

HOUSE No. 3974

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 19, 2021.

The committee on Economic Development and Emerging Technologies to whom was referred the message from His Excellency the Governor relative to expanding sports wagering in the Commonwealth (House, No. 70), the petition (accompanied by bill, House, No. 502) of David Biele for legislation to authorize sports wagering in the Commonwealth, the petition (accompanied by bill, House, No. 506) of Daniel Cahill and Steven S. Howitt relative to establishing and regulating sports wagering in the Commonwealth, the petition (accompanied by bill, House, No. 514) of Bradford Hill relative to creating a public advancement fund with monies transferred from registration and renewal fees from online gaming, daily fantasy sports, and online sports betting, the petition (accompanied by bill, House, No. 515) of Bradford Hill relative to increasing education funding from certain gaming activity proceeds, the petition (accompanied by bill, House, No. 516) of Bradford Hill for legislation to regulate online gaming, daily fantasy, and online sports betting, the petition (accompanied by bill, House, No. 517) of Bradford Hill 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. 518) of Bradford Hill relative to the regulation of online gaming and daily fantasy sports and increasing education funding from monies received from such activities, the petition (accompanied by bill, House, No. 519) of Bradford Hill for legislation to establish a public advancement fund from registration and renewal fees from online gaming, daily fantasy sports, and online sports betting, the petition (accompanied by bill, House, No. 531) of Orlando Ramos and others relative to authorizing and regulating sports wagering, the petition (accompanied by bill, House, No. 535) of Thomas P. Walsh and Steven S. Howitt relative to sports betting, and the petition (accompanied by bill, House, No. 3832) of Lindsay N. Sabadosa relative to sports wagering, reports recommending that the accompanying bill (House, No. 3974) ought to pass.

For the committee,

JERALD A. PARISELLA.

HOUSE No. 3974

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

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. Section 7 of chapter 4 of the General Laws, appearing in the 2020 Official
2 Edition, is hereby amended by striking out the Tenth clause and inserting in place thereof the
3 following clause:-

4 Tenth, “Illegal gaming,” a banking or percentage game played with cards, dice, tiles,
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) sports wagering 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 are hereby amended by inserting after chapter 23M the
13 following chapter:-

14 CHAPTER 23N.

15 AUTHORIZATION AND REGULATION OF SPORTS WAGERING

16 Section 1. This chapter shall be known and may be cited as the “Massachusetts Sports
17 Wagering Act”.

18 Section 2. Notwithstanding any provision of law to the contrary, the operation of sports
19 wagering and ancillary activities are lawful when conducted in accordance with the provisions of
20 this chapter and the rules and regulations of the commission.

21 Section 3. As used in this chapter the following words shall, unless the context clearly
22 requires otherwise, have the following meanings:-

23 “Adjusted gross sports wagering receipts”, an operator’s total gross receipts from sports
24 wagering, excluding sports wagers made with promotional gaming credits, less the total of all
25 winnings paid to wagerers in such games, which shall include the cash equivalent of any
26 merchandise or thing of value awarded as a prize, and all excise taxes paid pursuant to federal
27 law.

28 “Category 1 license”, a license issued by the commission that permits the operation of
29 sports wagering in-person at a gaming establishment as defined in section 2 of chapter 23K, and
30 through not more than three individually branded mobile applications or other digital platforms
31 approved by the commission. Provided, the mobile applications or other digital platforms must
32 each receive a category 3 license pursuant to the provisions of this chapter.

33 “Category 2 license”, a license issued by the commission to: (1) a person or entity
34 licensed by the commission in accordance with chapter 128A, or its successor, to conduct a live

35 horse racing meeting, or (2) a running horse racing licensee that conducted simulcast wagering
36 as of 2021 as authorized by law, or (3) a greyhound meeting licensee that conducted simulcast
37 wagering as of 2021 as authorized by law, that permits the operation of sports wagering in-
38 person on the premises where either: (1) live horse racing is conducted in accordance with
39 chapter 128A, or (2) the licensee is authorized by law to conduct simulcast wagering on horse or
40 greyhound racing, and through not more than one individually branded mobile application or
41 other digital platform approved by the commission. Provided, the mobile applications or other
42 digital platforms must each receive a category 3 license pursuant to the provisions of this
43 chapter.

44 “Category 3 license”, a license issued by the commission that permits the operation of
45 sports wagering through a mobile application and other digital platforms approved by the
46 commission.

47 “Collegiate sport or athletic event”, a sport or athletic event offered or sponsored by, or
48 played in connection with, a public or private institution that offers educational services beyond
49 the secondary level.

50 “Commission”, the Massachusetts gaming commission established in section 3 of chapter
51 23K.

52 “Governmental authority”, any governmental unit of a national, state or local body
53 exercising governmental functions, other than the United States government.

54 “License”, any license, applied for or issued by the commission under this chapter,
55 including, but not limited to: (i) an operator license; or (ii) an occupational license.

56 “National criminal history background check system”, the criminal history record system
57 maintained by the Federal Bureau of Investigation, based on fingerprint identification or any
58 other method of positive identification.

59 “Occupational license”, a license required by an employee of an operator when the
60 employee performs duties directly related to the operation of sports wagering in the
61 commonwealth in a supervisory role.

62 “Operator” or “sports wagering operator”, any entity permitted under this chapter to offer
63 sports wagering to persons in the commonwealth through a category 1 license, category 2 license
64 or category 3 license.

65 “Operator license”, a category 1 license, category 2 license or category 3 license to
66 operate sports wagering.

67 “Official league data”, statistics, results, outcomes and other data relating to a sporting
68 event that is obtained pursuant to an agreement with the relevant sports governing body, or with
69 an entity expressly authorized by the relevant sports governing body to provide such data to
70 sports wagering operators, which authorizes the use of such data for determining the outcome of
71 tier 2 sports wagers on such sporting event.

72 “Personal biometric data”, any information about an athlete that is derived from that
73 athlete’s DNA, heart rate, blood pressure, perspiration rate, internal or external body
74 temperature, hormone levels, glucose levels, hydration levels, vitamin levels, bone density,
75 muscle density, or sleep patterns.

76 “Professional sport or athletic event”, an event at which 2 or more persons participate in a
77 sports event and receive compensation in excess of actual expenses for their participation in such
78 event.

79 “Promotional gaming credit”, a sports wagering credit or other item issued by an operator
80 to a patron to enable the placement of a sports wager.

