

1 COMMONWEALTH OF MASSACHUSETTS  
2 MASSACHUSETTS GAMING COMMISSION  
3 PUBLIC MEETING #154  
4  
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6

7 CHAIRMAN

8 Stephen P. Crosby  
9

10 COMMISSIONERS

11 James F. McHugh

12 Gayle Cameron

13 Bruce W. Stebbins

14 Enrique Zuniga  
15 -----  
16  
17  
18

19 June 11, 2015 10:31 a.m.

20 VOLUME I

21 BOSTON CONVENTION AND EXHIBITION CENTER

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23 Boston, Massachusetts 02210  
24

## P R O C E E D I N G S

1  
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3 CHAIRMAN CROSBY: All right, ladies  
4 and gentlemen. I think we are ready to  
5 convene the 154th meeting of the Massachusetts  
6 Gaming Commission, once again at the Boston  
7 Convention Center on June 11th at 10:30 a.m.  
8 First item on the agenda as always --

9 COMMISSIONER MCHUGH: Mr. Chairman,  
10 before we -- before we start the formal  
11 agenda, I wonder if I might be permitted to  
12 make a comment. In light of the material that  
13 appeared in the Globe on Tuesday, and that's  
14 been repeated in a number of different  
15 contexts thereafter, I wanted to say this,  
16 that from May through our decision in Region A  
17 in September of last year, I and the other  
18 commissioners were engaged fully in evaluation  
19 of the Region A applications, and for part of  
20 May, until we made that decision in early June  
21 in the MGM decisions.

22 From the time that Chairman Crosby  
23 recused himself from Region A, on May 8th of  
24 last year, I personally was meeting with my

1 team of building and site design consultants,  
2 reviewing the analysis that they provided,  
3 working with them to obtain, from both  
4 applicants, clarifications and -- of ambiguous  
5 components of their application, holding  
6 community meetings, holding other hearings,  
7 working with the other commissioners, working  
8 with our dedicated staff, to deal with these  
9 enormously complex applications that had been  
10 filed with us.

11 At no time, after he recused himself  
12 on May 8th, did chairman Steve Crosby offer to  
13 me, publicly or privately, any suggestion,  
14 opinion or hint, whatsoever, about how any  
15 aspect or component of the Region A licensing  
16 decision should be resolved. I want to make  
17 that clear. At no time did he offer me any  
18 such suggestion, hint or opinion.

19 Our work in Region A was extremely  
20 difficult, as I think any careful observer  
21 will recognize. Indeed, it was more difficult  
22 and more complicated than any other --  
23 procedure I've been involved in.

24 I am proud of the way the commission

1 and our dedicated and thoughtful staff, and  
2 our team of consultants, worked throughout the  
3 summer to respond to those difficulties and  
4 complications. And I'm proud of the process  
5 that their combined efforts produced. I think  
6 it's important to say that today. I can  
7 comment only on what I personally am aware of,  
8 and that's what I personally am aware of.  
9 Thank you, Mr. Chairman.

10 COMMISSIONER ZUNIGA: Can I say  
11 something? I -- I feel exactly the same way.  
12 And as you put it, Commissioner, and as you  
13 always put it really well. That is exactly  
14 the same case for me. And I think anybody  
15 that has doubts about the process ought to  
16 just look at the record, because it's all on  
17 the record.

18 There's hours and hours and hours of  
19 deliberations, the way that we arrived at the  
20 decision. They just have to go to our Web  
21 site and see the links to those meetings, to  
22 those -- there's a transcript of everything  
23 that everybody said. And the record in its  
24 entirety -- in its entirety tells the story,

1 and it's unequivocal, so just wanted to  
2 mention that as well.

3 CHAIRMAN CROSBY: Thank you. Thank  
4 you, folks. I appreciate that. Where was I?  
5 I was going to the approval of the minutes.

6 COMMISSIONER MCHUGH: You're going  
7 to go to the minutes they, customarily,  
8 highlight at these meetings.

9 CHAIRMAN CROSBY: Oh, yeah, right.  
10 The approval of the minutes as  
11 Commissioner McHugh.

12 COMMISSIONER MCHUGH: The minutes,  
13 Mr. Chairman, are in the packet in -- and I'd  
14 move their adoption with our usual reservation  
15 of rights to make mechanical and clerical  
16 corrections -- typographical corrections.

17 CHAIRMAN CROSBY: Do I have a  
18 second?

19 COMMISSIONER CAMERON: Second.

20 CHAIRMAN CROSBY: Any further  
21 discussion? All in favor? Aye.

22 COMMISSIONER MCHUGH: Aye.

23 COMMISSIONER STEBBINS: Aye.

24 COMMISSIONER CAMERON: Aye.

1 COMMISSIONER ZUNIGA: Aye.

2 CHAIRMAN CROSBY: Opposed? The ayes  
3 have it unanimously.

4 All right. We are now to a long  
5 awaited and very important topic. We've  
6 heard -- you've heard, you, the audience, has  
7 heard us talk about the extraordinary research  
8 mandate that is in our legislation, which we  
9 have interpreted, I think, as broadly as is  
10 humanly possible, because research on the  
11 consequences of the introduction of casinos to  
12 Massachusetts is an extraordinarily important  
13 topic, and we've anxiously awaited the first  
14 fruits of that. And I apologize if I've taken  
15 your -- stolen your thunder,  
16 Director Vander Linden, but Director Vander  
17 Linden, our director of research and  
18 responsible gaming, you're up.

19 MR. VANDER LINDEN: Good morning,  
20 Commissioners.

21 COMMISSIONER MCHUGH: Good morning.

22 COMMISSIONER CAMERON: Good morning.

23 COMMISSIONER ZUNIGA: Good morning.

24 COMMISSIONER STEBBINS: Good

1 morning, Mark.

2 MR. VANDER LINDEN: No thunder  
3 taken, Mr. Chairman. Section 71 of the  
4 general laws, 23K, establishes the annual  
5 research agenda that you just mentioned. And  
6 I have to say that, in all of my years of  
7 working in this field and across the country,  
8 have I never seen such an aggressive,  
9 ambitious mandate to specifically utilize  
10 research, and specifically put that research  
11 upfront in trying to evaluate the impacts of  
12 gaming in any specific jurisdiction. That  
13 was -- that was incredibly thoughtful by --  
14 by, I thought, its authors, and I think the  
15 commission was -- was equally thoughtful in  
16 taking this so seriously and -- and in rolling  
17 out the research activities that we have to  
18 date.

19 A key objective of the research  
20 agenda includes a study of the existing  
21 occurrence of problem gambling in the  
22 commonwealth, including the measures of  
23 existing levels of problem gambling, and  
24 programs available to prevent and address the

1 harmful consequences of problem gambling.

2 Another key objective is a comprehensive study  
3 of the social and economic impacts of gambling  
4 in the commonwealth.

5 In 2013, the commission selected the  
6 University of Massachusetts Amherst and a team  
7 of nationally and internationally accomplished  
8 researches to carry these two -- two key  
9 objectives out. It includes those with us  
10 here today. And if I may introduce,  
11 Dr. Rachel Volberg, Martha Zorn, and  
12 Amanda Houpt. They are -- they are the people  
13 that are front and center to this -- the  
14 research and the document that you have before  
15 you today.

16 The level of effort that they've put  
17 into this is -- is pretty outstanding. For  
18 the last, roughly, 24 months they have put so  
19 much incredible thought into creating the  
20 methodology and carrying that out into the  
21 different drafts of the report that we have  
22 here today. And that effort, it was great on  
23 their part, but it was also, I think it's  
24 important to recognize the cooperation it's



1 taken to produce this -- this document.

2 I want to -- I want to recognize,  
3 obviously, our commissioners and the feedback  
4 that they've had for this. I also want to  
5 recognize our partners that we have at the  
6 department of public health. They've been  
7 in -- incredibly influential and -- and -- and  
8 a fantastic partner in carrying out our entire  
9 research agenda, not just this -- even just  
10 this study.

11 We also have the benefit of a gaming  
12 research advisory committee that has been  
13 influential in informing the -- the research  
14 that we have on our plate right now, as well  
15 as we've looked at this group to inform the  
16 research as we move forward, and as we add it  
17 to the research agenda.

18 The Gaming Research Advisory  
19 Committee is not required by statute. It was  
20 the -- it was the thoughtfulness of this  
21 commission, specifically, Chairman Crosby, to  
22 say we need to have an outside body to -- to  
23 both inform the research agenda and -- and  
24 give us -- and in interpreting it and

1 understanding where we need to go with this.  
2 The -- that Gaming Research Advisory Committee  
3 is comprised of a range of different  
4 stakeholders. Not just those that are in  
5 academia that understand -- understand  
6 in-depth -- in-depth, the research, but those  
7 that understand the context in which gaming is  
8 -- is in -- in the commonwealth.

9 We also asked for an external  
10 peer-review committee to -- to join the  
11 effort. And we asked Dr. Wendy Slutske, we  
12 asked Dr. Jeff Marotta to review -- review --  
13 provide feedback and comment to -- to this  
14 document. That was incredibly helpful as we  
15 move through the -- the different drafts of --  
16 of the report before you.

17 CHAIRMAN CROSBY: Say where those  
18 two folks are from.

19 MR. VANDER LINDEN: Dr --  
20 Dr. Wendy Slutske is from the -- it's the  
21 University of Missouri.

22 CHAIRMAN CROSBY: Doesn't she have a  
23 center?

24 MR. VANDER LINDEN: I'm going to

1 draw a blank on the name of the center, but  
2 she's a well-known epidemiologist, and has  
3 done -- has extensive experience in conducting  
4 this type of research.

