassment; kidnapping; arson; burglary; malicious
2738 destruction of property; commission of a felony for hire; breaking and entering; child
2739 exploitation; assault and battery on a child; rape of a child; rape and abuse of a child; enticement
2740 of a child under 16; human trafficking; violation of constitutional rights under section 37 of
2741 chapter 265; usury; uttering; misuse or fraudulent use of credit cards under section 37C of
2742 chapter 266; identity fraud; misappropriation of funds; gross fraud; insurance fraud; unlawful
2743 prize fighting or boxing matches; counterfeiting; perjury; subornation of perjury; obstruction of
2744 justice; money laundering; witness intimidation; bribery; electronic eavesdropping; prostitution;
2745 receiving stolen property; larceny over \$250; larceny by false pretenses or embezzlement;
2746 forgery; procurement fraud; false claims; tax evasion; filing false tax returns; or any conduct
2747 defined as a racketeering activity under Title 18, U.S.C. s. 1961(1)(A)(B) and (D).

2748 "Enterprise", an entity including any individual, sole proprietorship, partnership,
2749 corporation, association, trust or other legal entity and any unchartered union or group of persons
2750 associated in fact although not a legally recognized entity.

2751 "Gaming establishment", an establishment licensed under chapter 23K.

2752 "Pattern of criminal enterprise activity", engaging in at least 3 incidents of criminal
2753 enterprise activity that have the same or similar pattern, intents, results, accomplices, victims or
2754 methods of commission, or are otherwise interrelated by distinguishing characteristics and are
2755 not isolated incidents; provided, however, that at least 1 of the incidents occurred after the
2756 effective date of this chapter, and the last incident occurred within 5 years of another incident of
2757 criminal enterprise activity.

2758 "Unlawful debt", a debt (i) which was incurred or contracted in an illegal gambling
2759 activity or business or (ii) which is unenforceable under state or federal law in whole or part as to
2760 principal or interest because of the law relating to usury.

2761 Section 2. Whoever knowingly: (1) through a pattern of criminal enterprise activity or
2762 through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest
2763 in or control of an enterprise which is engaged in, or the activities of which affect, licensed
2764 gaming under chapter 23K or ancillary industries which do business with a gaming
2765 establishment; (2) having received proceeds derived, directly or indirectly, from a pattern of
2766 criminal enterprise activity or through the collection of an unlawful debt, uses or invests, directly
2767 or indirectly, part of the proceeds including proceeds derived from the investment, in the
2768 acquisition of an interest in real property to be used in connection with licensed gaming, or in the
2769 establishment or operation of, an enterprise which is engaged in, or the activities of which affect,
2770 licensed gaming operations or ancillary industries which do business with a gaming
2771 establishment; (3) is employed by or associated with an enterprise to conduct or participate,
2772 directly or indirectly, in the conduct of the enterprise's affairs or activities which affect licensed
2773 gaming operations or ancillary industries which do business with a gaming establishment by
2774 engaging in a pattern of criminal enterprise activity or through the collection of an unlawful debt;

2775 or (4) conspires or attempts to violate subsections (1), (2), or (3) of this section; shall be guilty of
2776 enterprise crime and shall be punished by imprisonment in the state prison for not more than 15
2777 years or by a fine of not more than \$25,000, or by both such imprisonment and fine.

2778 Nothing in this chapter shall prohibit the purchase of securities on the open market for
2779 purposes of investment made without the intention of controlling or participating in the control
2780 of the issuer, or of assisting another to do so, if the securities of the issuer held by the (i)
2781 purchaser; (ii) members of the purchaser's immediate family; and (iii) the purchaser's
2782 accomplices in any pattern of criminal activity or the collection of an unlawful debt after such
2783 purchase do not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1
2784 class and do not confer, either in law or in fact, the power to elect 1 or more directors of the
2785 issuer.

2786 Section 3. All monetary proceeds or other property, real, intellectual or personal, obtained
2787 directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the
2788 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
2789 inclusive of section 47 of chapter 94C. For purposes of subsection (d) of said section 47 of said
2790 chapter 94C, the investigation and enforcement bureau of the gaming control board shall be
2791 considered a police department, entitled to a police department's distribution of forfeiture
2792 proceedings.