81 “Qualified gaming entity”, an entity that: (i) holds a gaming license as defined in section
82 2 of chapter 23K; (ii)(1) is licensed by the commission in accordance with chapter 128A, or its
83 successor, to conduct a live horse racing meeting, (2) is a running horse racing licensee that
84 conducted simulcast wagering as of 2021 as authorized by law, or (3) is a greyhound meeting
85 licensee that conducted simulcast wagering as of 2021 as authorized by law; or (iii) offers an
86 interactive sports wagering platform.

87 “Sports event” or “sporting event”, any professional sport or athletic event, collegiate
88 sport or athletic event, motor race event, electronic sports event, competitive video game event
89 or any other event authorized by the commission under this chapter.

90 “Sports governing body”, an organization that is headquartered in the United States and
91 prescribes final rules and enforces codes of conduct with respect to a sporting event and
92 participants therein.

93 “Sports wagering”, the business of accepting wagers on sporting events or portions of
94 sporting events, other events, the individual performance statistics of athletes in a sporting event
95 or other events or a combination of any of the same by any system or method of wagering
96 approved by the commission including, but not limited to, mobile applications and other digital
97 platforms; provided, that sports wagering shall not include the acceptance of any wager with an

98 outcome dependent on the performance of an individual athlete in any collegiate sport or athletic
99 event, including but not limited, to in-game or in-play wagers; provided, further that sports
100 wagering shall not include any acceptance of wagers on a high school or youth sporting event;
101 provided further, that sports wagering shall not include fantasy contests as defined in section 135
102 of chapter 219 of the acts of 2016. Sports wagering shall include, but is not limited to, single-
103 game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game
104 wagering, in-play bets, proposition bets and straight bets.

105 “Sports wagering account”, a financial record established by an operator for an individual
106 patron in which the patron may deposit by any method approved by the commission and
107 withdraw funds for sports wagering and other authorized purchases, and to which the operator
108 may credit winnings or other amounts due to or authorized by that patron. Such account may be
109 established and funded by the patron electronically through an approved mobile application or
110 digital platform.

111 “Tier 1 sports wager”, a sports wager that is determined solely by the final score or
112 outcome of a sporting event and is placed before the sporting event has begun.

113 “Tier 2 sports wager”, a sports wager that is not a tier 1 sports wager.

114 “Wager”, a sum of money or thing of value risked on an uncertain occurrence.

115 Section 4. (a) The commission shall have the authority to regulate the conduct of sports
116 wagering under this chapter. The power and authority granted to the commission shall be
117 construed as broadly as necessary for the implementation, administration and enforcement of this
118 chapter.

119

120 (b) The commission shall have the authority to promulgate rules and regulations
121 necessary for the implementation, administration and enforcement of this chapter. The
122 commission may promulgate emergency rules and regulations in accordance with applicable
123 procedures for the promulgation of emergency rules and regulations.

124 (c) The commission may promulgate rules and regulations including, but not limited to,
125 those governing the acceptance of wagers on a sports event, other event or a series of sports
126 events; types of wagering receipts which may be used; methods of issuing receipts; methods of
127 accounting to be used by operators; types of records to be kept; types of systems for wagering;
128 protections for patrons placing wagers; and promotion of social responsibility and responsible
129 gambling; provided, that such regulations shall include a requirement that all mobile applications
130 and digital platforms authorized for sports wagering include prominently upon each entry into
131 the application or platform, the following statement: “If you or someone you know has a
132 gambling problem and wants help, call the Massachusetts Council on Compulsive Gambling
133 hotline at 1-800-426-1234 or the Massachusetts Department of Public Health helpline at 1-800-
134 327-5050.”

135 (d) The commission shall determine the eligibility of a person to hold or continue to hold
136 a license, shall issue all licenses and shall maintain a record of all licenses issued under this
137 chapter. The commission may accept applications, evaluate qualifications of applicants,
138 undertake initial review of licenses and issue temporary licenses upon the effective date of this
139 chapter.

140

141 (e) The commission shall levy and collect all fees, surcharges, civil penalties and taxes on
142 adjusted gross sports wagering receipts imposed by this chapter, except as otherwise provided
143 under this chapter.

144 (f) The commission shall promulgate regulations to prohibit licensees from purchasing or
145 otherwise using any personal biometric data of an athlete for purposes of sports wagering or
146 aiding a patron in placing a sports wager.

147 (g) The commission shall have the authority to enforce this chapter and any rule or
148 regulation of the commission and may request that the attorney general bring an action to enforce
149 this chapter or any rule or regulation of the commission by civil action or petition for injunctive
150 relief.

151 (h) The commission may hold hearings, administer oaths and issue subpoenas or
152 subpoenas duces tecum in order to enforce this chapter and the rules and regulations of the
153 commission.

154 (i) The commission may exercise any other powers necessary to effectuate this chapter
155 and the rules and regulations of the commission.

156

157 Section 5. (a) No person shall engage in any activity in connection with sports wagering
158 in the commonwealth unless all necessary licenses or temporary licenses have been obtained in
159 accordance with this chapter and rules and regulations of the commission; provided, that the
160 power and authority granted to the commission shall be construed as broadly as necessary for the
161 implementation, administration and enforcement of this chapter.

162 (b) The commission shall not grant an operator license, other than a temporary license
163 pursuant to subsection (c) of section 6, until it determines that each person who has control of the
164 applicant meets all qualifications for licensure. The following persons are considered to have
165 control of an applicant:

166 (1) Each person who owns 10 per cent or more of a corporate applicant and who has the
167 ability to control the activities of the corporate applicant; provided, however, that a bank or other
168 licensed lending institution which holds a mortgage or other lien acquired in the ordinary course
169 of business shall not be considered to have control of an applicant;

170 (2) Each person who holds a beneficial or proprietary interest of 10 per cent or more of a
171 non-corporate applicant's business operation and who has the ability to control the activities of
172 the non-corporate applicant; and

173 (3) At the commission's discretion, any executive, employee or agent having the power
174 to exercise significant influence over decisions concerning the applicant's sports wagering
175 operations in the commonwealth.

176 (c) Each controlling person pursuant to subsection (b) shall submit to the commission an
177 application in a form determined by the commission, and each such controlling person who is a
178 natural person shall submit to the commission: (i) fingerprints for a national criminal records
179 check by the department of the state police and the Federal Bureau of Investigation; and (ii) a
180 signed authorization for the release of information by the department of the state police and the
181 Federal Bureau of Investigation; provided, however, that a controlling person who is a natural
182 person that has submitted to a national criminal records check in any jurisdiction within the
183 previous year shall not be required to submit to another national criminal records check if such

184 person submits to the commission the results of such previous national criminal records check.
185 Any applicant convicted of any disqualifying offense shall not be licensed.