5 CHAIRMAN CROSBY: And Jeff Marotta?

6 MR. VANDER LINDEN: And  
7 Dr. Jeff Marotta, he is a -- he is the  
8 president of Problem Gambling Solutions, which  
9 is, basically, a firm, and probably one of the  
10 only firms -- the only firm in the United  
11 States that specifically provides -- provides  
12 advice, consultation, on problem gambling  
13 issues. He was a former administrator for the  
14 Oregon Department of Public Health,  
15 well-versed in understanding -- understanding  
16 the research, and even more specifically, how  
17 do you -- how do you apply the research into  
18 programs and services through strategic  
19 planning?

20 I also -- and, finally, I just want  
21 to mention the -- the Public Health Trust Fund  
22 Executive Committee. And the Public Health  
23 Trust Fund Executive Committee is -- is  
24 really -- again, it's a -- a body that was --

1           it's a partnership that we have with the  
2           executive office of health and human services  
3           and the department of public health to help  
4           guide and determine how the public health  
5           trust fund dollars are spent. And that would  
6           include direction to the -- the gaming  
7           research agenda, where the -- the gaming  
8           research agenda is funded through the public  
9           health trust fund. That -- that group has  
10          been in this as well since the almost -- well,  
11          at least for the past year, I should say.

12                        So the bottom line is that, this was  
13          not a project that you take -- we've taken and  
14          we've turned over a group of researchers and  
15          allowed them to do it. This has been a very  
16          interactive process to come to the report that  
17          -- that you have before you today. So with  
18          that, I do want to make sure that Dr. Volberg,  
19          Amanda Houpt and Martha Zorn have the  
20          opportunity to share with you, the fruits of  
21          this great effort. So with that, I'll turn it  
22          over to -- to Dr. Volberg.

23                        COMMISSIONER MCHUGH: Good morning.

24                        COMMISSIONER ZUNIGA: Good morning.

1                   COMMISSIONER STEBBINS: Good  
2 morning.

3                   COMMISSIONER CAMERON: Good morning.

4                   CHAIRMAN CROSBY: Good morning.

5                   MS. VOLBERG: Another outstanding  
6 day in my professional career.

7                   CHAIRMAN CROSBY: Great.

8                   COMMISSIONER MCHUGH: Great.

9                   MS. VOLBERG: Okay. They told me I  
10 could stand up, because I'm not very good at  
11 presenting this kind of result, or this --  
12 this kind of -- of presentation sitting down.  
13 I'm more used to standing around and dodging  
14 bullets.

15                  CHAIRMAN CROSBY: Me too.

16                  MS. VOLBERG: I haven't vanity  
17 dodged quite as many as you have.

18                  Okay. So my name is Rachel Volberg,  
19 and I am the principal investigator of the  
20 social and economic impacts of gambling in  
21 Massachusetts study. My goal, in presenting  
22 to you today, is to share preliminary  
23 results -- preliminary findings, excuse me,  
24 from the large baseline population survey that

1 my team and I have been working on for the  
2 past two years. We're going to be presenting  
3 some additional information, as well, on other  
4 components of the study that actually have  
5 been -- stood up at the same time that we were  
6 conducting the survey. So I'm going to give  
7 you a bit of background on the study. I'm  
8 going to share some results from the survey.  
9 I'm also going to share some results and  
10 updates from other areas of the project, and  
11 then I'm going to turn it over to  
12 Amanda Houpt, our project manager, who's going  
13 to illustrate a couple of ways that we're  
14 going to make our findings accessible to -- to  
15 the public.

16 So I want to begin just with a  
17 little bit of background. And my clicker is  
18 very sensitive so it tends to skip ahead. So  
19 far, two of the resort-style casino licenses  
20 have been awarded. Wynn Resorts Everett in  
21 Region A, and MGM Resorts Springfield in  
22 Region B. The Region C license has not yet  
23 been awarded, but the slot parlor license has  
24 been awarded to -- in -- to Plainridge Park

1 Casino in Plainville, Massachusetts, which  
2 will be opening in just a very few days.

3 As Mark mentioned, The Expanded  
4 Gaming Act is unique in enshrining the role of  
5 research to enhance responsible gambling and  
6 minimize problem gambling in Massachusetts.  
7 In Section 71 of the act, requires the gaming  
8 commission to establish an annual research  
9 agenda to assist in understanding the effects  
10 of casino gambling, and in making  
11 scientifically-based recommendations to the  
12 legislature.

13 There are three essential elements  
14 to the research agenda. The first is to  
15 understand the social and economic impacts of  
16 expanded gaming. The second is to conduct a  
17 baseline study of problem gambling and  
18 existing prevention and treatment programs.  
19 And the third is to obtain scientific  
20 information relevant to enhancing responsible  
21 gaming gambling, and minimizing the  
22 anticipated harmful impacts of gambling as  
23 these arise. In the SEIGMA study that I am  
24 proudly heading up, is -- addresses each of

1           these essential elements.

2                         There are three main research areas  
3           to the SEIGMA study. The first is the social  
4           and health impacts. We have a  
5           problem-gambling-services evaluation, and we  
6           have a team at the University of Massachusetts  
7           Donahue Institute that is actually undertaking  
8           the economic and fiscal impacts work of the  
9           full project. So I've listed here, some of  
10          the research activities that we are using  
11          to -- or that we will be using to evaluate  
12          each of these areas. And in each of the  
13          topical areas of the slide, we'll be  
14          collecting a great deal of both due and  
15          existing data. And our ultimate goal is to  
16          share as much as possible of this data with  
17          all interested stakeholders and every citizen  
18          of the commonwealth.

19                        This slide lists the broad  
20          categories of economic and fiscal measures  
21          that we will be collecting. Business starts  
22          and failures, employment, labor-force  
23          participation, household income,  
24          gambling-related revenue, of course, but,



1 also, government expenditures and revenue  
2 related to gambling. Each of these broad  
3 categories can be broken down into multiple,  
4 individual indices. And to get the data, we  
5 are looking both at publically-available  
6 secondary data, as well as conducting our own  
7 surveys and obtaining information both from  
8 the operators of the gaming properties and  
9 from the commission itself. Starting to  
10 collect these data before any of the state's  
11 new gambling venues are open will allow us to  
12 establish baselines for, virtually, all of the  
13 economic and fiscal variables that we expect  
14 may be effected by gambling. And this is  
15 truly a -- a unique effort in the world.

16 This next slide -- of course, I go  
17 two ahead. This next slide lists the broad  
18 categories of social- and health-related  
19 measures that we will be collecting. Gambling  
20 behavior and problem gambling, obviously, but  
21 also questions about attitudes towards  
22 gambling. We are looking to collaborate on  
23 collecting crime data, employment, education,  
24 health, quality of life, all of these are

1 things that we're going to be tracking over  
2 time.

3 COMMISSIONER STEBBINS: Doctor,  
4 quick question.

5 MS. VOLBERG: Yes.

6 COMMISSIONER STEBBINS: You mention  
7 leisure activities. What -- what are we  
8 assessing about those?

9 MS. VOLBERG: So we -- we are  
10 interested, for example, what kinds of leisure  
11 activities people are doing now, and whether  
12 they substitute gambling for other  
13 recreational activities as the casinos roll  
14 out.

15 COMMISSIONER STEBBINS: Okay.

16 MS. VOLBERG: So, similarly, with  
17 the fiscal and -- with the economic and fiscal  
18 measures, each of these broad categories can  
19 be broken down into several individual  
20 measures, and we are collecting both  
21 publically-available secondary data and  
22 primary data.

23 During the next part of this  
24 presentation I'm going to share some findings,

1 finally, at last, from our baseline population  
2 survey that we- that my team and I have  
3 recently completed. This large survey is a  
4 major component of the social and health  
5 impacts part of the SEIGMA study, and it  
6 gathers information on many of the variables  
7 that are listed here. Okay. This morning --  
8 yeah. Amanda's going to take control of the  
9 slide so that I can -- don't have to keep  
10 clicking back and forth.

11 So this morning, the SEIGMA team  
12 published a comprehensive report, a hard copy,  
13 of which several of you have, that summarizes  
14 top-line results across the survey. You can  
15 download a copy of this PDF, and the executive  
16 summary, from our Web site. And I'll be  
17 giving you a link to that Web site a little  
18 bit later in the presentation. I want to take  
19 the next few slides --

20 CHAIRMAN CROSBY: It'll also be  
21 available on our Web site.

22 MS. VOLBERG: That's right.

23 CHAIRMAN CROSBY: Right.

24 MS. VOLBERG: Yes. So it'll be

1 available in a number of places.

2 The next few slides provide an  
3 overview of the methods we use to take an  
4 initial snapshot of the population of  
5 Massachusetts prior to the introduction of  
6 casino gambling. The plan is to conduct  
7 another survey using exactly the same methods  
8 one year after the casinos have become  
9 operational. And this kind of pre/post design  
10 is actually the most unique aspect of the  
11 study, since clean baseline surveys are  
12 extremely rare in the gambling field.

13 SEIGMA partnered with NORC at the  
14 University of Chicago to collect the survey  
15 data. The sample was drawn from a list of  
16 addresses available from the U.S. Postal  
17 Service, and respondents had the option to  
18 complete the survey on line, on paper, or by  
19 telephone. The sample size was nearly 10,000  
20 Massachusetts adults who completed the survey.  
21 And I just want to mention that, because of  
22 the distribution of the population in  
23 Massachusetts, we actually oversampled in  
24 western Massachusetts, in order to be able to

1 have enough people in the sample weighted back  
2 to represent that part of the state  
3 adequately.

