

HOUSE No. 330

The Commonwealth of Massachusetts

PRESENTED BY:

Michael Brady

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 Authorizing The State Lottery Commission to Implement a wide area network system of video lottery terminals.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael Brady	9th Plymouth
Thomas P. Kennedy	Second Plymouth and Bristol
Christine E. Canavan	10th Plymouth
James Dwyer	30th Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT AUTHORIZING THE STATE LOTTERY COMMISSION TO IMPLEMENT A WIDE AREA NETWORK SYSTEM OF VIDEO LOTTERY TERMINALS.

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

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

5 Section 1. Chapter 10 of the General Laws, as appearing in the 2002 Official
6 Edition, is amended by adding after Section 27A the following new section:

7 Section 27B. (a) The lottery commission is hereby authorized and directed to
8 implement a wide area network system of video lottery gaming on a statewide
9 basis. A license to operate a video lottery terminal shall be issued by the
10 commission only, and subject to the approval of the commission, may be issued to
11 any licensee who is licensed pursuant to section 12 of chapter one hundred and
12 thirty-eight, and any licensee who is licensed by the state racing commission
13 pursuant to section three of chapter one hundred and twenty-eightA to conduct a
14 racing meeting, excluding those licensed to conduct a racing meeting at a state or
15 county fair; provided however, that such licensee does not owe a financial
16 obligation to the commonwealth and such licensee has not been convicted of a
17 felony. A license to operate one or more video lottery terminals within said wide
18 area network system shall not be issued to any person, business, corporation, or
19 other entity, except as provided herein.

20 (b) The commission shall issue a request for proposals to implement a statewide
21 wide area network of video lottery terminals. The request for proposals shall
22 include, but not be limited to, the following:

23 (1) any qualifying proposal must employ electronic gaming machines that each
24 incorporate networked interactive digital technology that embodies the use of a
25 card to begin individual game play and in support of a responsible gaming context
26 provides a suite of play safe options, including play time limits, wager limits and
27 self-exclusion at the players own choosing; (2) that any proposal must provide a
28 central computer technology to which individual gaming machines will be
29 networked, be capable of accommodating and tracking individual game play,
30 individual player play safe selections, player self-exclusion and individual player
31 account data such as wagers, wins and losses and reporting same to the individual
32 player on command; (3) any proponent or principal of a proponent's business shall
33 not have been convicted of a felony; and (4) any proponent must be operating
34 within a wide area network system in at least one other jurisdiction at the time that
35 proposals are due. The commission shall award a contract to operate a statewide
36 wide area network for a video lottery terminal gaming system no later than June
37 thirtieth of two-thousand nine.

38 (c) A license to operate one or more video lottery terminals shall be granted to any
39 licensee pursuant to section 12 of chapter 138 provided that not less than twenty-
40 one days before issuing any such license to operate a video lottery terminal, said
41 chairman of said commission or his designee shall send a notification by certified
42 mail to the mayor or the board of selectmen, whichever is applicable, of the
43 municipality in which such facility to be licensed to operate a video lottery
44 terminal is so located and shall publish, in newspaper of general circulation in the
45 area including the municipality where said video lottery terminal will operate,
46 notice that an application for such license has been filed with said commission.
47 Said notice shall include the name and business address of said video lottery
48 terminal applicant; and the address wherein said video lottery terminal applicant
49 will operate. No such license shall be issued by said chairman of said commission
50 or his designee to which the local licensing authority, as defined pursuant to
51 section one of chapter one hundred and thirty-eight, has objected in writing as a
52 result of an official action of said authority, except after a hearing under chapter
53 thirty A and unless said chairman of said commission or his designee thereafter
54 determines in writing, after considering all relevant circumstances, that such
55 license to operate a video lottery terminal is in the public interest and approves in

56 writing the issuance of such license, notwithstanding the objection of the local
57 licensing authority.

58 (d) A license to operate one or more video lottery terminals shall be granted to any
59 licensee licensed pursuant to section three of chapter one hundred and twenty eight
60 A, except those licensed to conduct a racing meeting at a state or county fair,
61 provided that not less than twenty-one days before issuing any such license to
62 operate a video lottery terminal, said chairman of said commission or his designed
63 shall send a notification by certified mail to the mayor or the board of selectmen,
64 whichever is applicable, of the municipality in which such facility to be licensed to
65 operate one or more video lottery terminals is so located and shall publish, in
66 newspaper of general circulation in the area including the municipality where said
67 video lottery terminals will operate, notice that an application for such license has
68 been filed with said commission. Said notice shall include the name and business
69 address of said video lottery terminal applicant; and the address wherein said video
70 lottery terminal applicant will operate. No such license shall be issued by said
71 chairman of said commission or his designee to which the local licensing authority,
72 as defined pursuant to section one of chapter one hundred and thirty-eight, has
73 objected in writing as a result of an official action of said authority, except after a
74 hearing under chapter thirty A and unless said chairman of said commission or his
75 designee thereafter determines in writing, after considering all relevant
76 circumstances, that such license to operate one or more video lottery terminals is in
77 the public interest and approves in writing the issuance of such license,
78 notwithstanding the objection of the local licensing authority.

79 The commission and the racing commission shall enter into an agreement in
80 writing and filed with the Attorney General designating the area of the premises
81 licensed pursuant to section three of chapter one hundred and twenty eightA,
82 which shall be dedicated to one or more video lottery terminals, and the number of
83 terminals to be placed on the premises. In the event that the license issued
84 pursuant to section three of chapter one hundred and twenty-eight A for the
85 premises is suspended, revoked or not renewed by the racing commission, the
86 lottery commission shall suspend, revoke or not renew the license for one or more
87 video lottery terminals on the premise.

88 (e) All revenues generated by the implementation of a statewide wide area
89 network of video lottery terminals, after payout of prizes and the cost of
90 operation and administration shall be distributed pursuant to section (c) of
91 section thirty-five. The payout structure and cost of operation and
92 administration of the wide area network of video lottery terminals shall be
93 consistent with current industry standards as of January first two-thousand
94 nine at the time of implementation. Said payout structure and cost of
95 operation and administration shall be updated every two years.