186 (d) Each person licensed under this chapter shall give the commission written notice
187 within 30 days of any change to any material information provided in the application for a
188 license or renewal.

189 (e) No commission employee shall be an applicant for any license issued under this
190 chapter.

191 Section 6. (a) A licensed qualified gaming entity may operate sports wagering upon the
192 approval of the commission.

193 (b)(1) The commission shall issue a category 1 license to any holder of a gaming license,
194 as defined in section 2 of chapter 23K, that meets the requirements of this chapter and the rules
195 and regulations of the commission. Provided, however, any person, entity, or affiliated person or
196 entity that has been issued a category 1 license shall not be issued a category 2 license.

197 (2) The commission shall issue a category 2 license to: (i) any holder of a license to
198 conduct a live horse racing meeting in accordance with chapter 128A, or its successor; (ii) a
199 running horse racing licensee that conducted simulcast wagering as of 2021 as authorized by
200 law; or (iii) a greyhound meeting licensee that conducted simulcast wagering as of 2021 as
201 authorized by law; that meets the requirements of this chapter and the rules and regulations of the
202 commission. Provided, however, any person, entity, or affiliated person or entity that has been
203 issued a category 2 license shall not be issued a category 1 license, and no more than one
204 category 2 license shall be issued to any one person, entity, or affiliated person or entity.

205 (3) The commission may issue a category 3 license to any entity that offers a mobile
206 sports wagering platform and meets the requirements of this chapter and the rules and regulations
207 of the commission.

208 (4) A category 1 or category 2 licensee may enter into agreements related to online sports
209 wagering with a category 3 licensee pursuant to the approval of the commission.

210 (c)(1) A qualified gaming entity may submit to the commission a request for a temporary
211 license for the immediate commencement of sports wagering operations. Such request shall
212 include an initial fee of \$1,000,000 payable to the commission.

213 (2) Upon receiving a request for a temporary license, the executive director of the
214 commission shall review the request. If the executive director determines that the entity
215 requesting the temporary license is a qualified gaming entity and has paid the sports wagering
216 initial licensing fee, the commission shall authorize the qualified gaming entity to conduct sports
217 wagering for a period of 1 year under a temporary license or until a final determination on its
218 operator license application is made.

219 (3) All sports wagering conducted under authority of a temporary license shall comply
220 with the house rules adopted under section 11.

221 (d) Upon receipt of an application for a category 1, category 2, or category 3 license, the
222 commission shall commence an investigation into the suitability of the applicant. The
223 commission may use information obtained from the applicant pursuant to chapter 23K, chapter
224 128A, chapter 128C, or information from other jurisdictions where the applicant is authorized to
225 conduct sports wagering to relieve the applicant of duplicate requirements of this chapter. In

226 evaluating the suitability of the applicant, the commission shall consider the overall reputation of
227 the applicant including, without limitation:

228 (1) The integrity, honesty, good character and reputation of the applicant;

229 (2) The financial stability, integrity and background of the applicant;

230 (3) The business practices and the business ability of the applicant to establish and
231 maintain a successful sports wagering operation;

232 (4) Whether the applicant has a history of compliance with gaming or sports wagering
233 licensing requirements in other jurisdictions;

234 (5) Whether the applicant, at the time of application, is a defendant in litigation involving
235 its business practices; and

236 (6) The suitability of all parties in interest to the license, including affiliates and close
237 associates and the financial resources of the applicant.

238 (e) If the commission determines during its investigation that an applicant has failed to:

239 (i) establish the applicant's integrity or the integrity of any affiliate, close associate, financial
240 source or any person required to be qualified by the commission; (ii) demonstrate responsible
241 business practices in any jurisdiction; or (iii) overcome any other reason, as determined by the
242 commission, as to why it would be injurious to the interests of the commonwealth in awarding
243 the applicant a sports wagering license, the commission may deny the application.

244 (f) Upon application by a qualified gaming entity and payment of a \$5,000,000 licensing
245 fee, the commission shall grant an operator license to a qualified gaming entity that provides for
246 the right to conduct sports wagering; provided, that the qualified gaming entity meets the

247 requirements for licensure under this chapter and the rules and regulations of the commission.
248 Such license shall be issued for a 5-year period, and may be renewed for 5-year periods upon
249 payment of a \$5,000,000 renewal fee; provided that an operator continues to meet all
250 requirements under this chapter and the rules and regulations of the commission. Provided,
251 however, that if the commission grants an operator license to a qualified gaming entity
252 subsequent to that qualified gaming entity receiving a temporary license, the licensing fee shall
253 be \$4,000,000.

254 (g) An operator shall submit to the commission such documentation or information as the
255 commission may require demonstrating that the operator continues to meet the requirements of
256 this chapter and the rules and regulations of the commission. An operator shall submit required
257 documentation or information no later than 5 years after issuance of its operator license and
258 every 5 years thereafter, or within lesser periods based on circumstances specified by the
259 commission.

260 (h) No licensee shall transfer a category 1, category 2, or category 3 license, or any direct
261 or indirect interest in the license, without the majority approval of the commission. A person
262 seeking to acquire a license through a transfer shall qualify and otherwise be determined by the
263 commission to be eligible for licensure under this chapter. The commission may reject a license
264 transfer or a transfer of interest in the license to an unsuitable person and may reject a proposed
265 transfer that, in the opinion of the commission, would be disadvantageous to the interests of the
266 commonwealth. The commission may promulgate regulations governing this process which may
267 include assessment of a fee to reflect the cost associated with reviewing the proposed transfer.

268 (i) Applications for licenses shall be public records under section 10 of chapter 66. Any
269 public records provided to the commission by an applicant or licensee under this chapter that
270 the commission determines constitute a trade secret, or are competitively-sensitive or proprietary,
271 and that the public disclosure of the record would be detrimental to or place said applicant or
272 licensee at a competitive disadvantage, may be withheld from disclosure under section 10 of
273 chapter 66.