4 One of the things that's done when  
5 conducting a survey, is to look at the  
6 demographic characteristics of your  
7 respondents and adjust them statistically so  
8 that they match the population from which they  
9 were drawn. This is a process called  
10 weighting. And we have experts on our team  
11 who do this work.

12 This table here compares the  
13 demographic characteristics of our respondents  
14 after weighting, with information about the  
15 Massachusetts adult population that's  
16 available from the U.S. Census Bureau. And  
17 you'll notice that our samples closely matches  
18 the Massachusetts population for gender, age  
19 and ethnicity. And this is because these were  
20 variables that were used in the weighting  
21 process.

22 With so many demographic  
23 characteristics, it can be difficult to adjust  
24 your samples so that it matches all -- matches

1 the population for every characteristic. And  
2 this slide highlights -- or the last slide  
3 highlighted that we matched the Massachusetts  
4 population very well for gender, age and  
5 ethnicity. This slide highlights that we  
6 didn't match as well for education and income.

7 So now that we've overviewed the  
8 methods very briefly of the survey, it's  
9 exciting, very exciting, to be able to share  
10 some of our results. The baseline population  
11 survey asks several questions about  
12 respondents gambling participation, and then  
13 the -- and the survey also included questions,  
14 detailed questions, about 11 different  
15 gambling activities.

16 At the beginning of the survey, we  
17 gave all the respondents the same definition  
18 of gambling. Respondents were told that we  
19 defined gambling as betting money or material  
20 goods on an event with an uncertain outcome in  
21 the hopes of winning additional money or  
22 material goods. It includes things such as  
23 lottery tickets, scratch tickets, Bingo,  
24 betting against a friend on a game of skill or

1 chance, betting on horseracing or sports,  
2 investing in high-risk stocks, et cetera.  
3 Respondents were then asked detailed questions  
4 about their participation in specific  
5 activities over the past year.

6 This slide lists the gambling  
7 activities that were included in the survey.  
8 So we asked about large jackpot lottery  
9 tickets, instant tickets and pull tabs, daily  
10 lottery games, charitable raffles, sports  
11 betting, Bingo, casino gambling, betting on  
12 horseracing, betting money against others, and  
13 gambling on line.

14 COMMISSIONER MCHUGH: Can I ask you  
15 a question there that -- there's no specific  
16 question about investment in high-risk stocks,  
17 right?

18 MS. VOLBERG: That's correct. We --  
19 in -- in analyzing the data, we realized that  
20 the people who participated in high-risk stock  
21 investment or gambling, there's -- there's  
22 some debate about whether stock market trading  
23 of different kinds is a form of gambling. And  
24 so, we actually -- because those -- those

1 people looked quite different from the people  
2 who were doing other kinds of gambling,  
3 although there was some overlap, we actually  
4 excluded high-risk stocks from our  
5 consideration of gambling.

6 COMMISSIONER MCHUGH: From your  
7 analytical consideration of gambling?

8 MS. VOLBERG: Yes.

9 COMMISSIONER MCHUGH: Okay. Thank  
10 you.

11 COMMISSIONER CAMERON: Dr. Volberg,  
12 is the same thing true with betting against  
13 others. Same --

14 MS. VOLBERG: No. We  
15 included private -- private wagering was  
16 included in our consideration of gambling  
17 activities.

18 COMMISSIONER CAMERON: Yeah.  
19 Mm-hmm.

20 MS. VOLBERG: Okay. This chart  
21 shows past year gambling participation  
22 overall, for -- for the adult population of  
23 Massachusetts for all lottery games, and for  
24 specific gambling activities under there --



1           underneath.

2                       As you can see, overall, 72 percent  
3           of Massachusetts adults report participating  
4           in one or more of these activities in the past  
5           year. Nearly six in 10 Massachusetts adults  
6           report playing the lottery in the past year,  
7           and just under one quarter of Massachusetts  
8           adults report visiting casinos to gamble in  
9           the past year.

10                      This next slide shows you some of  
11           the demographic characteristics of people who  
12           have gambled in the past year. And as you can  
13           see, there are some significant differences.  
14           For example, men are more likely to gamble  
15           than women. Middle-aged adults are more  
16           likely to gamble than younger adults, and  
17           whites are more likely to gamble than  
18           Hispanics, blacks or Asians.

19                      I find the data about age  
20           particularly interesting because this is quite  
21           different from what we've seen in other  
22           jurisdictions where we have done gambling  
23           surveys. Where people who have gambled in the  
24           past year actually tend to be much younger

1 than adults who have not gambled in the past  
2 year. So I found this -- the distribution of  
3 gambling participation by age particularly  
4 interesting.

5 COMMISSIONER MCHUGH: It's a younger  
6 population elsewhere?

7 MS. VOLBERG: Yes. Typically --  
8 typically, you would see higher rates of  
9 gambling participation amongst the 25- to  
10 34-year-olds.

11 COMMISSIONER MCHUGH: I see.  
12 Uh-huh.

13 COMMISSIONER STEBBINS: But  
14 that's -- I mean, you're talking about 35 to  
15 64 is 30-year grouping, as opposed to the  
16 others, which are, you know, roughly, about a  
17 10-year age grouping. Does that have any  
18 impact?

19 MS. VOLBERG: Not really, because  
20 those -- those three age groups, we've broken  
21 them out in more detail in the appendices of  
22 the report. But those three groups actually  
23 have very similar rates of past-year gambling.

24 COMMISSIONER STEBBINS: Okay.

1 MS. VOLBERG: Okay. In addition to  
2 asking about past-year gambling, we also asked  
3 respondents about activities that they had  
4 participated -- participated in on a monthly  
5 basis or on a weekly basis. And this chart  
6 shows you past-year monthly and weekly  
7 participation rates in several forms of  
8 gambling.

9 As you saw earlier, nearly  
10 60 percent of Massachusetts adults played  
11 lottery games in the past year. What this  
12 slide shows you is that 29 percent of  
13 Massachusetts adults play lottery games once a  
14 month or more, and 13 percent play lottery  
15 games once a week or more. This slide also  
16 shows you, if you -- if you look over to the  
17 casino bars, that although 22 percent of  
18 Massachusetts adults have gambled at a casino  
19 in the past year, almost none of them gamble  
20 weekly or monthly at casinos. And after  
21 lottery play, raffles, betting on sports and  
22 betting privately against others were the most  
23 common weekly and monthly activities.

24 The last few slides focused on

1 general participation, overall participation  
2 in gambling. And this slide focuses solely on  
3 casino participation. As you can see, there  
4 are significant differences in casino  
5 participation associated with gender and age,  
6 with men more likely to gamble at casinos than  
7 women, and with adults age 25 to 34 most  
8 likely to gamble at casinos, compared to older  
9 and younger adults. So, actually, with the  
10 casino gambling we're seeing in -- in my view,  
11 somewhat more usual form or distribution of  
12 the gambling by age. However, there are no  
13 significant differences in casino  
14 participation across the ethnic and racial  
15 groups that we had in the survey.

16 COMMISSIONER ZUNIGA: Can you go  
17 back to the previous slide for a minute?

18 MS. VOLBERG: Sure.

19 COMMISSIONER ZUNIGA: So how does  
20 this distribution, compared to other states,  
21 especially in light of the age participation,  
22 especially in light of what you pointed out  
23 previously, about, in other states, it tends  
24 to be an older population?

1 MS. VOLBERG: It actually tends to  
2 be the opposite. In many states, where you  
3 have widespread casino gambling or widespread  
4 gaming of some kind or another, you actually  
5 see the 35- to 64-year-olds have higher  
6 participation rates in casino gambling.

7 COMMISSIONER ZUNIGA: Yeah.

8 MS. VOLBERG: With younger adults  
9 more likely to bet on sports, to bet on line,  
10 and to bet privately amongst themselves.

11 COMMISSIONER ZUNIGA: Right.

12 MS. VOLBERG: So I would say that,  
13 what stands out as unique, to me, is the age  
14 distribution of several of the different types  
15 of gambling in Massachusetts, as well as the  
16 overall.

17 COMMISSIONER ZUNIGA: Okay.

18 MS. VOLBERG: So as you saw earlier,  
19 22 percent of Massachusetts adults had gambled  
20 in -- at a casino in the past year. What this  
21 slide illustrates is that, about two-thirds of  
22 those people, or about 65 percent, had visited  
23 Connecticut casinos in the past year, and  
24 another one in 10 people had gone to

1 Rhode Island or to Nevada to gamble at a  
2 casino in the past year. Only a very small  
3 proportion of past-year casino gamblers  
4 reported going anywhere else to -- to gamble  
5 at a casino. The other category that's  
6 12.3 percent -- actually, if you break it out,  
7 it's like -- like 50 different places. So,  
8 you know, they told us lots and lots of places  
9 that they had been to a casino, but none of  
10 them were -- sort of, could be coded into any  
11 of these categories.

12 CHAIRMAN CROSBY: Rachel --

13 COMMISSIONER MCHUGH: Is -- I'm  
14 sorry.

15 CHAIRMAN CROSBY: Do you know, off  
16 the top of your head, what is the incidence or  
17 the prevalence of casino gambling amongst --  
18 in jurisdictions where there are casinos?  
19 Like, what would it be like -- it's 22 percent  
20 in Massachusetts where we don't have any  
21 casinos. What would it be like in  
22 Pennsylvania or -- Las -- in New Jersey, do  
23 you know?

