

HOUSE No. 4559

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, March 12, 2020.

The committee on Economic Development and Emerging Technologies, to whom were referred the message from His Excellency the Governor recommending legislation relative to expanding sports wagering in the Commonwealth (House, No. 68), the petition (accompanied by bill, Senate, No. 201) of Brendan P. Crighton, Peter Capano, Paul R. Feeney and Jeffrey N. Roy for legislation to regulate sports wagering, the petition (accompanied by bill, Senate, No. 224) of Michael F. Rush, Paul McMurtry and David M. Nangle for legislation to regulate sports wagering, the petition (accompanied by bill, Senate, No. 229) of Bruce E. Tarr and Marc R. Pacheco for legislation to create a special commission on sports gaming, the petition (accompanied by bill, Senate, No. 231) of James T. Welch and Paul R. Feeney for legislation relative to sports wagering, the petition (accompanied by bill, House, No. 366) of Daniel R. Cullinane and David M. Nangle relative to establishing and regulating sports wagering in the Commonwealth, the petition (accompanied by bill, House, No. 372) of Carlos González and others relative to sports wagering, the petition (accompanied by bill, House, No.

373) of Carlos González and others relative to sports wagering, the petition (accompanied by bill, House, No. 377) of Bradford Hill and others for legislation to regulate online gaming, daily fantasy, and online sports betting, the petition (accompanied by bill, House, No. 378) of Bradford Hill and others relative to sports betting and online gaming and the establishment of a public advancement fund with monies received from such activities, the petition (accompanied by bill, House, No. 379) of Bradford Hill and others relative to the regulation of online gaming and daily fantasy sports and increasing education funding from monies received from such activities, reports recommending that the accompanying bill (House, No. 4559) ought to pass.

For the committee,

ANN-MARGARET FERRANTE.

HOUSE No. 4559

The Commonwealth of Massachusetts

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

An Act to regulate 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. Chapter 4 of the general laws, as so appearing in the 2018 official edition, is
2 hereby amended by striking out lines 67-76, in section 7, and inserting in place thereof the
3 following:-

4 Tenth, “illegal gaming,” a banking or percentage game played with cards, dice, tiles or
5 dominoes, or an 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) a sports wager conducted under chapter 23N; (iv) pari-mutuel wagering
9 on horse races under chapters 128A and 128C and greyhound races under said chapter 128C; (v)
10 a game of bingo conducted under chapter 271; and (vi) charitable gaming conducted under said
11 chapter 271.

12 SECTION 2. The general laws, as so appearing, are hereby amended by inserting after
13 chapter 23M, the following new chapter:

14 Chapter 23N: Authorization and Regulation of Sports Wagering

15 Section 1. Notwithstanding any provision or law to the contrary, the operation of sports
16 wagering and ancillary activities are lawful when conducted in accordance with this chapter and
17 chapter 23K.

18 Section 2. As used in this chapter, the following words shall, unless the context clearly
19 requires otherwise have the following meanings:--

20 “Category S license”, a category S1, S2, SH or SM license issued by the commission.

21 “Category S licensee”, an operator who holds a category S license.

22 “Category S1 license”, a license issued by the commission pursuant to this chapter that
23 permits the licensee to operate a sports pool at a category 1 gaming establishment under chapter
24 23K and operate up to 3 online sports pools.

25 “Category S2 license”, a license issued by the commission pursuant to this chapter that
26 permits the licensee to operate a sports pool at a category 2 gaming establishment under 23K and
27 operate up to 2 online sports pools.

28 “Category SH license”, a license issued by the commission pursuant to this chapter that
29 permits the licensee to operate a sports pool at a live horse racing track under chapter 128A.

30 “Category SM license”, a license issued by the commission pursuant to this chapter that
31 permits the licensee to operate an online sports pool.

32 “Collegiate sporting event”, a sporting event in which a postsecondary athletic team or
33 teams or an individual on behalf of a postsecondary institution competes.

34 “Commission”; the Massachusetts gaming commission established in section 3 of chapter
35 23K.

36 “Electronic sports”, a single or multiplayer video game played competitively by
37 professional gamers.

38 “Gross sports wagering revenues”, the total gross receipts derived from sports wagers.

