

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Michael Brady

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

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

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

PETITION OF:

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

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

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

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

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

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

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

19 area network system shall not be issued to any person, business, corporation, or
20 other entity, except as provided herein.

21

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

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

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41 (c) A license to operate one or more video lottery terminals shall be granted to
42 any licensee pursuant to section 12 of chapter 138 provided that not less than
43 twenty-one days before issuing any such license to operate a video lottery
44 terminal, said chairman of said commission or his designee shall send a
45 notification by certified mail to the mayor or the board of selectmen, whichever is
46 applicable, of the municipality in which such facility to be licensed to operate a
47 video lottery terminal is so located and shall publish, in newspaper of general
48 circulation in the area including the municipality where said video lottery terminal

49 will operate, notice that an application for such license has been filed with said
50 commission. Said notice shall include the name and business address of said
51 video lottery terminal applicant; and the address wherein said video lottery
52 terminal applicant will operate. No such license shall be issued by said chairman
53 of said commission or his designee to which the local licensing authority, as
54 defined pursuant to section one of chapter one hundred and thirty-eight, has
55 objected in writing as a result of an official action of said authority, except after a
56 hearing under chapter thirty A and unless said chairman of said commission or his
57 designee thereafter determines in writing, after considering all relevant
58 circumstances, that such license to operate a video lottery terminal is in the
59 public interest and approves in writing the issuance of such license,
60 notwithstanding the objection of the local licensing authority.

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

81 issuance of such license, notwithstanding the objection of the local licensing
82 authority.

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

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

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