274 Section 7. (a) There shall be established and set up on the books of the Commonwealth a
275 separate fund to be known as the Sports Wagering Control Fund. The Commission shall be the
276 trustee of the fund and shall expend monies to finance operational activities of the Commission
277 pertaining to sports wagering. Funds from subsections b through d shall be deposited in this
278 Fund. The fund shall be credited any appropriations, bond proceeds or other monies authorized
279 by the general court and specifically designated to be credited thereto, the proceeds of the
280 assessments levied under this section unless otherwise specified, initial application fees for
281 licenses issued under sections 8 and 9 and such additional funds as are subject to the direction
282 and control of the commission. All available monies in the fund that are unexpended at the end
283 of each fiscal year shall not revert to the General Fund and shall be available for expenditure in
284 the subsequent fiscal year.

285 (b) The Commission shall establish fees for any investigation into a violation of this
286 chapter or regulation promulgated hereunder by a sports wagering licensee to be paid by the
287 sports wagering licensee including, but not limited to, billable hours by commission staff
288 involved in the investigation and the costs of services, equipment or other expenses that are
289 incurred by the commission during the investigation.

290 (c) Any remaining costs of the Commission necessary to maintain regulatory control over
291 sports wagering licensees that are not covered by: (i) the fees set forth in subsection (a); (ii) any
292 other fees assessed under this chapter; or (iii) any other designated sources of funding, shall be
293 assessed annually on sports wagering licensees under this chapter in proportion to its share of the
294 Commonwealth's total adjusted gross sports wagering receipts. Each sports wagering licensee
295 shall pay the amount assessed against it within 30 days after the date of the notice of assessment
296 from the commission.

297 (d) If the fees collected in subsections (b) and (c) exceed the cost required to maintain
298 regulatory control, the surplus funds shall be credited in proportional shares against each sports
299 wagering licensee's next assessment.

300 (e) In addition to the fees collected under this section and any additional costs of the
301 commission, the Commission shall also assess an annual fee of \$1,000,000 in shares to be
302 determined by the Commission against each sports wagering licensee that is not a category 1 or
303 category 2 gaming licensee as defined by MGL Chapter 23K for the costs of service and public
304 health programs dedicated to addressing problems associated with compulsive gambling or other
305 addiction services. Such assessed fees shall be deposited into the Public Health Trust Fund
306 established in section 58 of Chapter 23K.

307 Section 8. (a) An applicant for a sports wagering license shall pay to the commission a
308 nonrefundable processing fee of \$100,000 to defray the costs associated with the processing of
309 the application and investigation of the applicant; provided, however, that if the costs of the
310 investigation exceed the initial application fee, the applicant shall pay the additional amount to

311 the commission within 30 days after notification of insufficient fees or the application shall be
312 rejected.

313 (b) All fees in this section shall be deposited into the Sports Wagering Control Fund
314 established in section 7 of Chapter 23N.

315 Section 9. (a) All persons employed by an operator to perform duties directly related to
316 the operation of sports wagering in Massachusetts in a supervisory role shall maintain a valid
317 occupational license issued by the commission. The commission shall issue such occupational
318 license to a person who meets the requirements of this section.

319 (b) An occupational license authorizes the licensee to be employed in the capacity
320 designated by the commission while the license is active. The commission may establish, by rule
321 or regulation, job classifications with different requirements based on the extent to which a
322 particular job impacts, or has the potential to impact, the lawful operation of sports wagering.

323 (c) An applicant for an occupational license shall submit any required application forms
324 established by the commission and shall pay a nonrefundable application fee of \$100. An
325 employer may pay an application fee on behalf of an applicant.

326 (d) Each occupational license holder shall annually pay to the commission a license fee of
327 \$100 by March 1 and submit a renewal application on the form required by the commission. An
328 employer may pay an application fee on behalf of the licensed employee.

329 Section 10. (a) The commission may deny a license to any applicant, reprimand any
330 licensee or suspend or revoke a license, if the applicant or licensee:

331 (1) has knowingly made a false statement of a material fact to the commission;

332 (2) has had a license revoked by any governmental authority responsible for regulation of
333 gaming activities;

334 (3) has been convicted of a felony or other crime involving embezzlement, theft, fraud,
335 perjury, or a gambling-related offense;

336 (4) committed prior acts which have not been prosecuted or in which the applicant was
337 not convicted but form a pattern of misconduct that makes the applicant unsuitable for a license
338 under this chapter;

339 (5) has not demonstrated to the satisfaction of the commission financial responsibility
340 sufficient to adequately meet the requirements of the proposed enterprise;

341 (6) has affiliates or close associates that would not qualify for a license or whose
342 relationship with the applicant may pose an injurious threat to the interests of the commonwealth
343 in awarding a gaming license to the applicant; or

344 (7) is not the true owner of the business or is not the sole owner and has not disclosed the
345 existence or identity of other persons who have an ownership interest in the business.

346 (b) The commission may deny, suspend or revoke an operator license or reprimand any
347 licensee if the applicant or licensee has not met the requirements of this chapter.

348 Section 11. (a) Each operator shall adopt comprehensive house rules for game play
349 governing sports wagering transactions with its patrons. The house rules shall specify the
350 amounts to be paid on winning wagers and the effect of sports event schedule changes. The
351 commission shall approve house rules prior to implementation.

352 (b) The house rules, together with any other information the commission deems
353 appropriate, shall be accessible to any patrons of the sports wagering system. The operator shall
354 make copies readily available to patrons.

355 Section 12. (a) Sports wagering operators shall not offer or accept bets on injuries,
356 penalties, player discipline, or replay reviews and employ commercially reasonable methods to:

357 (1) prohibit the operator, directors, officers, owners and employees of the operator, and
358 any relative living in the same household as such persons, from placing bets with the operator;

359 (2) prohibit athletes, coaches, referees, team owners, employees of a sports governing
360 body or its member teams and player and referee union personnel from wagering on any sporting
361 event of their sport's governing body; provided, that in determining which persons are excluded
362 from placing wagers under this subsection, operators shall use lists of such persons that the
363 sports governing body may provide to the commission;

364 (3) prohibit any individual with access to non-public confidential information held by the
365 operator from placing wagers with the operator;

366 (4) prohibit persons from placing wagers as agents or proxies for others; and

367 (5) maintain the security of wagering data, customer data and other confidential
368 information from unauthorized access and dissemination; provided, however, that nothing in this
369 chapter shall preclude the use of internet or cloud-based hosting of such data and information or
370 disclosure as required by court order, other law or this chapter.

