

HOUSE ADJUSTS GAMING LAW, PASSES \$350 MILLION SPENDING BILL

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STATE HOUSE NEWS SERVICE (MA)

STATE HOUSE, BOSTON, MARCH 11, 2015....Slot machine gamblers in Massachusetts may be able to win up to \$1,200 before they must stop playing and report their winnings to the IRS, under a change to current gaming laws passed by the House on Wednesday.

Under current state gaming laws, future Massachusetts gamblers who win more than \$600 must immediately fill out a form at the casino to report their winnings. The federal limit before reporting requirements kick in is \$1,200, lawmakers said.

House lawmakers pushed the winning threshold up to \$1,200 for electronic games, including the change in an outside section of a \$350 million midyear spending bill that received unanimous approval.

The Senate could debate its version of the budget bill next week, according to a spokesman for Senate President Stanley Rosenberg.

The 2011 gaming law requires operators at a casino or slot parlor to stop a gambling machine after someone wins \$600. The person isn't able to play the machine again until a casino or slots employees takes down the player's name, address and 5 percent of the winnings for a state withholding tax.

State gambling regulators have argued the \$600 limit could drive future gamblers to other nearby states to play, since most states abide by the \$1,200 federal threshold.

House Ways and Means Chairman Brian Dempsey said the Senate wanted the \$600 limit set into the state's gaming law when it passed in 2011. "We always had concerns about that," Dempsey told his House colleagues before the bill passed.

House lawmakers originally voted in favor of a \$1,200 reporting threshold, but the Senate prevailed with a \$600 limit when the bill was ironed out in conference committee, according to Dempsey.

Dempsey urged his colleagues to make the change. "We have a vested interest to make sure gaming is very, very successful here in the commonwealth," he said.

"To somebody who is a gambler, the \$600 to \$1,200 can be a very big deal," Dempsey said. "You are stopping the flow of gambling."

A Penn National Gaming slot parlor is set to open in Plainville on June 30, operating as Plainridge Park Casino. Everett and Springfield will see the construction of resort casinos in the next several years.

One lawmaker objected to changing the gaming law as part of a midyear spending bill.

Rep. James Lyons, a Republican from Andover, said he appreciates the fact that every other state has a \$1,200 limit, but he believes any changes to the state's gaming law require more public scrutiny.

"My concern is moving forward, what is the process we are going to put into place when the gaming industry comes back to us again?" Lyons said on the House floor. "To suggest that folks in Plainridge weren't aware of the rules before they invested \$250 million is foolhardy."

Lyons requested that if lawmakers opt to change the gaming law again in the future, "that the process is a bit more open and a bit more transparent than jamming it into a supplemental budget."

The spending bill was the second major budget bill to clear the House this year without a public hearing.

Opponents to gambling in the state immediately criticized the move, and argued the IRS is contemplating lowering the reporting requirements.

"The partnership between casinos and state government is based on cheating and exploiting citizens, not promoting the public interest," Les Bernal, from Stop Predatory Gambling, said in an email to the News Service.

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