2793 SECTION 57. Section 39 of chapter 272 of the General Laws, as appearing in the 2008
2794 Official Edition, is hereby amended by inserting after the word "in", in line 7, the following
2795 word:- illegal.

2796 SECTION 58. Section 99 of said chapter 272, as so appearing, is hereby amended by
2797 striking out, in lines 68 to 69, the words:- section seventeen of chapter two hundred and seventy
2798 one of.

2799 SECTION 59. Said section 99 of said chapter 272, as so appearing, is hereby further
2800 amended by inserting after the word "perjury", in line 72, the following words:- , enterprise
2801 crime, money laundering.

2802 SECTION 60. Section 13 of chapter 494 of the acts of 1978, as most recently amended
2803 by section 2 of chapter 114 of the acts of 1991, is hereby amended by striking out clause (c).

2804 SECTION 61. Clause (d) of said section 13 of said chapter 494, as appearing in said
2805 section 2 of said chapter 114, is hereby amended by striking out, in line 21, the words "(b) or (c)"
2806 and inserting in place thereof the following words:- and (b).

2807 SECTION 62. Said section 13 of said chapter 494, as most recently amended by said
2808 section 2 of said chapter 114, is hereby further amended by striking out subsection (f).

2809 SECTION 63. Under section 2 of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171-1177,
2810 approved January 2, 1951, the Commonwealth, acting by and through duly elected and qualified
2811 members of the general court, does declare and proclaim that the Commonwealth shall be
2812 exempt from the provisions of chapter 1194, 64 Stat. 1134, 15 U.S.C. 1171 to 1178 for any
2813 gambling device authorized for use and transport under chapter 23K of the General Laws and
2814 any regulations promulgated under that chapter.

2815 SECTION 64. All shipments of gambling devices into the commonwealth, including slot
2816 machines, the registering, recording and labeling of which has been duly had by the

2817 manufacturer of dealer of such gambling device in accordance with sections 3 and 4 of an Act of
2818 Congress of the United States entitled "An act to prohibit transportation of gambling devices in
2819 interstate and foreign commerce," approved January 2, 1951, being chapter 1194, 64 Stat. 1134,
2820 and also designated as 15 USC ?? 1171-1177, shall be considered legal shipments of gambling
2821 devices into this commonwealth.

2822 SECTION 65. In making initial appointments to the Massachusetts gaming commission
2823 established in section 2 of chapter 23K of the General Laws, the governor shall appoint 1
2824 commissioner to serve for a term of 5 years, 1 commissioner to serve for a term of 6 years, and 1
2825 commissioner to serve for a term of 7 years. The attorney general and treasurer shall each
2826 appoint 1 commissioner to serve for a term of 5 years.

2827 SECTION 66. In making initial appointments to the Massachusetts gaming control board
2828 established in section 3 of chapter 23K of the General Laws, the governor shall appoint 1
2829 member to serve for a term of 5 years, 1 member to serve for a term of 6 years and 1 member to
2830 serve for a term of 7 years.

2831 SECTION 67. The chair of the Massachusetts gaming control board shall consider
2832 current employees of the state racing commission as eligible for employment with the board and
2833 shall, subject to all other requirements and conditions of employment under chapter 23K of the
2834 General Laws, give preference to such individuals when making employment decisions.

2835 SECTION 68. A gaming licensee awarded a gaming license for a specific region under
2836 section 16 of chapter 23K of the General Laws shall show preference in hiring to any qualified
2837 persons permanently employed as of June 1, 2010 at a facility authorized to conduct simulcasting
2838 under chapter 128C of the General Laws that is in operation on June 1, 2010 within the region

2839 for which the gaming license was granted if the facility authorized to conduct simulcasting
2840 terminates operation within 1 year of the commission awarding the gaming license, subject to all
2841 other requirements and conditions of employment under said chapter 23K; provided that said
2842 facility authorized to conduct simulcasting shall provide employment data on the number, names
2843 and addresses of employees in permanent employment with said facility as of June 1, 2010 to the
2844 board to assist the gaming licensee in meeting this obligation.