371 (b) A sports governing body may submit to the commission in writing, by providing
372 notice in such form and manner as the commission may require, a request to restrict, limit or

373 exclude a certain type, form or category of sports wagering with respect to sporting events of
374 such body, if the sports governing body believes that such type, form or category of sports
375 wagering with respect to sporting events of such body is contrary to public policy, unfair to
376 consumers, may undermine the perceived integrity of such body or sporting events of such body
377 or affects the integrity of such body or sporting events of such body. The commission shall
378 request comment from sports wagering operators on all such requests. After giving due
379 consideration to all comments received, the commission shall, upon a demonstration of good
380 cause from the requestor, grant the request. The commission shall respond to a request
381 concerning a particular event before the start of the event, or if it is not feasible to respond before
382 the start of the event, no later than 7 days after the request is made; provided, that if the
383 commission determines that the requestor is more likely than not to prevail in successfully
384 demonstrating good cause for its request, the commission may provisionally grant the request of
385 the sports governing body until the commission makes a final determination as to whether the
386 requestor has demonstrated good cause. Absent such a provisional grant by the commission,
387 sports wagering operators may continue to offer sports wagering on sporting events that are the
388 subject of such a request during the pendency of the consideration of the applicable request.

389 (c) The commission shall designate a state law enforcement entity to have primary
390 responsibility for conducting, or assisting the commission in conducting, investigations into
391 abnormal betting activity, match fixing and other conduct that corrupts a betting outcome of a
392 sporting event or events for purposes of financial gain.

393 (d) The commission and sports wagering operators shall use commercially reasonable
394 efforts to cooperate with investigations conducted by sports governing bodies or law
395 enforcement agencies, including but not limited to, using commercially reasonable efforts to

396 provide or facilitate the provision of anonymized account-level betting information and audio or
397 video files relating to persons placing wagers. All disclosures under this section are subject to the
398 obligation of a sports wagering operator to comply with all federal, state and local laws and
399 regulations, including but not limited to, laws and regulations relating to privacy and personally
400 identifiable information.

401 (e) Sports wagering operators shall immediately report to the commission any
402 information relating to:

403 (1) criminal or disciplinary proceedings commenced against the sports wagering operator
404 in connection with its operations;

405 (2) abnormal betting activity or patterns that may indicate a concern with the integrity of
406 a sporting event or events;

407 (3) any potential breach of the internal rules and codes of conduct pertaining to sports
408 wagering of a relevant sports governing body;

409 (4) any other conduct that corrupts a betting outcome of a sporting event or events for
410 purposes of financial gain, including match fixing; and

411 (5) suspicious or illegal wagering activities, including use of funds derived from illegal
412 activity, wagers to conceal or launder funds derived from illegal activity, using agents to place
413 wagers and using false identification.

414 Sports wagering operators shall immediately report information relating to conduct
415 described in paragraphs (2), (3) and (4) of this subsection to the relevant sports governing body.

416 (f) The commission and sports wagering operators shall maintain the confidentiality of
417 information provided by a sports governing body for purposes of investigating or preventing the
418 conduct described in paragraphs (2), (3) and (4) of subsection (e), unless disclosure is required
419 by this chapter, the commission, other law or court order or unless the sports governing body
420 consents to disclosure.

421 (g) With respect to any information provided by a sports wagering operator to a sports
422 governing body relating to conduct described in paragraphs (2), (3) and (4) of subsection (e), a
423 sports governing body:

424 (1) shall only use such information for integrity purposes and shall not use the
425 information for any commercial or other purpose; and

426 (2) shall maintain the confidentiality of such information, unless disclosure is required by
427 this chapter, the commission, other law or court order or unless the sports wagering operator
428 consents to disclosure; provided, that the sports governing body may make disclosures necessary
429 to conduct and resolve integrity-related investigations and may publicly disclose such
430 information if required by its integrity policies or if deemed by the sports governing body in its
431 reasonable judgment to be necessary to maintain the actual or perceived integrity of its sporting
432 events, and subject in all cases to the sports governing body's compliance with federal, state and
433 local laws and regulations, including but not limited to, laws and regulations relating to privacy
434 and personally identifiable information. Prior to any such public disclosure that would identify
435 the sports wagering operator by name, the sports governing body shall provide such sports
436 wagering operator with notice of such disclosure and an opportunity to object to such disclosure.

437 (h) Sports wagering operators shall maintain records of all wagers placed by its patrons,
438 including personally identifiable information of the patron, amount and type of the bet, the time
439 the bet was placed, the location of the bet, including the IP address if applicable, the outcome of
440 the bet and records of abnormal betting activity for 3 years after a sporting event occurs and
441 video camera recordings in the case of in-person wagers for at least 1 year after a sporting event
442 occurs, and shall make such data available for inspection upon request of the commission or as
443 required by court order.

444 (i) A sports wagering operator shall use commercially reasonable efforts to maintain in
445 real time and at the account level, anonymized information for each patron, including the amount
446 and type of bet, the time the bet was placed, the location of the bet, including the IP address if
447 applicable, the outcome of the bet and records of abnormal betting activity. The commission may
448 request such information in the form and manner as it requires. Nothing in this section shall
449 require a sports wagering operator to provide any information prohibited by federal, state or local
450 laws or regulations, including but not limited to, laws and regulations relating to privacy and
451 personally identifiable information.

452 (j) If a sports governing body has notified the commission and demonstrated a need for
453 access to the information described in subsection (i) for wagers placed on sporting events of such
454 sports governing body for integrity monitoring purposes, and demonstrated the capability to use
455 such data for the purpose of effectively monitoring the integrity of sporting events of such sports
456 governing body, a sports wagering operator shall share, in a commercially reasonable frequency,
457 form and manner, with the sports governing body or its designee the same information the sports
458 wagering operator is required to maintain under subsection (i) with respect to sports wagers on
459 sporting events of such sports governing body. A sports governing body and its designee shall

460 only use information received under this section for integrity-monitoring purposes and shall not
461 use information received under this section for any commercial or other purpose. Nothing in this
462 section shall require a sports wagering operator to provide any information that is prohibited by
463 federal, state or local laws or regulations, including but not limited to, laws and regulations
464 relating to privacy and personally identifiable information.

465 (k) A sports wagering operator shall conduct a background check on each newly hired
466 employee, and a single background check on any employee hired prior to the effective date of
467 this act. Background checks shall search for criminal history, charges or convictions involving
468 corruption or manipulation of sporting events and association with organized crime.