39 “In-play sports wager”, a sports wager on a sporting event after the sporting event has
40 commenced and before it concludes; provided that the commission shall approve all in-play
41 sports wagering in a manner it prescribes; provided further that this definition does not include
42 in-play sports wagers on the sole performance or nonperformance of any individual participating
43 in a collegiate sporting event or events.

44 “Online sports pool”, a sports pool operation, operating pursuant to a proper category S
45 license issued by the commission, in which wagers on sporting events are made over the internet
46 through computers, mobile applications or mobile devices.

47 “Online sports pool operator”, an entity that holds a license issued by the commission to
48 operate an online sports pool or is licensed under section 31 of chapter 23K as a gaming vendor
49 to operate an online sports pool.

50 “Personal biometric data”, an athlete’s personal and medical information including, but
51 not limited to: DNA, heart rate, blood pressure, perspiration rate, internal or external body
52 temperature, hormone levels, glucose levels, hydration levels, vitamin levels, bone density,
53 muscle density, and sleep patterns.

54 “Sports wager”, a cash or cash equivalent paid by an individual to participate in sports
55 wagering.

56 “Professional sport”, a sport in which professional athletes compete or an event
57 designated by the commission.

58 “Prohibited conduct”, any statement, action, and other communication intended to unduly
59 or unlawfully influence, manipulate, or control a betting outcome of a sporting contest or of any
60 individual occurrence or performance in a sporting contest in exchange for financial gain or to
61 avoid financial or physical harm.

62 “Prohibited sporting event” includes:

63 (a) Any amateur sporting event where the participants are primarily under the age of
64 18;

65 (b) Any collegiate sporting event not involving Division I teams and athletes, as
66 defined by the National Collegiate Athletic Association.

67 (c) Any Olympic event;

68 (d) Any electronic sports event; and

69 (e) Any fantasy contest as defined in section 135 of chapter 219 of the acts of 2016.

70 “Prohibited sports bettor” means:

71 (a) Any member or employee of the commission and any spouse, child, sibling, or
72 parent residing in the same household as a member or an employee of the commission;

73 (b) Any contractor of the commission or its agents when such contract relates to the
74 conduct of sports wagering;

75 (c) Any contractor or employee of an entity that conducts sports wagering in another
76 jurisdiction when the bettor possesses confidential nonpublic information as a result of his or her
77 contract or employment relating to the wager being placed;

78 (d) Any amateur or professional athlete if the sports wager is based in whole or in
79 part on a sport or athletic event overseen by the athlete's sports governing body;

80 (e) Any sports agent, owner, or employee of a team, player, umpire, referee, coach,
81 union official, or official of a sports governing body if the sports wager is based in whole or part
82 on a sport or athletic event overseen by the governing sports body which oversees the
83 individual's sport;

84 (f) Any individual placing a wager as an agent of or proxy for a prohibited sports
85 bettor;

86 (g) Any person under the age of 21;

87 (h) Any individual who has an ownership interest in, control of, or is otherwise
88 employed by a Category S licensee;

89 (i) The directors, officers, owners, and employees of the operator, and any relative
90 living in the same household as such persons; and

91 (j) Persons who hold a position of authority or influence sufficient to exert influence
92 over the participants in a sporting event;

93 (k) Persons physically located outside of the commonwealth.

94 “Sporting event”, any professional sport or athletic event, or a collegiate sport or athletic
95 event;

96 “Sports governing body”, a sports organization that has a regulatory, sanctioning or
97 organizing function for a specific sport or athletic event; provided that this definition shall
98 include, but not be limited to, a professional sports organization as defined in 28 U.S.C. section
99 3701(3) and national governing body as defined in 36 U.S.C. section 220501(b)(8).

100 “Sports pool”, the business of accepting wagers on a sporting event by any system or
101 method of wagering approved by the commission.

102 “Sports wager”, a cash or cash equivalent paid by an individual to participate in sports
103 wagering.

