COMMENTARY

Is Massachusetts about to legalize online casinos on your smartphone?

A political battle is brewing on Beacon Hill over measure that would broadly allow online gaming here.

By Shirley Leung Globe Columnist, Updated July 22, 2025, 36 minutes ago



Patrons at Encore Casino in Everett on the first day of sports betting in 2023. Encore is fighting a push on Beacon Hill that would broadly legalize online slots and poker games in Massachusetts. STEVEN SENNE/ASSOCIATED PRESS

Massachusetts lawmakers spent years debating casino gambling before legalizing it in 2011. But when it comes to a measure that would let people turn their smartphones into mobile slot machines and poker tables, well, that could happen sooner than you think.

That's the feeling I get with a pair of bills that were introduced in the Legislature in January that would allow people to place bets on online casino games. Sure, many bills are filed on Beacon Hill, and most go nowhere.

Not so for <u>House Bill 332</u> and <u>Senate Bill 235</u>, which already got a committee hearing in late June — a key first step toward becoming law — much to the surprise of opponents.

If the legislation passes, so-called iGaming could be even more consequential than the original casino law or the 2022 legalization of sports betting in Massachusetts. That's because internet gaming would bring the convenience of gambling to a bigger audience, well beyond sports fans.

So who's putting this on the fast track? It's unclear who, but it will need get through House and Senate leadership. A spokesperson for House Speaker Ron Mariano, who championed the legalization of sports betting, said in a statement that the "Speaker is not familiar with the details of the bill and has not yet taken a position on it."

For those already in the gambling business, the stakes are high, and the politics of it all have made for strange bedfellows.

On one side is homegrown sports betting behemoth DraftKings and arch rival FanDuel, which support the bills and stand to benefit by providing the digital platforms that power these games. Joining their camp: MGM Resorts International, which operates a casino in Springfield and online gaming platform BetMGM.



A DraftKings employee in the lobby of their Back Bay offices. LANE TURNER/GLOBE STAFF

On the other side is Encore Boston Harbor, the Everett casino operated by Wynn Resorts, and UNITE HERE Local 26, the politically influential hospitality union with many members who work at Encore; they oppose the bills, saying online gaming would cannibalize the brick-and-mortar casino business and reduce jobs in the industry. And then there are those who are wary for fear it will create more problem gamblers by making it even easier to bet on your phone.

Supporters and opponents of online casinos squared off during a <u>hearing</u> last month that was a little more than an hour long, tucked in between a debate about allowing more horse racing. If you stepped out for a cup of coffee, you might have missed most of it.

DraftKings and FanDuel argued that online casinos should be legalized because there's already a robust illegal market, so why not regulate and tax it? According to the <u>American Gaming Association</u>, about \$338 billion is wagered annually on online slots and table games — mostly on websites based outside the United States.

It's the same argument that's been made to legalize sports betting in many states, including Massachusetts, ever since the Supreme Court struck down a federal ban in 2018. Since sports betting began in Massachusetts in early 2023, it has flourished here with billions of dollars wagered, generating more than \$300 million in taxes and assessments, according to the Massachusetts Gaming Commission.

Type "online casino in Massachusetts," and you quickly realize how we're all one Google search away from trying our luck. McLuck.com topped my search results, and it took me a minute to set up an account.

Seven states, including Connecticut, Rhode Island, and New Jersey, have legalized internet casino gaming, and proponents estimate that if Massachusetts levied a 20 percent tax, the state could generate \$230 million to \$275 million a year in new revenue. (That's the same tax rate as online-only sports betting, while land-based resort casinos are assessed at 25 percent.)

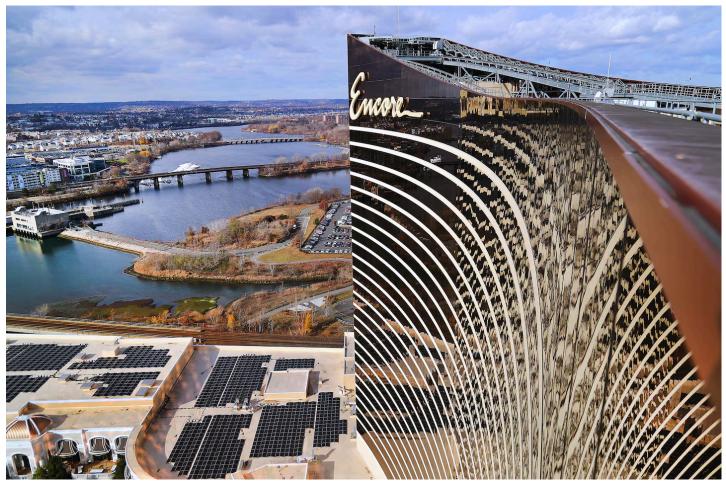
And with state lawmakers facing tough budget decisions this year, David Prestwood, a government affairs manager at DraftKings, knew exactly what to tell the Joint Committee on Consumer Protection and Professional Licensure.