469 Section 13. (a) All operators licensed under this chapter to conduct sports wagering shall:

470 (1) employ a monitoring system utilizing software to identify irregularities in volume or
471 changes in odds that could signal suspicious activities and promptly report such information to
472 the commission for further investigation. System requirements and specifications shall be
473 developed according to industry standards and implemented by the commission as part of the
474 minimum internal control standards;

475 (2) promptly report to the commission any facts or circumstances related to the operation
476 of a sports wagering licensee which constitute a violation of state or federal law and promptly
477 report to the appropriate state or federal authorities any suspicious betting over a threshold set by
478 the operator that has been approved by the commission;

479 (3) conduct all sports wagering activities and functions in a manner that does not pose a
480 threat to the public health, safety or welfare of the residents of the commonwealth;

481 (4) keep current in all payments and obligations to the commission;

482 (5) prevent any person from tampering with or interfering with the operation of any
483 sports wagering;

484 (6) ensure that mobile sports wagering occurs only using a commission-approved mobile
485 application or other digital platform to accept wagers initiated within the commonwealth;

486 (7) maintain sufficient cash and other supplies to conduct sports wagering at all times;
487 and

488 (8) maintain daily records showing the gross sports wagering receipts and adjusted gross
489 sports wagering receipts of the licensee from sports wagering and shall timely file with the
490 commission any additional reports required by rule, regulation or this chapter.

491 (b) Sports wagering operators may use any data source for determining:

492 (1) the results of any and all tier 1 sports wagers on any and all sporting events; and

493 (2) the results of any and all tier 2 sports wagers on sporting events of an organization
494 that is not headquartered in the United States.

495 (c) A sports governing body may notify the commission that it desires sports wagering
496 operators to use official league data to settle tier 2 sports wagers on sporting events of such
497 sports governing body. Such notification shall be made in the form and manner as the
498 commission may require. Within 5 days of receipt of such notification, the commission shall
499 notify each sports wagering operator of the requirement to use official league data to settle tier 2
500 sports wagers. If a sports governing body does not notify the commission of its desire to supply

501 official league data, a sports wagering operator may use any data source for determining the
502 results of any and all tier 2 sports wagers on sporting events of such sports governing body.

503 (d) Within 30 days of the commission notifying a sport wagering operator of the
504 requirement to use official league data to settle tier 2 sports wagers pursuant to subsection (c), or
505 such longer period as may be agreed between the sports governing body and the applicable
506 sports wagering operator, a sports wagering operator shall use only official league data to
507 determine the results of tier 2 sports wagers on sporting events of that sports governing body,
508 unless:

509 (1) the sports governing body or its designee cannot provide a feed of official league data
510 to determine the results of a particular type of tier 2 sports wager, in which case a sports
511 wagering operator may use any data source for determining the results of the applicable tier 2
512 sports wager until such time a data feed becomes available from the sports governing body on
513 commercially reasonable terms and conditions; or

514 (2) a sports wagering operator can demonstrate to the commission that the sports
515 governing body or its designee will not provide a feed of official league data to the sports
516 wagering operator on commercially reasonable terms and conditions.

517 (e) In evaluating whether official league data is offered on commercially reasonable
518 terms and conditions for purposes of paragraphs (1) and (2) of subsection (d), the commission
519 may consider factors, including but not limited to:

520 (1) the availability of official league data to a sports wagering operator from more than 1
521 authorized source;

522 (2) market information , including but not limited to, price and other terms and conditions
523 regarding the purchase by sports wagering operators of comparable data for the purpose of
524 settling sports wagers in the commonwealth and other jurisdictions;

525 (3) the nature and quantity of data, including the quality and complexity of the process
526 used for collecting such data; and

527 (4) the extent to which a sports governing body or its designee has made data used to
528 settle tier 2 wagers available to sports wagering operators and any terms and conditions relating
529 to the use of that data.

530 (f) Notwithstanding anything to the contrary set forth herein, including but not limited to,
531 subsection (d), during the pendency of the determination of the commission as to whether a
532 sports governing body or its designee may provide official league data on commercially
533 reasonable terms, a sports wagering operator may use any data source to determine the results of
534 tier 2 sports wagers. The determination shall be made within 60 days of the sports wagering
535 operator notifying the commission that it requests to demonstrate that the sports governing body
536 or its designee will not provide a feed of official league data to the sports wagering operator on
537 commercially reasonable terms.

538 (g) A sports governing body may enter into commercial agreements with a sports
539 wagering operator or other entity in which such sports governing body may share in the amount
540 bet or revenues derived from sports wagering on sporting events of such sports governing body.
541 A sports governing body shall not be required to obtain a license or any other approval from the
542 commission to lawfully accept such amounts or revenues.

543 Section 14. (a) Holders of category 1 and category 2 licenses may accept wagers on
544 sports events and other events authorized under this chapter in person at authorized facilities.

545 (b) Holders of category 1, category 2 and category 3 licenses may accept wagers on
546 sports events and other events authorized under this chapter from individuals physically located
547 within the commonwealth using mobile applications or digital platforms approved by the
548 commission, through the patron's sports wagering account. The branding for each mobile
549 application or digital platform shall be determined by the operator. All bets authorized under this
550 section must be initiated, received and otherwise made within the commonwealth. Consistent
551 with the intent of the federal Unlawful Internet Gambling Enforcement Act of 2006, 31 U.S.C.
552 section 5361 to 5367, inclusive, the intermediate routing of electronic data related to a lawful
553 intrastate wager authorized under this chapter shall not determine the location or locations in
554 which the wager is initiated, received or otherwise made.

555 (c) An operator may accept wagers placed by other operators, and may place wagers with
556 other operators; provided, that any operator that places a wager with another operator shall
557 inform the operator accepting the wager that the wager is being placed by an operator and shall
558 disclose its identity.

559 (d) A person placing a wager shall be at least 21 years of age.

560 (e)(1) The commission or operator may ban any person from participating in the play or
561 operation of any sports wagering consistent with rules and regulations promulgated by the
562 commission. A list of all excluded patrons shall be kept by the commission and provided to each
563 licensee, and no patron on the exclusion list shall be permitted to conduct sports wagering under
564 this chapter.

565 (2) The commission shall establish a list of self-excluded persons from sports wagering.
566 A person may request such person's name to be placed on the list of self-excluded persons by
567 filing a statement with the commission acknowledging that the person is a problem gambler and
568 by agreeing that, during any period of voluntary exclusion, the person shall not collect any
569 winnings or recover any losses resulting from any sports wagering. The commission shall adopt
570 further regulations for the self-excluded persons list including procedures for placement, removal
571 and transmittal of such list to sports wagering operators. The commission may revoke, limit,
572 condition, suspend or fine a sports wagering operator if the operator knowingly or recklessly
573 fails to exclude or eject from its premises any person placed on the list of self-excluded persons.
574 The list of self-excluded persons from sports wagering shall not be open to public inspection.