104 “Sports wagering”, the act of betting or wagering on sporting events or portions of
105 sporting events, the individual performance statistics of athletes in a sporting event, or a
106 combination of any of the same by any system or method of wagering approved by the
107 commission including, but not limited to in person bets, or mobile applications and other digital
108 platforms; provided that this definition includes, but is not limited to: single-game bets, teaser
109 bets, parlays, over-under, money line, pools, exchange wagering, in-game wagering, in-play bets,
110 proposition bets, and straight bets; provided further, that this definition does not include:

111 (a) Pari-mutuel betting on the outcome of thoroughbred or harness horse racing as
112 authorized under chapter 128A;

113 (b) Lottery games of the Massachusetts state lottery as authorized under section 37 of
114 chapter 10;

115 (c) Bingo as authorized under section 22B of chapter 271;

116 (d) Keno as authorized under section 27A of chapter 10;

117 (e) Fantasy contests as defined in section 135 of chapter 219 of the acts of 2016;

118 “Student athlete”, an eligible participant in a collegiate sporting event.

119 Section 3. Massachusetts Gaming Commission Regulatory Powers

120 Except as otherwise provided by this chapter, the commission shall have the authority to
121 regulate sports pools, online sports pools, and the conduct of sports wagering under this chapter
122 and chapter 23K to the extent that the commission regulates casino games. In developing rules
123 and regulations applicable to sports wagering, the commission may examine the regulations
124 implemented in other states where sports wagering is conducted and may, as far as practicable,
125 adopt a similar regulatory framework. The commission shall promulgate regulations necessary to
126 facilitate sports wagering, including, but not limited to, regulations governing the:

127 (a) amount of cash reserves to be maintained by operators to cover winning wagers;

128 (b) permitted wagers and eligible sporting events;

129 (c) maximum wagers which may be accepted by an operator from any one individual
130 on any one sporting event;

131 (d) type of wagering tickets which may be used;

- 132 (e) method of issuing tickets;
- 133 (f) method of accounting to be used by operators;
- 134 (g) types of records which shall be kept;
- 135 (h) yearly review for all Category S licensees;
- 136 (i) protections for a person placing a wager, including age verification and geo-
137 location;
- 138 (j) security of servers, software and hardware;
- 139 (k) inspection procedures for any devices, equipment, and accessories related to
140 sports wagering;
- 141 (l) procedures for handling suspected cheating and sports-wagering irregularities;
- 142 (m) procedures for investigating complaints related to sports wagering;
- 143 (n) security mechanisms to ensure the confidentiality of personal and financial
144 information;
- 145 (o) procedures that allow a category S licensee, a professional sports team, league,
146 association, or sports governing body to submit to the commission in writing a request to prohibit
147 a type or form of wagering if the sports pool licensee, professional sports team, league,
148 association, or sports governing body believes that such wagering is contrary to public policy,
149 unfair to consumers, or affects the integrity of a particular sport or the sports betting industry.
- 150 The commission shall promulgate regulations to determine the criteria for assessing and acting
151 on the request.

152 Section 4. Prohibitions

153 (a) The following persons shall not be permitted to have ownership interest in, control of,
154 or otherwise be employed by a Category S licensee or place a wager on a sporting event that is
155 overseen by that person's sports governing body:

156 (1) Any person who is an athlete, coach, trainer, referee, or employee of a sports
157 governing body or any of its member teams;

158 (2) A sports governing body or any of its member teams;

159 (b) No commission member or employee may be an applicant for any license issued
160 under this chapter.

161 Section 5. Category S1 Licenses

162 (a) The commission may issue a request for Category S1 licenses.

163 (1) The commission shall establish deadlines for the receipt of all applications for a
164 Category S1 license. Applications received after the deadline shall not be reviewed by the
165 commission;

166 (2) The commission shall prescribe the form of the application pursuant to sections 9
167 and 12 of chapter 23K;

168 (3) The commission has the discretion to waive any or all portions of the suitability
169 requirements if said applicant has already met the qualifications of suitability during a prior
170 chapter 23K application process and has been awarded a gaming license. Said applicant still

171 must submit an application and provide an application fee prior to the exercise of any
172 determination or exercise of discretion made by the commission;

173 (4) The commission shall not grant a license to a gaming establishment that is
174 currently or previously has contracted with any type of illegal offshore betting;

175 (5) Applications for licenses shall be public records under section 10 of chapter 66;
176 provided however, that trade secrets or other proprietary information provided in the course of an
177 application for a gaming establishment license under this chapter, the disclosure of which would
178 place the applicant at a competitive disadvantage, may be withheld from disclosure under chapter
179 66.