24 MS. VOLBERG: Unfortunately, neither

1 of those two jurisdictions have -- have  
2 done --

3 CHAIRMAN CROSBY: Done any research.

4 MS. VOLBERG: -- a survey. I know  
5 that --

6 CHAIRMAN CROSBY: What about BC?

7 MS. VOLBERG: British Columbia. I  
8 should know that, I've done several surveys  
9 there.

10 CHAIRMAN CROSBY: If you don't know  
11 off the top of your head it's okay. I just --

12 MS. VOLBERG: I -- I would -- I do  
13 know that there's information about comparable  
14 participation rates in some other  
15 jurisdictions. In Iowa, for example, in the  
16 report. But, unfortunately, I didn't review  
17 those particular numbers.

18 CHAIRMAN CROSBY: Okay. Do you know  
19 what it was, Mark? Do you happen to know  
20 what -- what it is in Iowa?

21 MR. VANDER LINDEN: Specifically,  
22 for casino gambling, I don't recall.

23 CHAIRMAN CROSBY: All right.

24 MS. VOLBERG: I want to say it's,

1           like, 35 percent in Iowa. Something like  
2           that.

3                         CHAIRMAN CROSBY: Yeah. Okay.

4                         MS. VOLBERG: So the -- the overall  
5           -- the overall past-year rate is somewhat  
6           higher in Iowa. But what really stands out is  
7           the proportion of the population that gambles  
8           monthly and weekly at casinos, when they're  
9           locally available.

10                        CHAIRMAN CROSBY: Right. It's --  
11           it's just really interesting because there's  
12           all this conversation about are we  
13           oversaturated? You know, how much -- you  
14           know, how much money is out there? All  
15           legitimate questions. We already have, as we  
16           know, somewhere in the neighborhood of eight,  
17           10, 11 billion dollars a year of casino  
18           gambling by Massachusetts residents done in  
19           other states, and that's 22 percent of the  
20           population. I just wonder whether there's  
21           growth -- is -- is there growth once the  
22           casinos are much more attractive and much more  
23           convenient. And using the 35 percent number,  
24           that might suggest -- the first thing we want



1 to do is get the 22 percent that are gambling  
2 someplace else to come back to Massachusetts.

3 MS. VOLBERG: Right.

4 CHAIRMAN CROSBY: But then, the  
5 second question is, is there growth beyond  
6 that? I just was curious.

7 MS. VOLBERG: I suspect there is.

8 CHAIRMAN CROSBY: Yeah.

9 MS. VOLBERG: So one additional  
10 piece of information that's not presented on  
11 this slide, but that I thought would be of  
12 interest to the commissioners, is that, when  
13 they were asked which specific casino they  
14 visited most often, 42 percent of these folks  
15 who had been to a casino in the past year said  
16 that they had been to Foxwoods, and another  
17 25 percent said that they had been to  
18 Mohegan Sun. So those, clearly, are the two  
19 properties that are getting the bulk of casino  
20 gambling revenues from Massachusetts.

21 In addition to looking at overall  
22 gambling and individual gambling activities,  
23 it's helpful to understand how gambling  
24 differs by frequency. This slide shows you

1           that, overall, about a quarter of the  
2           Massachusetts adult population does not  
3           gamble, or has not gambled in the past year.  
4           About 40 percent have gambled in the past  
5           year, but not any more frequently. And then  
6           you have about 20 percent of the population --  
7           of the adult population that participates in  
8           one or more types of gambling on a monthly but  
9           not weekly basis, and about 15 percent of  
10          people who gambled once a week or more often  
11          on one or more gambling activities.

12                        This slide shows that past-year  
13          monthly and weekly gamblers in Massachusetts  
14          are most likely to say that winning money is  
15          the main reason they gamble. Not a surprise,  
16          but definitely good to know. This is followed  
17          by gambling for excitement or entertainment,  
18          to socialize with family or friends, and to  
19          support worthy causes.

20                        What's very interesting, though, is  
21          that as gambling participation increases, so  
22          from past year to monthly to weekly, winning  
23          money becomes an increasingly-important reason  
24          for gambling, as does excitement or

1 entertainment. But as gambling participation  
2 increases, socializing with family or friends  
3 and supporting worthy causes become  
4 increasingly less important.

5 In addition to gambling  
6 participation, the baseline population survey  
7 asks several questions about respondents'  
8 attitudes about gambling. Questions assess  
9 respondents' belief about the overall harm or  
10 benefit of gambling in society, legalized  
11 gambling in general, the availability of the  
12 gambling in Massachusetts, the likely impact  
13 of expanded gaming in Massachusetts, and the  
14 impact of expanded gaming in their own  
15 community. And I want to present some of  
16 those results to you now.

17 This slide shows that over half of  
18 the population, 57-1/2 percent, believe that  
19 some forms of gambling should be legal and  
20 some should be illegal, with only a third of  
21 the adult population reporting that all forms  
22 should be legal, and only about a tenth  
23 reporting that all forms should be illegal.

24 COMMISSIONER MCHUGH: Is there a

1 breakout someplace as to what -- as to the  
2 middle category? What -- what falls in --  
3 what stuff should be legal and what should be  
4 illegal?

5 MS. VOLBERG: We did ask if people  
6 felt that forms of -- that some forms of  
7 gambling should be illegal, we asked them what  
8 forms of gambling do you believe should be  
9 illegal. The challenge has been that many of  
10 our respondents respond -- gave their answers  
11 using a self-administered questionnaire. And  
12 so, the amount of back-coding that you have to  
13 go back and, like, read all of their answers  
14 and figure out, you know, what categories they  
15 belong in, is -- is very time consuming. And  
16 so, we actually are still in the process of  
17 back-coding those data. But we do plan to  
18 look at it.

19 COMMISSIONER MCHUGH: Okay. Great.  
20 I think that'd be fascinating, like much of  
21 this.

22 MS. VOLBERG: Okay. This slide,  
23 shows responses to a question about people's  
24 attitude towards the availability of gambling

1 in Massachusetts. And you can see that nearly  
2 two-thirds of the Massachusetts adults believe  
3 that the current availability of gambling in  
4 the commonwealth is acceptable. Of course,  
5 it's going to be interesting to see if and how  
6 this attitude changes over the coming years as  
7 gambling actually expands, because these  
8 people were answering the question before  
9 there was any expansion available. But --

10 CHAIRMAN CROSBY: So by "available,"  
11 you think the question meant physically  
12 available, not -- I mean, because available --  
13 it's going to be available. You mean, at the  
14 moment physically available?

15 MS. VOLBERG: I think so. You know,  
16 it's hard to tell exactly how people were  
17 interpreting the question.

18 CHAIRMAN CROSBY: Yeah. That's --  
19 that's what I was thinking. Also, is it where  
20 they -- if it's available because you can  
21 drive to Connecticut? Does that count as  
22 available?

23 MS. VOLBERG: Perhaps, if you're  
24 living on the border.

1 CHAIRMAN CROSBY: Yeah. Okay.

2 MS. VOLBERG: Or in Springfield,  
3 where I live and, you know, you drive two  
4 miles and you're in Connecticut.

5 CHAIRMAN CROSBY: Yeah.

6 MS. VOLBERG: Perhaps not at the  
7 casinos, but definitely in Connecticut.

8 COMMISSIONER ZUNIGA: Yeah, but this  
9 asks about gambling. The same is true for  
10 on-line gaming, for example.

11 CHAIRMAN CROSBY: Right.

12 MS. VOLBERG: So the next slide  
13 shows you that, altogether, over half of the  
14 population, 59 percent, perceives the impact  
15 of gambling expansion on the state to be  
16 neutral, somewhat beneficial, or very  
17 beneficial, while 41 percent of the  
18 Massachusetts population, or the adult  
19 population perceive the impact to be somewhat  
20 or very harmful. And --

21 CHAIRMAN CROSBY: This -- this is  
22 really interesting, obviously, is how it --  
23 maybe you were going to say this, but how it  
24 ties to the vote in the referendum. The

1 referendum was basically 60/40. Sixty in  
2 favor of retaining casino gambling, 40 percent  
3 in favor of repealing it, and these numbers  
4 tie almost exactly.

5 MS. VOLBERG: That is exactly the  
6 point I was going to make.

7 CHAIRMAN CROSBY: Sorry.

8 MS. VOLBERG: No. Please have my  
9 thunder. So, yes, the results of the  
10 referendum were very, very similar to  
11 respondents' perceptions about the overall  
12 impact of having three casinos and one slot  
13 parlor in Massachusetts, and a good indication  
14 that we probably got some good information  
15 from our respondents.

16 CHAIRMAN CROSBY: Right.

17 MS. VOLBERG: A nice outside  
18 objective measure.

19 COMMISSIONER CAMERON: And  
20 Dr. Volberg, that's very similar to other  
21 states, right, that 60/40 number?

22 MS. VOLBERG: I'm not sure.

23 MR. VANDER LINDEN: I can speak  
24 specifically of Iowa, because while I was

1           there we conducted a similar study, and that  
2           actually is very similar to -- to what we had  
3           seen there. I think the question was asked in  
4           a slightly different way, but with a very  
5           similar result.

6                        MS. VOLBERG: So that's good to know  
7           as well. Okay. In contrast to the last  
8           slide, which concerned perceived impact at the  
9           state level, people viewed the impact of  
10          having a new casino or a slot parlor in their  
11          own community somewhat more negatively than  
12          they perceived the general impact for  
13          Massachusetts.

14                       This slide shows you that about half  
15          of the respondents, 46 percent, perceived the  
16          impact of gambling expansion on their own  
17          communities to be harmful, while a little over  
18          a quarter, 28 percent, perceived the impact to  
19          be beneficial. We very much saw this  
20          phenomenon, often called the  
21          not-in-my-back-yard, or NIMB effect, play out  
22          in the many individual Massachusetts  
23          municipalities that held elections to  
24          determine whether or not they would host one



1 of the new gaming facilities.