575 (f) No licensed employee may place a sports wager through any mobile application or
576 digital platform owned or operated by their employer.

577 (g) No licensed employee may place a sports wager at any facility owned or operated by
578 their employer.

579 (h) Sections 24, 24A and 27 of chapter 10 of the General Laws shall not apply to an
580 operator conducting sports wagering in accordance with this chapter.

581 Section 15. The commission shall promulgate regulations for the implementation,
582 administration and enforcement of this chapter including, without limitation, advertising
583 regulations that require the prohibition of the following advertising, marketing and branding
584 activities:

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

588 (2) Use of unsolicited pop-up advertisements on the internet or text message directed to
589 an individual who has added himself or herself to the self-exclusion list pursuant to section 14 of
590 this chapter.

591 (3) Any form of advertising, marketing or branding that the commission otherwise deems
592 unacceptable or disruptive to the viewer experience at a sports event.

593 (4) Advertising, marketing and branding deemed to appeal directly to a person younger
594 than 21 years old.

595 (5) Advertising on any billboards, or any other public signage, which fails to comply with
596 all state and local ordinances and requirements.

597 Section 16. (a)(1) For the privilege of holding a license to operate sports wagering under
598 this chapter, the commonwealth shall impose and collect an excise equal to 12.5 per cent of the
599 operator's adjusted gross sports wagering receipts from the operation of in-person sports
600 wagering; provided, however, the commonwealth shall impose and collect an excise equal to 15
601 per cent of the operator's adjusted gross sports wagering receipts from mobile applications and
602 other digital platforms approved by the commission, hereinafter "privilege tax". The accrual
603 method of accounting shall be used for purposes of calculating the amount of the tax owed by the
604 licensee.

605 (2) Annually not later than October 15, each sports wagering operator shall submit to the
606 commission the number of sports events or other events that took place at sports stadiums or
607 other sports facilities physically located in the commonwealth and the adjusted gross sports
608 wagering receipts collected from each such event. The commission shall impose and collect an
609 excise equal to 1 per cent of the operator's adjusted gross sports wagering receipts from such
610 events. Annually, no later than December 31, the commission shall proportionately distribute the
611 amounts received to each sports facility based on the amount collected at each such facility
612 during the previous calendar year. A sports facility shall use such funds only for the purpose of
613 sports wagering security and integrity and shall report annually to the commission the amounts
614 spent and purposes of such spending in a form prescribed by the commission.

615 (b)(1) The tax levied and collected pursuant to paragraph (1) of subsection (a) shall be
616 due and payable to the commission in monthly installments on or before the 15th calendar day
617 following the calendar month in which the adjusted gross sports wagering receipts were received.

618 (2) The operator shall complete and submit the return for the preceding month by
619 electronic communication to the commission, on or before the 15th of each month, in the form
620 prescribed by the commission that provides:(i) the total gross sports wagering receipts and
621 adjusted gross sports wagering receipts from operation of sports wagering during that month;

622 (ii) the tax amount for which the sports wagering licensee is liable; and

623 (iii) any additional information necessary in the computation and collection of the tax on
624 adjusted gross sports wagering receipts required by the commission.

625 (3) The tax amount shown to be due shall be remitted by electronic funds transfer
626 simultaneously with the filing of the return.

627 (4) When adjusted gross receipts for a month is a negative number because the winnings
628 paid to patrons wagering on the operator's sports wagering exceed the operator's total gross
629 receipts from sports wagering by patrons, the commission shall allow the operator to carry over
630 the negative amount to returns filed for subsequent months. The negative amount of adjusted
631 gross receipts shall not be carried back to an earlier month and taxes previously received by the
632 commission will not be refunded, except if the operator surrenders its license and the operator's
633 last return reported negative adjusted gross receipts.

634 (c) The tax on adjusted gross sports wagering receipts imposed by this section shall be in
635 lieu of all other state and local taxes and fees imposed on the operation of, or the proceeds from
636 operation of sports wagering.

637 (d) Annually, not later than July 1, the commission shall publish a report stating the
638 amount received from sports wagering operators in fees, surcharges, civil penalties and taxes.

639 Section 17. There shall be established and set up on the books of the commonwealth a
640 Sports Wagering Fund which shall receive revenues collected pursuant to sections 6 and 16. The
641 commission shall be the trustee of the fund and shall transfer monies in the fund as follows:

642 (1) 40 per cent to the Workforce Investment Trust Fund established in section 18;

643 (2) 30 per cent to the Gaming Local Aid Fund established in section 63 of section 23K;

644 (3) 20 per cent to the Youth Development and Achievement Fund established in section
645 19;

646 (4) 9 per cent to the Public Health Trust Fund established in section 58 of section 23K;

647 and

648 (5) 1 per cent to the Players' Benevolence Fund established in section 20.

649 Section 18. (a) There is hereby established and set up on the books of the commonwealth
650 a separate fund to be known as the Workforce Investment Trust Fund, in this section called the
651 fund. There shall be credited to the fund any sports wagering revenue transferred by section 17
652 of chapter 23N. Monies transferred to the fund shall be continuously expended, without regard
653 for fiscal year, exclusively for carrying out the purposes of this section. Money remaining in the
654 fund at the end of a fiscal year shall not revert to the General Fund.

655 (b) The fund shall be administered by the secretary of housing and economic
656 development. Money in the fund shall be competitively granted to develop and strengthen
657 workforce opportunities for low-income communities and vulnerable youth and young adults in
658 the commonwealth, including providing opportunities and strategies to promote stable
659 employment and wage growth.

660 (c) Eligible grant recipients shall provide opportunities which: (i) target at risk youth,
661 including resources to empower youth to succeed in the workforce; (ii) provide job skills
662 trainings, including programs offering trainings in multiple languages and areas for development,
663 including education and hands on skills; and (iii) promote adult literacy, including strategies to
664 master reading and writing and providing digital formats to increase accessibility. The secretary
665 of housing and economic development shall establish criteria to evaluate applications for the
666 grant program; provided, the criteria shall include, but shall not be limited to, at risk populations;
667 provided, further, preference shall be given to eligible grant recipients providing opportunities
668 for individuals who meet at least 2 of the following: (i) is under 30 years of age; (ii) is a victim
669 of violence; (iii) is over 18 years of age and does not have a high school diploma; (iv) has been

670 convicted of a felony; (v) has been unemployed or has had a family income below 250 per cent
671 of the federal poverty level for not less than 6 months; or (vi) lives in a census tract where over
672 20 per cent of the populations fall below the federal poverty line.