180 (b) Category S1 applicants:

181 (1) shall submit an application to the commission in a manner prescribed by the
182 commission and this chapter to verify the applicant's eligibility;

183 (2) shall have a continuing duty to provide any assistance or information required by
184 the commission and to cooperate in any inquiry or investigation conducted by the commission or
185 any other lawful investigation agency. Refusal to answer or produce information, evidence or
186 testimony by an applicant may result in the denial of the license by the commission;

187 (3) shall not wilfully withhold information or knowingly give false or misleading
188 information to the commission or any other lawful investigation agency;

189 (4) shall pay an application fee of \$500,000.

190 (c) Category S1 licensees:

191 (1) shall pay an initial licensing fee of \$500,000 within 30 days after the award of the
192 license;

193 (2) shall pay a renewal fee of the greater of \$500,000 or the inflation adjusted
194 equivalent of \$500,000 in January of the year 2020, as calculated by the Consumer Price Index
195 of the Bureau of Labor Statistics for January of the current year if available; or the most recent
196 month of the prior year for which statistics are available, every five years after the date of
197 issuance of the initial license;

198 (3) shall offer sports wagering in person at said licensed facility;

199 (4) may conduct up to three online sports pools or may authorize up to three online
200 sports pool operators licensed as gaming vendors under section 31 of 23K to operate an online
201 sports pool on its behalf;

202 Section 6. Category S2 licenses

203 (a) The commission may issue a request for Category S2 licenses.

204 (1) The commission shall establish deadlines for the receipt of all applications for a
205 Category S2 license. Applications received after the deadline shall not be reviewed by the
206 commission;

207 (2) The commission shall prescribe the form of the application pursuant to sections 9
208 and 12 of chapter 23K;

209 (3) The commission has the discretion to waive any or all portions of the suitability
210 requirements if said applicant has already met the qualifications of suitability during a prior
211 chapter 23K application process and has been awarded a gaming license. Said applicant still

212 must submit an application and provide an application fee prior to the exercise of any
213 determination or exercise of discretion made by the commission;

214 (4) The commission shall not grant a license to a gaming establishment that is
215 currently or previously has contracted with any type of illegal offshore betting;

216 (5) Applications for licenses shall be public records under section 10 of chapter 66;
217 provided however, that trade secrets or other proprietary information provided in the course of an
218 application for a gaming establishment license under this chapter, the disclosure of which would
219 place the applicant at a competitive disadvantage, may be withheld from disclosure under chapter
220 66.

221 (b) Category S2 applicants:

222 (1) shall submit an application to the commission in a manner prescribed by the
223 commission and this chapter to verify the applicant's eligibility;

224 (2) shall have a continuing duty to provide any assistance or information required by
225 the commission and to cooperate in any inquiry or investigation conducted by the commission or
226 any other lawful investigation agency. Refusal to answer or produce information, evidence or
227 testimony by an applicant may result in the denial of the license by the commission;

228 (3) shall not wilfully withhold information or knowingly give false or misleading
229 information to the commission or any other lawful investigation agency;

230 (4) shall pay an application fee of \$500,000.

231 (c) Category S2 licensees:

232 (1) shall pay an initial licensing fee of \$500,000 within 30 days after the award of the
233 license;

234 (2) shall pay a renewal fee of the greater of \$500,000 or the inflation adjusted
235 equivalent of \$500,000 in January of the year 2020, as calculated by the Consumer Price Index
236 of the Bureau of Labor Statistics for January of the current year if available; or the most recent
237 month of the prior year for which statistics are available, every five years after the date of
238 issuance of the initial license;

239 (3) shall offer sports wagering in person at said licensed facility;

240 (4) may conduct up to two online sports pools or may authorize up to two online
241 sports pool operators licensed as gaming vendors under section 31 of 23K to operate an online
242 sports pool on its behalf;

243 Section 7. Category SH licenses

244 (a) The commission may issue a request for Category SH licenses.