2 For example, the residents of  
3 Milford, you may recall, voted overwhelmingly  
4 against hosting a Foxwoods casino in their  
5 town one year before the Massachusetts  
6 electorate voted to continue gambling  
7 expansion.

8 COMMISSIONER STEBBINS: So Rachel,  
9 when you -- excuse me, when you -- when you're  
10 defining community for this question, it is  
11 not specific to where we've licensed a  
12 facility. It's what your general impression  
13 of a casino, if it was to come to your  
14 community.

15 MS. VOLBERG: In your -- in your  
16 community, yes. So this was -- this was a  
17 representative sample of the population of  
18 Massachusetts, so people were thinking about  
19 their hometown.

20 COMMISSIONER STEBBINS: Okay.

21 MS. VOLBERG: I mean, if I were  
22 asked that question, I would think about, you  
23 know, do I want a casino in Northampton,  
24 Massachusetts, for example.

1           Okay. One of the main, negative  
2 social impacts of expanded gambling  
3 availability tends to be an increase in  
4 problem gambling. And the survey we conducted  
5 allows us to establish the baseline prevalence  
6 of problem gambling in Massachusetts prior to  
7 the opening of any casinos. And I -- I cannot  
8 emphasize enough for you how unique this is to  
9 Massachusetts. We are virtually the only  
10 state that has gotten a clean baseline of  
11 casino gambling participation and problem  
12 gambling prevalence before casinos have become  
13 operational in a jurisdiction.

14           So simply stated, the survey results  
15 tell us the -- the rate of problem -- problem  
16 gambling, and then, also, the number of  
17 problem gamblers that are currently in  
18 Massachusetts. In this section of the  
19 presentation, I want to tell you a little  
20 about the way the problem gambling was  
21 measured in the survey, and then present  
22 information about the prevalence of problem  
23 gambling, and the number of problem gamblers.  
24 I also want to present some information about

1 the demographic distribution of problem  
2 gambling, as well as differences in  
3 problem-gambling prevalence among people who  
4 have participated in different gambling  
5 activities.

6 So this lovely slide is intended to  
7 illustrate how researchers think about  
8 gambling participation. We think of gambling  
9 participation as lying on a continuum, which  
10 you can see on this slide. People who don't  
11 gamble, nongamblers are located at one end of  
12 the continuum, and individuals who experience  
13 problems with their gambling, that is, problem  
14 and severe problem gamblers, are located at  
15 the other end of the continuum.

16 It's important to emphasize that  
17 most people in the population are either  
18 nongamblers or recreational gamblers. These  
19 are people who gamble because they find it to  
20 be an enjoyable, recreational activity. Some  
21 people are at-risk gamblers, and they gamble  
22 in ways that may pose a risk of harm to  
23 themselves or to others, but at a level that  
24 has not produced effects that would result in

1 a clinical diagnosis.

2 So, for example, these individuals  
3 might be betting more money than they  
4 intended. They might be spending more time  
5 gambling than they had intended. They might  
6 be borrowing money from family, friends,  
7 workmates, to gamble or to pay gambling debts.

8 Problem gamblers are people who  
9 experience impaired control over their  
10 gambling and significant, negative  
11 consequences deriving from that impaired  
12 control.

13 Severe problem gambling lies at the  
14 most -- at the far end of the continuum of  
15 gambling involvement. And similar to problem  
16 gambling, it's characterized by impaired  
17 control, and by significant, negative  
18 consequences.

19 What distinguishes severe problem  
20 gambling from problem gambling is that, both  
21 the lost of control and the negative  
22 consequences are extensive and severe. What  
23 this figure underscores, for me, is the view  
24 of gambling problems as highly dynamic.

1 People can move in and out of points among  
2 this continuum at different place -- points in  
3 their lives. And so, for example a nongambler  
4 could begin gambling and become a recreational  
5 gambler. An at-risk gambler could develop  
6 into a problem gambler. It's important to  
7 emphasize that movement can also happen the  
8 other way.

9 Based on their answers to a standard  
10 set of questions, we classified people who  
11 gambled in the past year as nongamblers  
12 recreational gamblers, at-risk gamblers,  
13 problem gamblers, and severe problem gamblers.

14 CHAIRMAN CROSBY: Rachel, excuse me.

15 MS. VOLBERG: Yes.

16 CHAIRMAN CROSBY: I just got an  
17 e-mail from somebody who trying to watch on TV  
18 saying that they can't hear you very well.

19 MS. VOLBERG: Okay.

20 CHAIRMAN CROSBY: I don't know  
21 whether you can -- this may be idiosyncratic,  
22 I don't know, but if you could just -- you  
23 could move the mic a little closer, or lean  
24 in.

1 MS. VOLBERG: Okay. I was -- I was  
2 trying to stay away from the mic, because I  
3 was getting feedback at the beginning of the  
4 talk.

5 CHAIRMAN CROSBY: Oh, well, we  
6 should fix the --

7 AUDIO TEAM: You're far away from  
8 the mic. If you get closer, there won't be  
9 feedback.

10 MS. VOLBERG: Okay. All right.

11 CHAIRMAN CROSBY: All right.

12 MS. VOLBERG: I'll move it.

13 CHAIRMAN CROSBY: So any -- anything  
14 we can do to pump it up to the -- for the  
15 audience.

16 MS. VOLBERG: All right. How's  
17 that?

18 CHAIRMAN CROSBY: Thank you.

19 MS. VOLBERG: Perhaps, the person  
20 can e-mail and let you know that it's  
21 improved.

22 CHAIRMAN CROSBY: All right.

23 MS. VOLBERG: Okay. So to continue,  
24 we combined problem gamblers and severe

1 problem gamblers in this slide and the slides  
2 that follow. The reason we did this is  
3 because there are so few differences,  
4 statistical differences between these groups  
5 beyond the severity of their problems. The --  
6 demographically they look very similar. In  
7 terms of their gambling participation, they  
8 also look quite similar.

9 As you can see from the pie chart,  
10 the current prevalence of problem gambling in  
11 Massachusetts is 1.7 percent of the adult  
12 population, with an additional 7-1/2 percent  
13 of the population classified as at-risk  
14 gamblers.

15 COMMISSIONER MCHUGH: How do those  
16 numbers compare with other jurisdictions  
17 you're familiar with?

18 MS. VOLBERG: I have a slide coming  
19 up that will show you --

20 COMMISSIONER MCHUGH: Okay. I  
21 just -- I'll wait. Thanks.

22 MS. VOLBERG: Okay.

23 COMMISSIONER CAMERON: Is that  
24 self-reported or -- I know you had several

1 means of communicating. But, mostly, these  
2 are self-reported numbers?

3 MS. VOLBERG: Yeah. This -- this  
4 would be -- this would be people's responses  
5 to quite an extensive set of questions. And  
6 they don't know how we're using that information,  
7 so they're just answering, you know, 14 or 15  
8 questions. And then, after the data are  
9 collected, we use a -- an algorithm to sort  
10 people in -- into groups based on how they  
11 answered those questions.

12 COMMISSIONER CAMERON: Do you think  
13 that everyone would answer honestly, or do you  
14 think people start thinking, wow, if I answer  
15 this way, they might think I have a problem?

16 MS. VOLBERG: You know, that's -- I  
17 often get the question, you know, don't people  
18 lie to you when you ask them these kinds of  
19 questions? And it's actually surprising  
20 because people -- people tend to report quite  
21 honestly, especially when they're  
22 administering the questionnaire to themselves.  
23 So, actually, self-administration is the best  
24 way to get the most valid data. And what I



1 didn't say at the beginning, when I was  
2 talking about our methodology, is that  
3 40 percent of our respondents completed the  
4 questionnaire on line, so that was  
5 self-administered, and another 52 percent  
6 completed a self-administered questionnaire.  
7 Only 7 percent of our respondents actually  
8 were interviewed by telephone. So we're  
9 pretty confident that we we're getting the  
10 most valid information to those sensitive  
11 questions.

12 COMMISSIONER CAMERON: Great. Thank  
13 you.

14 COMMISSIONER ZUNIGA: I know it's in  
15 the report because we've talked about this,  
16 but there's -- those -- those questions are  
17 very important to -- to understand. They're  
18 not being administered as saying, do you have  
19 a problem, or are you okay? You know, there's  
20 many different ways to get at the level of  
21 expenditures to have people, you know,  
22 calculate arithmetically as little as  
23 possible. That -- that -- that sort of thing.

24 CHAIRMAN CROSBY: But it's an

1 obvious question, and I've thought the same  
2 exact thing. Can we go -- go to all this  
3 trouble, and are people really telling us the  
4 truth? And, obviously, there's some --  
5 there's some inability to know to an absolute  
6 certainty. It's hard to any way prove it  
7 against actual statistical knowledge. But one  
8 of the things that I've learned is people have  
9 been doing research on behavioral problems,  
10 social science research on behavioral  
11 problems. Drugs, domestic violence, you know,  
12 alcohol, shopping. All kinds of problems.  
13 And there's been a tremendous amount of  
14 learning about how to administer questions  
15 that elicits as much truth as possible. So --  
16 and -- but I think it's safe to say we  
17 don't -- there's just simply no way to know to  
18 know to an absolute certainty.

19 What's important to us, and this is  
20 really important for everybody to realize  
21 about the baseline, this study is really not  
22 to tell us about today. It does tell us about  
23 the today, but that's not the purpose. The  
24 purpose is to see what happens with the trend

1 lines. So even, let's say, if we're  
2 underreporting by 30 percent, we'll under --  
3 we'll underreport by 30 percent all the way.  
4 It's the trend line that matters. Is problem  
5 gambling going up or down, or staying even?  
6 So the trend lines are what really matters.  
7 And they can be relative, even if you're off.  
8 At least you're off on a consistent basis.