"This money may be especially critical for Massachusetts in the face of anticipated federal funding cuts and reductions in state and local aid," he said at last month's hearing.

Online casinos may seem no different than sports betting, but their appeal runs broader and deeper than placing a bet on a baseball game. And internet gambling is far different than going to a brick-and-mortar casino, which requires getting there and interacting with staff. Online, you can gamble in your pajamas.

"There's all these friction points where the player has the chance to think twice with about placing the next bet," said Mark Stewart, a board member of the National Association Against iGaming, a coalition of casinos and unions that formed in January to fight online casino bills. "That doesn't exist with iGaming. It's just nonstop, constant action and 24/7 access."

Stewart, who is general counsel of The Cordish Companies, a Baltimore real estate and casino developer, testified virtually at the hearing, while Encore Boston Harbor president Jenny Holaday provided written testimony opposing online gaming and warned how it could result in a "dramatic reduction in the associated taxes that Encore pays to the Commonwealth," a sum that has totaled nearly \$1 billion since the casino opened in 2019.



The owner of Encore Casino in Everett is pushing to stop a bill on Beacon Hill that would broadly legalize online gambling on slots and poker games. JOHN TLUMACKI/GLOBE STAFF

Encore employs about 3,300 workers, about a third of whom are part of Local 26. A union representative also testified against the bills, citing an independent research analysis funded by the National Association
Against iGaming that indicated that Massachusetts casinos could lose about 862 gaming jobs and additional 2,786 supporting jobs if online gaming were legalized. (A pro-iGaming trade group, of course, has its own study, which found online casinos actually boost revenue at their land-based cousins.)

It's shaping up as a test of who has more clout on Beacon Hill — Encore and its coalition of boots-on-the-ground supporters in the unions and Everett, or tech companies that have deep pockets.

Brick-and-mortar casinos could get in on the game, too. The legislation sets aside licenses for the state's existing casino operators, along with four licenses for internet gaming platforms. Along with slots, they'd allow poker, blackjack, craps, and even games with a live dealer.

But what about the <u>Massachusetts State Lottery</u>, which only last year, after years of debate, <u>won the</u> Legislature's blessing to launch its games online?

I can't imagine state Treasurer and Lottery chair, Deb Goldberg, being happy about online casinos, which could eat into lottery profits. The lottery in fiscal 2024 netted nearly \$1.2 billion — money that's distributed as unrestricted aid to municipalities.

"If online gaming expands, we must ensure the Lottery is supported and stays competitive," Goldberg said in a statement. "Every dollar spent on private platforms could mean less for our cities and towns and early childhood education."

Then there are concerns about addiction, with calls to the <u>state's problem gambling helpline</u> surging since sports betting was legalized.

Lia Nower, director of the Center for Gambling Studies at Rutgers University said what drives up the risk of problem gambling is giving people more options.

"There's a cumulative effect," she said. "The more things that you gamble on, the more often you gamble and the more venues in which you gamble, the higher your risk."

In this digital era, online casinos may feel inevitable, yet internet gambling is so new we don't really know how addictive it could be, especially among young bettors. Remember how we initially thought social media was just fun and games?



Critics of online gaming say it reduces barriers to problem gambling, compared with going to a brick-and-mortar casino. STEVE HELBER/ASSOCIATED PRESS

Yet the pressure will be intense from a gaming industry that's keen to keep expanding online. Boston-based DraftKings is playing for keeps, hiring former House Ways and Means chair Brian Dempsey as its local lobbyist.

Why? Just follow the money, explains Nower.

"It's the cash cow for the industry," she said.

State Senator Paul Feeney — who is sponsoring the online casino legislation with state Representative Daniel Cahill — said lawmakers are well aware the need to carefully weigh all the costs and benefits, in particular the investments made by land-based casinos which he described as "sacrosanct."

Yet there's also an urgency with the state facing budget pressures.

"I wouldn't say that anything is on a fast track," said Feeney. "There's a renewed interest in looking at how we can maximize tax revenue without broad-based tax increases on residents."

We tend to give the Legislature a hard time for moving too slowly, but this time we shouldn't. At the very least, the state should conduct its own independent analysis, rather than relying on industry-funded studies

to weigh the impact on existing land-based casinos and the lottery, and whether it would create a new class of problem gamblers.

Online gaming is too big of a gamble to not get this right.

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