245 (1) The commission shall establish deadlines for the receipt of all applications for a
246 Category SH license. Applications received after the deadline shall not be reviewed by the
247 commission;

248 (2) The commission shall prescribe the form of the application pursuant to sections 9
249 and 12 of chapter 23K;

250 (3) Upon receipt of an application for a Category SH license the commission shall
251 commence an investigation into the suitability of the applicant pursuant to section 12 of chapter
252 23K;

253 (4) The commission shall not grant a license to a gaming establishment that is
254 currently or previously has contracted with any type of illegal offshore betting;

255 (5) Applications for licenses shall be public records under section 10 of chapter 66;
256 provided however, that trade secrets or other proprietary information provided in the course of an
257 application for a gaming establishment license under this chapter, the disclosure of which would
258 place the applicant at a competitive disadvantage, may be withheld from disclosure under chapter
259 66.

260 (b) Category SH applicants:

261 (1) shall submit an application to the commission in a manner prescribed by the
262 commission and this chapter to verify the applicant's eligibility;

263 (2) shall have a continuing duty to provide any assistance or information required by
264 the commission and to cooperate in any inquiry or investigation conducted by the commission or
265 any other lawful investigation agency. Refusal to answer or produce information, evidence or
266 testimony by an applicant may result in the denial of the license by the commission;

267 (3) shall not wilfully withhold information or knowingly give false or misleading
268 information to the commission or any other lawful investigation agency;

269 (4) shall pay an application fee of \$50,000.

270 (c) Category SH licensees:

271 (1) shall pay an initial licensing fee of 100,000 within 30 days after the award of the
272 license;

273 (2) shall pay an annual license renewal fee of the greater of \$25,000 or the inflation
274 adjusted equivalent of \$25,000 in January of the year 2020, as calculated by the Consumer Price
275 Index of the Bureau of Labor Statistics for January of the current year if available; or the most
276 recent month of the prior year for which statistics are available;

277 (3) shall offer sports wagering in person at said licensed facility;

278 Section 8. Category SM Licenses

279 (a) The commission may issue a request for Category SM licenses and shall issue no
280 more than five category SM licenses.

281 (1) The commission shall establish deadlines for the receipt of all applications for a
282 Category SM license. Applications received after the deadline shall not be reviewed by the
283 commission;

284 (2) The commission shall prescribe the form of the application pursuant to sections 9
285 and 12 of chapter 23K;

286 (3) Upon receipt of an application for a Category SM license the commission shall
287 commence an investigation into the suitability of the applicant pursuant to section 12 of chapter
288 23K;

289 (4) The commission shall not grant a license to a gaming establishment that is
290 currently or previously has contracted with any type of illegal offshore betting;

291 (5) Applications for licenses shall be public records under section 10 of chapter 66;
292 provided however, that trade secrets or other proprietary information provided in the course of an
293 application for a gaming establishment license under this chapter, the disclosure of which would

294 place the applicant at a competitive disadvantage, may be withheld from disclosure under chapter
295 66.

296 (b) Category SM applicants:

297 (1) shall submit an application to the commission in a manner prescribed by the
298 commission and this chapter to verify the applicant's eligibility;

299 (2) shall have a continuing duty to provide any assistance or information required by
300 the commission and to cooperate in any inquiry or investigation conducted by the commission or
301 any other lawful investigation agency. Refusal to answer or produce information, evidence or
302 testimony by an applicant may result in the denial of the license by the commission;

303 (3) shall not wilfully withhold information or knowingly give false or misleading
304 information to the commission or any other lawful investigation agency;

305 (4) shall pay an application fee of \$500,000;

306 (c) Category SM licensees:

307 (1) shall pay an initial licensing fee of \$500,000 within 30 days after the award of the
308 license;

309 (2) shall pay a renewal fee of the greater of \$500,000 or the inflation adjusted
310 equivalent of \$500,000 in January of the year 2020, as calculated by the Consumer Price Index
311 of the Bureau of Labor Statistics for January of the current year if available; or the most recent
312 month of the prior year for which statistics are available, every five years after the date of
313 issuance of the initial license;

314 (3) shall conduct one online sports pool;

315 (4) shall hold in escrow the amount equal to deposits and unsettled bets. No escrow
316 assets shall be commingled;

317 Section 9. The following regulations shall apply to Category S licensees:

318 (a) Category S licensees shall verify that a person placing a wager is twenty-one years
319 of age;