9 COMMISSIONER CAMERON: Yeah, I guess  
10 I'm --

11 MS. VOLBERG: And thus, down into  
12 the weeds in measurement.

13 COMMISSIONER CAMERON: I'm so  
14 accustomed to people underreporting how much  
15 they've had to drink that I --

16 MS. VOLBERG: Oh, sure.

17 CHAIRMAN CROSBY: Right.

18 COMMISSIONER MCHUGH: That's on the  
19 highway when you stop them.

20 CHAIRMAN CROSBY: Yeah. If you  
21 asked me in uniform with a gun in your hip,  
22 I'd underestimate too, Colonel.

23 COMMISSIONER CAMERON: Thank you.  
24 That's helpful.

1 MS. VOLBERG: Okay. Thanks. So  
2 back to this 1.7 percent and 7.5 percent,  
3 based on these percentages and the adult  
4 population in Massachusetts, we estimate that  
5 about 88,000 Massachusetts adults are problem  
6 gamblers, and another 390,000 Massachusetts  
7 adults are at-risk gamblers. We usually  
8 report those numbers with a range around them,  
9 but in -- in working through and writing up  
10 these slides, we realized that listening to  
11 all those numbers was like -- people just  
12 went, oh, that's really difficult to listen  
13 to. So that's the meat -- that's the middle  
14 of a range that we think it lies in.

15 This next slide shows that there are  
16 significant differences in problem gambling  
17 associated with gender, race and ethnicity,  
18 and education. Slide shows that men are three  
19 times more likely to have a gambling problem  
20 than women. That blacks are four times more  
21 likely to have a gambling problem than whites.  
22 And that, individuals with a high-school  
23 education, or a high-school diploma, are two  
24 times more likely to have a gambling problem

1           than individuals with a college degree or  
2           higher.

3                         Now, you'll notice several asterisks  
4           on this slide, and these denote that the  
5           number of problem gamblers in some of these  
6           groups that are relatively small in our  
7           sample, that the number of problem gamblers  
8           was actually too small to be reliable, so we  
9           have chosen not to report those in -- in the  
10          body of the report, in the appendices of the  
11          report. Anything that is statistically not  
12          reliable is flagged with an asterisk.

13                        The next slide is -- shows you  
14          another way to understand the relationship  
15          between gambling and problem gambling, which  
16          is to look at the prevalence of problem  
17          gambling among individuals who participate in  
18          specific types of gambling. This is an  
19          important issue, because research suggests  
20          that some forms of gambling are, in fact,  
21          riskier than others. And understanding the  
22          riskiness of different gambling activities has  
23          implications for responsible gambling  
24          initiatives and problem gambling prevention.

1           The chart shows that problem  
2           gambling rates among past-year participants in  
3           different activities are -- are actually quite  
4           different, and we've arrayed them by the  
5           prevalence rate among past-year participants  
6           in those different activities. Because  
7           problem gamblers tend to participate in  
8           several types of gambling, an individual  
9           problem gambler may actually be included in  
10          several of these activities.

11          This whole issue of the riskiness of  
12          different gambling activities is actually a  
13          topic of much debate in the gambling studies  
14          field, and I won't dive into it with you,  
15          unless you force me to. But I can say that we  
16          plan extensive future analyses of these data  
17          to explore this question further.

18          COMMISSIONER MCHUGH: Let me just  
19          ask -- I'm having a little trouble  
20          understanding this slide. If you look at any  
21          gambling, the at-risk and problem gamblers are  
22          over 10 percent, probably -- probably  
23          13 percent, but on the chart two slides back,  
24          it was only 9.2 percent. How -- how does this

1 one correlate with the one that's back there?

2 MS. VOLBERG: Okay. So the -- yes,  
3 this slide -- and, actually, we edited this  
4 slide a little bit, because the -- the slide  
5 that you have in your packet includes at-risk  
6 as well as problem gambling.

7 COMMISSIONER MCHUGH: Right.

8 MS. VOLBERG: We found it a little  
9 hard to read, when we were practicing the  
10 presentation, so we deleted it.

11 COMMISSIONER MCHUGH: Right. Okay.

12 MS. VOLBERG: At any rate, you are  
13 correct, Commissioner, that the problem  
14 gambling prevalence rate amongst all gamblers  
15 is actually slightly higher than the  
16 prevalence rate for the entire population,  
17 because as you may remember about --

18 COMMISSIONER MCHUGH: Oh, you took  
19 out the 27. I see.

20 MS. VOLBERG: -- 25 percent of  
21 people don't gamble at all.

22 COMMISSIONER MCHUGH: I got you.  
23 All right.

24 MS. VOLBERG: So you have a smaller

1 denominator. And, in fact, across all of  
2 these games, you actually get smaller and  
3 smaller denominators as you go down. So our  
4 on-line gamblers were actually a very small  
5 group, but you can see that the prevalence  
6 rate was exceedingly high amongst those  
7 on-line gamblers. So more work needed.

8 COMMISSIONER MCHUGH: Are you still  
9 -- is this -- I just -- if you look at this,  
10 as I just did, I think you could draw the  
11 conclusion that I drew, and it's not the right  
12 conclusion. What do you -- as you -- you say  
13 that the denominators get smaller. What --  
14 for example, what about on line? That's a  
15 small percentage.

16 MS. VOLBERG: That's right.

17 COMMISSIONER MCHUGH: A very small  
18 percentage of gamblers in Massachusetts.

19 MS. VOLBERG: That's right.  
20 About -- A little under 2 percent of our  
21 respondents had gambled on line in the past  
22 year.

23 COMMISSIONER MCHUGH: So of the  
24 2 percent, more than half are at-risk or



1 problem?

2 MS. VOLBERG: Yes. That's correct.

3 COMMISSIONER MCHUGH: Can you -- can  
4 you extrapolate that to draw meaningful  
5 conclusions, if the availability of that form  
6 gambling were to become more widespread? Or  
7 are we just -- we're just getting a baseline  
8 now, aren't we? So we don't know.

9 MS. VOLBERG: Yeah. And --

10 COMMISSIONER MCHUGH: We would have  
11 to look and see.

12 MS. VOLBERG: And the other thing  
13 that you would have to do, and I hope I can  
14 explain this in words that my mother-in-law  
15 would understand, because I think she's  
16 listening --

17 CHAIRMAN CROSBY: Are you striking a  
18 parallel between Commissioner McHugh and your  
19 mother-in-law; is that what I'm getting?

20 MS. VOLBERG: Well, no. I was  
21 told --

22 COMMISSIONER MCHUGH: There'd be  
23 many parallels.

24 MS. VOLBERG: I was told that I

1           could not get researchy in this presentation  
2           by several people.

3                       COMMISSIONER MCHUGH: Just try us,  
4           and we'll see if we can tag along.

5                       MS. VOLBERG: The -- the debate, or  
6           the intellectual question, which I think  
7           you've -- you've seized on very well, is that  
8           a person who gambles on line, or starts  
9           gambling on line, is probably already a  
10          gambler, and is gambling on, perhaps, multiple  
11          forms of land-based gambling. So they may be  
12          playing the lottery, they may be going to a  
13          casino, they may be betting on sports, and  
14          then they decide, oh, there's all this sports  
15          betting that I can do on line, if I can just  
16          figure out, you know, like Paypal, or if it  
17          becomes legal, as it has in a couple of  
18          jurisdictions, like New Jersey, you can go on  
19          line and gamble on your favorite land-based  
20          activity doing it on line. So what we  
21          typically see with on-line gamblers is that  
22          they're adding an on-line component to what's  
23          already a pretty good suite of gambling  
24          activities that they're already doing.

1                   COMMISSIONER MCHUGH: The surveys in  
2 New Jersey suggests that the on-line gamblers  
3 are not casino gamblers. They -- they are  
4 coming to this new, and that's really the  
5 reason that I was asking this. There have  
6 been a number of recent surveys in New Jersey  
7 that -- that show that, I think, in one  
8 survey, 75 percent of the on-line gamblers at  
9 various sites are not gamblers who are casino  
10 gamblers, albeit, perhaps, incomplete research  
11 because it is based on player -- whatever you  
12 call those cards.

13                   MS. VOLBERG: Loyalty cards?

14                   COMMISSIONER MCHUGH: Player loyalty  
15 cards for the land-based casino. And then, of  
16 course, there's the sign up for the thing. So  
17 I don't want to -- I don't want to delay us  
18 here. I was just trying to get a feel for --  
19 for that and --

20                   COMMISSIONER ZUNIGA: I was going to  
21 say, but -- but, see, on-line gaming in  
22 New Jersey's now legal. And that's part of  
23 the point here, isn't it, that if you're  
24 engage in some activity that might be illegal,

1 or not quite legal --

2 COMMISSIONER MCHUGH: Yeah, yeah.  
3 And so, that's why we have to -- this is the  
4 baseline, and I -- I get that so we just have  
5 to watch what happens.

6 MS. VOLBERG: And we know that all  
7 of these people were gambling on line  
8 illegally because on-line gambling is not  
9 legal in Massachusetts.

10 COMMISSIONER MCHUGH: Right. Right.

11 COMMISSIONER CAMERON: Which is a  
12 risk to begin with.

13 MS. VOLBERG: Which is a risk to  
14 begin with.

15 COMMISSIONER MCHUGH: Right. Okay.  
16 Got it.

17 CHAIRMAN CROSBY: You only do it if  
18 you're desperate.

19 COMMISSIONER MCHUGH: Well, I'm not  
20 sure that's the case either.

21 CHAIRMAN CROSBY: About 22 percent  
22 may be -- maybe a higher percentage take  
23 risks. I don't know.

24 COMMISSIONER MCHUGH: I don't know.

1 I don't know.

2 MS. VOLBERG: We will be exploring  
3 this --

4 COMMISSIONER MCHUGH: And I think we  
5 -- I think none of us know, and I think that's  
6 the --

7 CHAIRMAN CROSBY: Well, we probably  
8 do have cross-tabs on this that will tell us.  
9 We can learn a lot about who these -- we know  
10 who these 22 percent are. And, you know,  
11 we've got cross-tabs on every other question  
12 in here, so we can find out, you know, their  
13 age, what else they do, where else they  
14 gamble.