673 (d) Annually, not later than October 1, the board shall provide a report of the grants given
674 and a breakdown of expenditures made by the fund. The report shall be posted on the website of
675 the executive office of housing and economic development.

676 Section 19. There shall be established and set up on the books of the commonwealth a
677 fund to be known as the Youth Development and Achievement Fund. The fund shall be credited
678 any monies transferred under section 17 and all monies credited to or transferred to the fund
679 from any other fund or source. Expenditures from the fund shall be subject to appropriation and
680 shall be expended equally for the following purposes:

681 (1) For the purposes of providing financial assistance to students from the commonwealth
682 enrolled in and pursuing a program of higher education in any approved public or independent
683 college, university, school of nursing or any other approved institution furnishing a program of
684 higher education; and

685 (2) For the purposes after school and out of school activities including, but not limited to,
686 youth athletics and other activities that improve student health, literacy programs, academic
687 tutoring, art, theater and music programs and community service programs.

688 Section 20. (a) There shall be a Players' Benevolence Fund to be administered by the
689 Massachusetts gaming commission established in section 3 of chapter 23K. The fund shall be
690 credited with: (i) funds collected under section 17 of chapter 23N; (ii) revenue from
691 appropriations or other money authorized by the general court and specifically designated to be

692 credited to the fund; (iii) interest earned on money in the fund; and (iv) funds from private
693 sources including, but not limited to, gifts, grants and donations received by the commonwealth
694 that are specifically designated to be credited to the fund. All amounts credited to the fund shall
695 be used without further appropriation for the purpose of making distributions to charitable
696 organizations as recommended pursuant to subsection (c). Any unexpended balance in the fund
697 at the close of a fiscal year shall not revert to the General Fund and shall be available for
698 expenditure in subsequent fiscal years.

699 (b) There shall be a Players' Benevolence Fund advisory committee. The advisory
700 committee shall consist of 9 members: 1 of whom shall be appointed by the governor and who
701 shall serve as chair; 1 of whom shall be the state treasurer, or a designee; 1 of whom shall be
702 appointed by the senate president; 1 of whom shall be appointed by the speaker of the house of
703 representatives; 1 of whom shall be a designee of the National Football League Players'
704 Association, 1 of whom shall be a designee of the Major League Baseball Players' Association; 1
705 of whom shall be a designee of the National Basketball Players' Association; 1 of whom shall be
706 a designee of the National Hockey League Players' Association; and 1 of whom shall be a
707 designee of the Major League Soccer Players' Association.

708 (c) The advisory committee shall convene at least annually and make recommendations
709 to the commission for distributions from the Players' Benevolence Fund in a method to be
710 determined by said committee. The committee shall recommend to the commission a distribution
711 schedule for funds deposited in the Players' Benevolence Fund to organizations that benefit
712 current and former professional sports players or their charitable foundations. In developing its
713 recommendations, the advisory committee shall consider charitable organizations, including but
714 not limited to, organizations involved in medical research related to athletic participation,

715 delivery of literacy and other academic assistance to disadvantaged and underserved youth
716 populations, financial literacy and education.

717 (d) Annually, not later than July 1, the commission shall report to the clerks of the house
718 of representatives and senate on the fund's activities. The report shall include, but not be limited
719 to: (i) the source and amounts of funds received; and (ii) the amounts and purpose of
720 expenditures from the fund, including the name of each organization to which funds were
721 distributed.

722 Section 21. The commission shall conduct a study into the feasibility of allowing retail
723 locations in the commonwealth to operate sports wagering kiosks. The commission shall study
724 issues including, but not limited to: (i) the economic impact that approving this chapter will have
725 on retail establishments that serve alcohol, such as restaurants and bars; (ii) what retail locations
726 have the ability to operate a sports wagering kiosk; (iii) the economic impacts to the
727 commonwealth of authorizing retail locations to operate a sports wagering kiosk; (iv) the public
728 health and safety impacts to the commonwealth of authorizing this method of sports wagering;
729 (v) the potential effect this method of sports wagering will have on problem gaming or gambling;
730 and (vi) the impact of this method of sports wagering on minors. The commission shall report its
731 findings to the clerks of the House and Senate, House and Senate Committees on Ways and
732 Means, and the Joint Committee on Economic Development and Emerging Technologies no later
733 than December 31, 2022.

734 Section 22. (a) The commission may impose on any person who violates this chapter a
735 civil penalty not to exceed \$2,000 for each violation or \$5,000 for violations arising from the

736 same series of events. Such penalty shall be imposed on all individuals and is not limited to
737 individuals licensed under this chapter.

738 (b) The commission may condition, suspend, reprimand, assess a fine or revoke a
739 category 1, category 2, category 3 upon a finding that a licensee: (i) has committed a criminal or
740 civil offense under this chapter or under any other laws of the commonwealth; (ii) is not in
741 compliance with sports wagering regulations or is under criminal investigation in another
742 jurisdiction; (iii) has breached a condition of licensure; (iv) has affiliates, close associates or
743 employees that are not qualified or licensed under this chapter with whom the licensee continues
744 to conduct business or employ; (v) is no longer capable of maintaining operations as a sports
745 wagering operator or data supplier; or (vi) whose business practice, upon a determination by
746 the commission, is injurious to the policy objectives of this chapter.

747 Section 23. (a) Any person, other than an operator under this chapter, who engages in
748 accepting, facilitating or operating a sports wagering operation is guilty of a misdemeanor and,
749 upon conviction thereof, shall be fined not more than \$10,000 or confined in jail for not more
750 than 90 days, or both fined and confined.

751 (b) Any person convicted of a second violation of subsection (a) is guilty of a
752 misdemeanor and, upon conviction thereof, shall be fined not more than \$50,000, or confined in
753 jail for not more than 6 months, or both fined and confined.

754 (c) Any person convicted of a third or subsequent violation of subsection (a) is guilty of a
755 felony, and upon conviction thereof, shall be fined not less than \$25,000 nor more than \$100,000
756 or imprisoned in a state correctional facility for not less than 1 year nor more than 5 years, or
757 both fined and confined.