320 (b) Category S licensees shall prohibit the use of credit cards in placing sports wagers
321 on its premises, website or online application, however this provision does not exclude the use of
322 debit cards;

323 (c) Category S licensees shall allow individuals to restrict themselves from placing
324 wagers with the operator;

325 (d) Category S licensees shall maintain records in accordance with regulations
326 promulgated by the commission;

327 (e) Category S licensees shall not accept wagers on prohibited sporting events or
328 from prohibited bettors as defined in this chapter;

329 (f) Category S licensees shall implement responsible gaming programs that include
330 comprehensive employee trainings on responding to circumstances in which individuals present
331 signs of a gambling addiction;

332 (g) Category S licensees shall not purchase or otherwise use any personal biometric
333 data of an athlete for the purpose of sports wagering;

334 (h) Category S licensees shall verify that a person is not a prohibited sports bettor as
335 defined in this chapter; and

336 (i) Category S licensees shall maintain the security of wagering data, customer data,
337 and other confidential information from unauthorized access and dissemination.

338 (j) Category S licensees shall be required to maintain all hardware and servers in the
339 commonwealth;

340 (k) Category S licensees shall have a continuing duty to provide any assistance or
341 information required by the commission and to cooperate in any inquiry or investigation
342 conducted by the commission or any other lawful investigation agency. Refusal to answer or
343 produce information, evidence or testimony by an applicant may result in a fine, or a suspension,
344 revocation or non-renewal of said license;

345 (l) Category S licensees shall not wilfully withhold information or knowingly give
346 false or misleading information to the commission or any other lawful investigation agency;

347 (m) Category S licensees shall be subject to a yearly review as described by the
348 commission. If said operator violates any section of this act or Chapter 23K it will be at the
349 discretion of the commission whether to renew, suspend or revoke said license;

350 Section 10. The commission shall promulgate regulations for the implementation,
351 administration and enforcement of this chapter including, without limitation, advertising
352 regulations that:

353 (a) Prohibit the targeting of minors, students, schools or colleges, problem gamblers,
354 or other vulnerable persons, and which may include limitations on the form, content, quantity,
355 timing, and location of advertisements.

356 (b) Prohibit the depiction of minors, students, schools or colleges, or school or
357 college settings; provided that incidental depiction of non-featured minors will not be a violation
358 of this subsection;

359 (c) Establish criteria to ensure advertisements do not state or imply endorsement by
360 minors, collegiate athletes, colleges, or college athletic associations;

361 (d) Require the disclosure of the sports pool operator;

362 (e) Provide information about links to resources relating to gambling addiction.

363 (f) Require the prohibition of the following advertising, marketing, and branding
364 activities:

365 (1) Advertisements, marketing, and branding in such a manner that it is deemed to be
366 deceptive, false, misleading, or untrue, or tends to deceive or create a misleading impression
367 whether directly, or by ambiguity or omission;

368 (2) Advertising, marketing and branding by means of television, radio, internet,
369 mobile applications, social media, or other electronic communication, billboard or other outdoor
370 advertising, or print publication, unless at least 85% of the audience is reasonably expected to be
371 21 years of age or older as determined by reliable and current audience composition data;

372 (3) Advertising, marketing, and branding that utilizes statements, designs,
373 representations, pictures or illustrations that portray anyone younger than 21 years old;

374 (4) Advertising, marketing, and branding including, but not limited to, mascots,
375 cartoons, brand sponsorships and celebrity endorsements, that is deemed to appeal to a person
376 younger than 21 years old;

377 (5) Advertising on any billboards, or any other public signage, which fails to comply
378 with all state and local ordinances and requirements;

379 (6) Use of unsolicited pop-up advertisements on the internet or text message;

380 (7) Advertising, marketing or branding, on or in public or private vehicles and at bus
381 stops, taxi stands, transportation waiting areas, train stations, airports, or other similar
382 transportation venues including, but not limited to, vinyl-wrapped vehicles or signs or logos on
383 transportation vehicles or company cars;

384 (8) Any other advertising, marketing, or branding that the commission otherwise
385 deems unacceptable or disruptive to viewer experience.