15 COMMISSIONER MCHUGH: Yeah. I don't  
16 want to delay us. I get it.

17 MS. VOLBERG: There is -- there is a  
18 table in the appendices of the report that  
19 shows you the characteristics of -- all of the  
20 characteristics of the casino gamblers.  
21 There's another one that shows you all of the  
22 characteristics of the on-line gamblers. What  
23 we want do with our further analyses, though,  
24 is to, sort of, look at how those different

1 gambling behaviors or participation clusters.  
2 So, you know, it may be that as in New Jersey  
3 there's not that many casino gamblers who are  
4 gambling on line. They may be sports betters  
5 who are, you know, also gambling on line. But  
6 we don't know that yet. We haven't done those  
7 analyses.

8 COMMISSIONER MCHUGH: Right.

9 MS. VOLBERG: Okay. So here's  
10 the -- the slide that Commissioner McHugh was  
11 driving us towards, which is to show you  
12 Massachusetts compared to other states.

13 There have been  
14 problem-gambling-prevalent surveys conducted  
15 in -- in many jurisdictions, and, actually, in  
16 quite a few U.S. states. But the substantial  
17 methodological differences in the measurement  
18 of problem gambling and in how the surveys  
19 were actually conducted, has made cross-study  
20 comparisons very difficult.

21 About two years ago, Rob Williams,  
22 who's a coinvestigator, coprincipal  
23 investigator on the SEIGMA study, he and I  
24 recently -- or collaborated on a study in

1       which we identified the main, methodological  
2       differences across all of those 200 or so  
3       surveys, and we developed weights that could  
4       be applied to obtain standardized prevalence  
5       rates for nearly all of the surveys that have  
6       been conducted looking at problem-gambling  
7       prevalence since 1975. It was, sort of, to  
8       try and make the -- the oranges and apples all  
9       look more like apples.

10               The table on this slide presents  
11       standardized past-year,  
12       problem-gambling-prevalence rates for U.S.  
13       states where prevalent surveys have been  
14       conducted in the last 10 years. And what you  
15       can see is that the prevalence of problem  
16       gambling in Massachusetts is, pretty much, in  
17       the middle of the pack. We're not that  
18       different from other states that have done  
19       similar surveys in the last 10 years. But  
20       what will be interesting to see is, what  
21       happens, of course, going forward.

22               CHAIRMAN CROSBY: Has Pennsylvania  
23       not done a prevalence study?

24               MS. VOLBERG: Not as far as I'm

1           aware.

2                       CHAIRMAN CROSBY: That's amazing.

3                       COMMISSIONER CAMERON: And nor has  
4 Nevada or New Jersey.

5                       MS. VOLBERG: Nevada did do a  
6 prevalence survey in 2001, and they did an  
7 adolescent survey, actually, in 2002. I was  
8 the -- I directed that -- both of those  
9 surveys.

10                      COMMISSIONER CAMERON: Because it  
11 wasn't in the last 10 years, we didn't use it  
12 here?

13                      MS. VOLBERG: Correct. Yes.

14                      CHAIRMAN CROSBY: What would -- do  
15 you happen to remember what Nevada's was?

16                      MS. VOLBERG: It was the highest in  
17 the country at that point. I can't remember  
18 the exact rate. We have the -- we have the  
19 standardized rate in the -- in the report that  
20 Rob and I published. But, yeah, it was the  
21 highest.

22                      Interestingly, in Nevada, if I may  
23 digress, we asked people about the number of  
24 years that they had lived in Nevada. And what



1 was interesting, was to see that the  
2 prevalence rate amongst people who had lived  
3 in Nevada for 10 years or more was actually  
4 about the same as anywhere else in the  
5 country. It was -- the prevalence rate was  
6 high amongst people who had moved to Nevada  
7 within the last 10 years.

8 So it was -- it was clearly  
9 something going on with people being drawn to  
10 a state where casino gambling is extremely  
11 available, rather than, you know, sort of, the  
12 people that were long-time residents of the  
13 state.

14 COMMISSIONER ZUNIGA: Or the notion  
15 that Dr. Schafer has tested, which is this  
16 notion of adaptability.

17 MS. VOLBERG: Adaptation.

18 COMMISSIONER ZUNIGA: Adaptation.

19 MS. VOLBERG: Okay. So in addition  
20 to looking at the social and health impacts,  
21 which I've just given you a taste of, the  
22 SEIGMA team is also in the process of  
23 evaluating problem-gambling services in the  
24 state of Massachusetts. And a number of

1 questions in our baseline population survey  
2 have helped us to understand this services  
3 environment a little bit better, and I want to  
4 share some of those results with you now.

5 All of the respondents, whether they  
6 had gambled or not, were asked if they had  
7 seen or heard any media campaigns to prevent  
8 problem gambling in the past year. And as you  
9 can see in the chart on -- in the pie chart on  
10 the left, about four in 10 Massachusetts  
11 adults were aware of media campaigns to  
12 prevent problem gambling. Given that there  
13 currently are relatively -- there's relatively  
14 little in the way of resources that's being  
15 spent on problem-gambling prevention in  
16 Massachusetts, this strikes me as quite a high  
17 level of, at least, initial awareness.

18 All of the respondents were also  
19 asked if they were aware of any programs to  
20 prevent problem gambling, other than media  
21 campaigns, such as programs offered at their  
22 schools, in their workplaces, in their  
23 communities in general, or elsewhere. And as  
24 you can see in the pie chart on the right,

1 just over one in 10 adults is aware of  
2 nonmedia prevention campaigns in schools and  
3 communities. And of these, only 2 percent had  
4 participated in such programs. So this  
5 suggests --

6 CHAIRMAN CROSBY: 2 percent of the  
7 12, or 2 percent of the hundred?

8 MS. VOLBERG: Of the 12.

9 CHAIRMAN CROSBY: Of the 12. Wow.

10 MS. VOLBERG: Yeah. It turns out,  
11 it's, like, about three adults in a thousand.

12 CHAIRMAN CROSBY: Yeah. Wow.

13 MS. VOLBERG: We wanted to take a  
14 closer look at awareness of media campaigns  
15 and other prevention programs, and this next  
16 graph displays prevention awareness by problem  
17 gambling status, based on how people had  
18 responded to our problem-gambling screen.

19 The red bars represent awareness of  
20 media campaigns, while the tan bars, I think  
21 they're still tan, represent awareness of  
22 other prevention campaigns. And what you can  
23 see is that, over half of at-risk and problem  
24 gamblers in our sample are aware of media

1 campaigns to prevent problem gambling. We  
2 saw, in the previous slide, that, for the  
3 overall sample the numbers were lower for  
4 other types of programs, and this is the same  
5 here, with less than a quarter of at-risk and  
6 problem gamblers aware of nonmedia prevention  
7 programs.

8 Both overall levels of prevention  
9 awareness and awareness among different groups  
10 of gamblers have implications for designing  
11 future prevention media campaigns and  
12 programs. And it'll be interesting to see if  
13 and how these numbers change after we have  
14 expanded gaming and, presumably, expanded  
15 services in the state of Massachusetts.

16 Finally, respondents who scored  
17 above a certain threshold on our  
18 problem-gambling screen were asked if they  
19 wanted help for gambling problems within the  
20 past 12 months. If they responded yes, they  
21 were asked if they had sought help for a  
22 gambling problem. And if they had said yes  
23 they had sought help, they were asked how  
24 helpful that was. Unfortunately, only a very

1 small number of respondents answered yes to  
2 any of these questions. And so, for this  
3 reason, we were not comfortable sharing the  
4 data with the public.

5 However, what these findings do tell  
6 us is that there is a gap, and a significant  
7 gap, between the, approximately, 88,000 people  
8 in Massachusetts who were classified as having  
9 a gambling problem and the tiny number of  
10 people who reported desiring or seeking  
11 treatment for a gambling problem. This  
12 suggests that the state has a potentially  
13 underserved population that may be in need of  
14 treatment or other services, and there's  
15 clearly some work to be done.

16 I'd like to turn, now, from the  
17 social and health impacts to focus on the  
18 economic and fiscal impacts component of the  
19 SEIGMA study. We have a great team of people,  
20 as I mentioned, from UMass Donahue Institute,  
21 that's working on this part of the study. And  
22 in the next slides, I will give you a sense of  
23 their overall objective and approach.

24 COMMISSIONER STEBBINS: Doctor --

1 MS. VOLBERG: Yes.

2 COMMISSIONER STEBBINS: Can I stop  
3 you just for a second? I apologize. I know  
4 you didn't include in the slide, but you also  
5 had a breakdown in question with respect to  
6 veterans.

7 MS. VOLBERG: Yes, we did.

8 COMMISSIONER STEBBINS: Kind of,  
9 pre-911 and post-911.

10 MS. VOLBERG: Mm-hmm.

11 COMMISSIONER STEBBINS: Gaming  
12 participation by veterans and how many may be  
13 considered at risk or problem gamblers.