2845 SECTION 69. (a) Notwithstanding any general or special law, rule or regulation to the
2846 contrary, a contract negotiated by the governor under this section may waive the requirement that
2847 a gaming license granted under section 17 of chapter 23K of the General Laws be renewed.

2848 (b) Notwithstanding any general or special law, rule or regulation to the contrary, the
2849 governor may enter into a gaming contract with a federally recognized Native American tribe in
2850 the commonwealth.

2851 (c) If the governor enters into a gaming contract, it shall include, but not be limited to, the
2852 following terms:

2853 (i) the tribe shall be subject to all laws, statutes, and bylaws of the
2854 commonwealth, the host community and any other properly constituted legal body, including
2855 chapter 23K of the General Laws? provided, however, that a fair and comparable payment in lieu
2856 of taxes may be substituted for any tax or fee required by the commonwealth? and

2857 (ii) if the tribe receives or has received a license to operate a gaming
2858 establishment under said chapter 23K, the governor shall support the tribe?s application to obtain
2859 lands in trust on the site of the gaming establishment.

2860 (d) The contract may include, but shall not be limited to, the following terms:

2861 (i) a grant of permanent exclusivity in the applicable region if the tribe
2862 receives a license to operate a gaming establishment under said chapter 23K; and

2863 (ii) a waiver of the requirement that a gaming establishment license granted
2864 under section 17 of said chapter 23K be renewed.

2865 (e) If the contract includes either term in subsection (d), the contract shall also include an
2866 agreement that permanent regional exclusivity or a waiver of the license renewal requirement
2867 constitutes significant value.

2868 SECTION 70. (a) Upon receipt by the board of licensing fees from licensees, the board
2869 shall transfer monies from the Gaming Licensing Fund, established in section 62 of chapter 23K
2870 of the General Laws, as provided in this subsection. Between the effective date of this section
2871 and December 31, 2015, funds shall be transferred as follows:-

2872 (1) \$15,000,000 in the aggregate shall be transferred to the Gaming Mitigation
2873 Trust Fund established by section 65 of chapter 23K of the General Laws;

2874 (2) \$85,000,000 in the aggregate shall be remitted to the comptroller and the
2875 comptroller shall deposit into the Local Aid Stabilization Fund, established by section 2BBBB of
2876 chapter 29 of the General Laws;

2877 (3) \$20,000,000 to the Massachusetts gaming control board to be used for
2878 start-up and operational costs; and

2879 (4) the remaining balance of the fund as of December 31, 2015 shall be
2880 remitted to the comptroller and the comptroller shall deposit that remaining balance into the
2881 Stabilization Fund established by section 2H of chapter 29 of the General Laws.

2882 (b) Upon receipt by the Massachusetts gaming control board of license fees from
2883 licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming
2884 Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no
2885 transfer or payment under said clauses (1) and (2) shall occur until the fund reimburses
2886 \$20,000,000 to the Stabilization Fund as required by subsection (b) of section 71 of this act.

2887 SECTION 71. (a) Within 30 days of the effective date of this act, the comptroller shall
2888 transfer \$20,000,000, as a loan with no interest, from the Stabilization Fund established by
2889 section 2H of chapter 29 of the General Laws, to the Massachusetts gaming control board for the
2890 start-up and operational costs of implementing chapter 23K of the General Laws.

2891 (b) Upon receipt by the Massachusetts gaming control board of sufficient license fees
2892 from licensees under said chapter 23K, the board shall remit \$20,000,000 to the comptroller from
2893 the Gaming Licensing Fund established in section 62 of said chapter 23K to repay the
2894 Stabilization Fund established by said section 2H of said chapter 29.

2895 SECTION 72. Not more than \$42,500,000 shall be expended from the Local Aid
2896 Stabilization Fund, created in section 2BBBB of chapter 29 of the General Laws, in fiscal year
2897 2012.,

2898 SECTION 73. Section 69 is hereby repealed.

2899 SECTION 74. Section 14 shall take effect on December 31, 2015.

SECTION 75. Section 73 shall take effect on December 31, 2011.