386 (g) Require all representations concerning winnings to be accurate, not misleading, and
387 capable of substantiation at the time the representation is made; an advertisement is misleading if
388 it makes representations about average winnings without representing the average net winnings
389 of all players.

390 (h) Prohibit licensees under this chapter from advertising in publications or other media
391 in Massachusetts that are aimed at minors;

392 Section 11. Pursuant to section 71 of chapter 23K, the commission shall study issues
393 including, but not limited to: 1) an assessment of whether problem sports wagering is comorbid
394 with problem gambling or gaming; 2) an assessment as to whether the individuals participating

395 in sports wagering are different than those who participate in other forms of gaming or gambling;
396 3) an assessment of the impact of sports wagering on youth under the age of 25; and 4) an
397 assessment of the impact of sports wagering on college athletics and professional sports.

398 Section 12. The commission shall establish and facilitate a confidential integrity helpline
399 for players, athletes, coaches, employees of a sports organization, employees of a sports pool
400 operator, and members of the general public to report allegations of potential violations of this
401 act. There shall be a helpline phone number prominently displayed on the commission website
402 and incorporated into public service announcements, displays and marketing mediums to ensure
403 widest dissemination and availability.

404 Section 13. A sports pool operator or sports organization may not discharge, demote,
405 suspend, threaten, harass, or in any other manner discriminate against an employee because of
406 any lawful act done by the employee to provide information, cause information to be provided,
407 or otherwise assist in an investigation regarding any conduct which the employee reasonably
408 believes constitutes a violation of this act.

409 Section 14. Enforcement and penalties under this section shall be pursuant to sections 6
410 and 35, 36, 37, 38, 39, 40, 41, 42 and 43 of chapter 23K.

411 Section 15. Winnings from sports wagering shall be subject to sections 51 and 52 of
412 chapter 23K.

413 Section 16.

414 (a) All Category S licensees shall pay a monthly tax of 10 percent on gross sports
415 wagering revenue on sports wagers received in person at a licensed facility;

416 (b) All Category S licensees shall pay a monthly tax of 12 percent on gross sports
417 wagering revenue on sports wagers received through electronic means not on site at a licensed
418 facility;

419 (c) The operator of fantasy contests as defined in section 135 of chapter 219 of the
420 acts of 2016 shall pay a tax of 12 percent on revenue from fantasy contests that shall be remitted
421 to the commission no less frequently than monthly by the operator;

422 (d) There shall be established a separate fund to be known as the Collegiate Health,
423 Wellness and Education Fund. Five percent of sports wagering revenue shall be deposited into
424 the Collegiate Health, Wellness and Education Fund annually to educate student athletes on
425 relevant sports wagering regulations, the procedures for reporting a violation of those
426 regulations, and for the protection of the student athletes reporting such violations. All remaining
427 funds under this section shall be deposited into the Gaming Revenue Fund established 59 of
428 Chapter 23K.

429 SECTION 2. Section 2 of chapter 271 of the general laws is hereby amended in line 4, by
430 striking out “except as permitted under chapter 23k” and inserting in its place thereof the
431 following:- “except as permitted under chapters 23K or 23N”.

432 SECTION 3. Section 3 of chapter 271 of the general laws is hereby amended, in line 1,
433 by striking out “Except as permitted under chapter 23K” and inserting in its place thereof the
434 following:- “Except as permitted under chapters 23K or 23N.”

435 SECTION 4. Section 5 of chapter 271 of the general laws is hereby amended, in line 1,
436 by striking out “except as permitted under chapter 23K” and inserting in its place thereof the
437 following:- “except as permitted under chapters 23K or 23N.”

438 SECTION 5. Section 5B of chapter 271 of the general laws is hereby amended, in
439 line584, by striking out “under chapter 23K” and inserting in its place thereof the following:-
440 “under chapters 23K or 23N.”

441 SECTION 6. Section 8 of chapter 271 of the general laws is hereby amended, by striking
442 out lines 10-11 and inserting in its place thereof the following:- “other gaming or wagering that
443 is not being conducted pursuant to chapters 23K or 23N.”

444 SECTION 7. Section 17A of Chapter 271 of the general laws is hereby amended by
445 striking line 16 and inserting in its place the following:- “authorized pursuant to the provisions of
446 chapters 23K, 23N or section 5C of chapter 128A.”