

HOUSE No. 373

The Commonwealth of Massachusetts

PRESENTED BY:

Carlos Gonzalez

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 adoption of the accompanying bill:

An Act relative to sports wagering.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Carlos Gonzalez</i>	<i>10th Hampden</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>
<i>Nicholas A. Boldyga</i>	<i>3rd Hampden</i>
<i>Marcos A. Devers</i>	<i>16th Essex</i>
<i>Michael J. Finn</i>	<i>6th Hampden</i>
<i>Angelo J. Puppolo, Jr.</i>	<i>12th Hampden</i>
<i>Todd M. Smola</i>	<i>1st Hampden</i>
<i>José F. Tosado</i>	<i>9th Hampden</i>
<i>John C. Velis</i>	<i>4th Hampden</i>
<i>Bud L. Williams</i>	<i>11th Hampden</i>

HOUSE No. 373

By Mr. Gonzalez of Springfield, a petition (accompanied by bill, House, No. 373) of Carlos Gonzalez and others relative to sports wagering. Economic Development and Emerging Technologies.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

An Act relative to sports wagering.

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

1 SECTION 1. Section 2 of Chapter 23K, as so appearing, is hereby amended by striking
2 the definition of “Category 1 License” and replacing it with the following definition:-

3 "Category 1 license", a license issued by the commission that permits the licensee to
4 operate a gaming establishment with table games, slot machines and sports wagering.

5 SECTION 2. Section 2 of Chapter 23K, as so appearing, is hereby amended by striking
6 the definition of “Category 2 License” and replacing it with the following definition:-

7 "Category 2 license", a license issued by the commission that permits the licensee to
8 operate a gaming establishment with no table games, not more than 1,250 slot machines and
9 sports wagering.

SECTION 3. Section 2 of Chapter 23K, as so appearing, is hereby amended by striking the definition of “Gross revenue” or “gross gaming revenue” and replacing it with the following definition:-

“Gross gaming revenue”, the total of all sums actually received by a gaming licensee from gaming operations less the total of all sums paid out as winnings to patrons; provided, however, that the total of all sums paid out as winnings to patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout; and provided further, that "Gross revenue" shall not include any amount received by a gaming licensee from simulcast wagering, sports wagering or from credit extended or collected by the gaming licensee for purposes other than gaming; provided further, that the issuance to or wagering by patrons of a gaming establishment of any promotional gaming credit shall not be taxable for the purposes of determining gross revenue.

SECTION 4. Section 2 of Chapter 23K, as so appearing, is hereby amended by adding the following definitions:-

“Gross sports wagering revenue”, the total of all sums actually received by a gaming licensee from sports wagering less the total of all sums paid out as winnings to patrons; provided, however, that the total of all sums paid out as winnings to patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout; and provided further, that "Gross sports wagering revenue" shall not include any amount received by a gaming licensee from gaming, simulcast wagering, or from credit extended or collected by the gaming licensee for purposes other than sports wagering; provided further, that the issuance to or

wagering by patrons of a gaming establishment of any promotional sports wagering credit shall not be taxable for the purposes of determining gross sports wagering revenue.

“Sports wagering” means the business of accepting wagers on sporting events or on the individual performance statistics of athletes in a sporting event or combination of sporting events by any means of wagering.

“Sporting event” means any professional sport or athletic event, any Olympic or international sports competition event and any collegiate sport or athletic event, or any portion thereof or event therein, including, but not limited to, the individual performance of athletes or statistics in a sports event or combination of sports events.

“Sports wagering certificate” A certificate approved by the Commission under this chapter that authorizes a category 1 or category 2 licensee to conduct sports wagering in accordance with this chapter.

“Sports wagering area” means an area wherein sports wagering is operated within a gaming establishment.

SECTION 5. Section 4 of Chapter 23K, as so appearing, is hereby amended by adding the following new subsection after subsection (41):-

(42) Notwithstanding sections 24, 24A and 27 of chapter 10 of the General Laws, chapter 271 of the General Laws or any other general or special law to the contrary, authorize category 1 and category 2 gaming licensees to conduct sports wagering including but not limited to accepting onsite wagers and through the use of a mobile or other electronic platform; provided

that such offsite mobile or electronic platform may only be used within the jurisdiction of the Commonwealth.

SECTION 6. Section 5 of Chapter 23K, as so appearing, is hereby amended by adding the following new subsection section after subsection (18):-

(19) prescribe the conduct of sports wagering by a category 1 or category 2 gaming licensee including but not limited to the approval of a sports wagering certificate for onsite sports wagering at a category 1 or category 2 gaming establishment and through mobile or other electronic platforms within the jurisdiction of the Commonwealth.

SECTION 7. Section 5 of Chapter 23K, as so appearing, is hereby amended by adding the following new section after section 7:-

Section 7A. Grant of sports wagering certificate

Section 7A (a) The Commission shall administer sport wagering in the Commonwealth. The Commission shall grant, upon the request of a category 1 or category 2 gaming licensee, a sports wagering certificate that authorizes a category 1 or category 2 gaming licensee to conduct sports wagering at the licensed gaming establishment or through use of a mobile or other electronic platform. A petition seeking authorization to conduct sports wagering shall include the following:

- (1) The name, business address and contact information of the petitioner;
- (2) The name, business address, job title of the licensed gaming employee who will be responsible for conduct of sports wagering;

(3) Documentation, as the Commission may require, to establish that the petitioner has sufficient business ability and experience to conduct sports wagering;

(4) Detailed site plans identifying the petitioner's proposed sports wagering area within the gaming establishment;

(5) Detailed plans for the establishment of sports wagering accounts and for the use of mobile or other electronic devices for sports wagering as approved by the Commission including but not limited to controls to ensure that sports wagers are only placed from within the Commonwealth by patrons that are twenty one years of age or older; and

(5) A description of its minimum system of internal procedures and administrative and accounting controls for sports wagering operations.

(b) A sports wagering certificate shall be concurrent with a category 1 or category 2 gaming licensee.

SECTION 8. Section 55 of Chapter 23K, as so appearing, is hereby amended by striking the section in its entirety and replacing it with the following Section :-

Section 55: Daily tax and assessment payable by category 1 and category 2 licensees

Section 55. (a) A category 1 licensee shall pay a daily tax of 25 per cent on gross gaming revenues.

(b) A category 1 licensee or a category 2 licensee shall pay a daily tax of 6.75 per cent on gross sports wagering revenues.

(c) A category 2 licensee shall pay a daily tax of 40 per cent on gross gaming revenues.

91 (d) In addition to the tax imposed under subsections (b) and (c), a category 2 licensee
92 shall pay a daily assessment of 9 per cent of its gross gaming revenue to the Race Horse
93 Development Fund established in section 60.

94 (e) Taxes imposed under this section shall be remitted to the commission by a gaming
95 licensee the day following each day of wagering.