14 MS. VOLBERG: Yes.

15 COMMISSIONER STEBBINS: Is that  
16 information you can share, or can we go dig  
17 into the book for it?

18 MS. VOLBERG: You can certainly dig  
19 into the book.

20 COMMISSIONER STEBBINS: I will dig  
21 into the book.

22 MS. VOLBERG: What I would say is --

23 COMMISSIONER STEBBINS: I just  
24 thought it was a unique question, obviously,

1 with so much of the statute focused on  
2 veterans that -- that you incorporated that  
3 into the survey material.

4 MS. VOLBERG: Yes. And -- and  
5 the -- the results are of concern to us.  
6 The -- particularly, the veterans, who had  
7 served since 911. We asked about military  
8 service, and we broke people out, you know,  
9 whether they had served in active service in  
10 the military, whether that was before or after  
11 911.

12 The group of people who had served  
13 since 911, in our sample, despite its size,  
14 was quite small, but the prevalence rate of  
15 problem gambling was quite high in that small  
16 group. What we are planning to do is  
17 substantial further analysis, and I'll be  
18 talking to you a little bit about that later,  
19 but that is actually a group that we are  
20 particularly interested in focusing in on.

21 We also have additional survey work  
22 that we've done, where we have asked people  
23 the same question, not necessarily from a  
24 representative sample of the population, but

1 from a -- a population that has particularly  
2 high rates of problem gambling. And we'll be  
3 able to look at that relationship amongst  
4 those respondents as well, so we are  
5 definitely planning to look into that further.

6 COMMISSIONER STEBBINS: Okay. Thank  
7 you.

8 MS. VOLBERG: So this slide, gives  
9 you a sense of the overall objective for our  
10 economic and fiscal analysis, as well as the  
11 research activities that we will be using to  
12 achieve this objective.

13 The main objective of this component  
14 of the project is to measure and determine the  
15 net economic and fiscal impacts of casino  
16 facilities at the local, regional and state  
17 level by collecting both new and existing  
18 data. We're going to be collecting -- and  
19 analyzing data from before the new venues  
20 open, as the new venues are being constructed,  
21 and once they are fully operational.

22 We'll be using these data to create  
23 economic impact models using a tool called  
24 REMI to create profiles of each host



1 community, and to conduct community comparison  
2 analyses. We'll also be looking more closely  
3 at real estate and lottery data. And in the  
4 slides that follow, I want to just give you a  
5 brief taste of each of these research  
6 activities and the progress that we've made on  
7 each front over the last year.

8 Economic modeling is one of the  
9 major components of our economic and fiscal  
10 analysis. And to do this economic modeling  
11 we're using a tool called PI+, which is  
12 created and maintained by Regional Economic  
13 Models Incorporated, also known as REMI. And  
14 PI+ is often simply referred to as the REMI  
15 model. It's one of the most commonly used  
16 economic modeling and forecasting tools in the  
17 country, perhaps, in the world, and they  
18 happen to live in Amherst. How convenient.

19 REMI modeling let's us compare what  
20 impacts the operators expect with what  
21 actually happens over time. And the -- the  
22 way REMI works is that you divide the state  
23 into county-based regions. And in our case,  
24 we've created three regions based on the

1 locations of the new gambling venues that we  
2 are -- that we know about. We divided the  
3 rest of the state into three other regions,  
4 which were then able to combine as a  
5 rest-of-Massachusetts region.

6 We used the license applications,  
7 from the successful licensees, to feed into  
8 REMI, data about such things as expected  
9 employment, anticipated business revenue,  
10 construction costs, et cetera, et cetera.  
11 You've all read those applications, and you're  
12 aware of how much data there is in there.

13 REMI then projects the impact of  
14 these expected changes on the regional  
15 economies. And once data on actual economic  
16 conditions becomes available, we'll be able to  
17 compare the operator's projections to what  
18 actually happens in each regional economy, as  
19 well as in the rest of the state.

20 For example, during the baseline  
21 phase of -- of the SEIGMA project, we entered  
22 secondary economic data, as well as data from  
23 the operators' applications into the REMI  
24 model. The secondary data gave the model a

1 sense of the economic trends in each of the  
2 regions we defined, and the applications gave  
3 us a sense of what the projected impacts of  
4 the casinos might be. And that's based on,  
5 you know, the applicant's best information at  
6 the time.

7 We are now deep into the  
8 construction phase of the Plainridge Park  
9 Casino, and in this phase, we're collecting a  
10 great deal of primary data about construction  
11 and future operations of the casino itself.  
12 This includes the data listed on the slide,  
13 for example. We have a new employee survey  
14 that all of the new employees are completing.  
15 We're getting regular information from  
16 Penn National on payroll, and from -- from  
17 Pinck on vendor spending. And all of that is  
18 being entered into the model as well.

19 Adding these data to the REMI model  
20 will enable us to estimate regional impacts in  
21 Plainville and its surrounding communities  
22 using actual operational data, rather than  
23 estimates. And what we'll be able to do is,  
24 sort of, look at those estimates and see how

1 realistic they ultimately end up having been,  
2 looking at this very real -- real-time data.

3 We're also hard at work on creating  
4 a set of host community profiles. These  
5 profiles provide an overview of economic  
6 trends in each of the selected host  
7 communities before any of the venues are  
8 operational. We're actually going to be  
9 presenting these profiles at the next meeting  
10 of the Gaming Policy Advisory Committee, which  
11 is on next Tuesday, on the 16th. And on that  
12 same day, we anticipate, or shortly  
13 thereafter, we anticipate releasing PDFs of  
14 those profiles on our Web site.

15 We're going to be tracking the data  
16 contained in these profiles over time to chart  
17 changing economic trends, both before and  
18 after the state's new gambling venues become  
19 operational.

20 CHAIRMAN CROSBY: Could you back  
21 that up?

22 MS. VOLBERG: Sure.

23 CHAIRMAN CROSBY: That's more than  
24 than the host communities. You're doing --

1 MS. VOLBERG: That's the host and  
2 surroundings communities.

3 CHAIRMAN CROSBY: Right. It says  
4 "host." You're doing this for the -- the host  
5 community and the surrounding communities are  
6 being lumped together into one category,  
7 right?

8 MS. VOLBERG: I believe not. I  
9 believe we're focusing just on the host  
10 communities at the moment.

11 CHAIRMAN CROSBY: Okay.

12 MS. VOLBERG: And -- and the REMI  
13 model is where -- is really where we're going  
14 to be looking more at the -- the host and  
15 surrounding communities together.

16 CHAIRMAN CROSBY: Okay. Well,  
17 anyway, that slide had two different things on  
18 it.

19 MS. VOLBERG: Yeah. We're limited  
20 in the number of maps that we, sort of, can  
21 like --

22 CHAIRMAN CROSBY: Okay.

23 MS. VOLBERG: But we'll -- we'll  
24 edit that map for subsequent presentations.

1                   CHAIRMAN CROSBY: Okay.

2                   MS. VOLBERG: This is just one of  
3 the ways in which we'll be reporting out  
4 trends within the host community profile. I  
5 just want to, sort of, have an example for  
6 you. This shows government spending in  
7 Plainville, and how it changed over the last  
8 10 years. You can see general government,  
9 spending, police, fire, other public safety,  
10 education, et cetera, et cetera. And then,  
11 also in this -- in this chart is tax levies  
12 and -- and revenues coming to -- to Plainville  
13 over that 10-year period. So this is just an  
14 example as one of many, you know, sort of  
15 different graphic presentations that we're  
16 going to have for you in these host community  
17 profiles.

18                   One of the questions that often  
19 comes up in the wake of a major policy change,  
20 like The Expanded Gaming Act, is what would  
21 have happened if the state of Massachusetts  
22 had not legalized casino gambling? And this  
23 can be a very difficult question to answer.  
24 It's pretty hypothetical. You know, you've

1 got the casinos, and they're coming. But  
2 economists have actually come up with a way to  
3 try and answer that this question by using a  
4 comparative method. The approach is to  
5 compare the communities that will host the  
6 state's new gambling venues to similar  
7 communities elsewhere in the region without  
8 casinos or slot parlors.

9 So for each of the host communities,  
10 we have identified several similar communities  
11 that do not have a casino and are not located  
12 near a casino. The criteria that we used to  
13 match communities included geographic  
14 location, distance from an existing casino,  
15 having a similar population, demographics and  
16 size, and per capita income. We selected the  
17 five best matches for each host community.  
18 And we also made sure that at least one of the  
19 matched communities was in Massachusetts.

20 We will be comparing a lot of  
21 different types of secondary economic impacts  
22 across the host and match communities, and  
23 this will help us tell the difference between  
24 changes that are caused by the casinos, and

1 changes that are part of broader economic  
2 trends that are affecting the region more --  
3 more generally.

4 Using the criteria identified in the  
5 last slide, we chose a set of comparison  
6 communities, which are displayed on this map,  
7 and probably a little hard to read, we're  
8 going to be following all of these communities  
9 over time. So we're going to have trend data  
10 for all of these communities as time changes.

11 CHAIRMAN CROSBY: Just pick one.  
12 Pick Springfield and just give --

13 MS. VOLBERG: Okay.

14 CHAIRMAN CROSBY: -- so people can  
15 get the idea.

16 MS. VOLBERG: Sure. So for  
17 Springfield, we chose the following  
18 communities as comparison communities,  
19 Bridgeport, Connecticut; Worcester,  
20 Massachusetts; Hartford, Connecticut; New  
21 Haven, Connecticut, and Syracuse, New York.  
22 For Everett and for Plainville, again, we had  
23 five communities that were -- that were  
24 selected to -- to be matching communities. We



1           also are using an average of those five  
2           communities to compare. So it's a complicated  
3           set of analyses.

4                         CHAIRMAN CROSBY: It's one of the  
5           most -- one of many, and one of the most  
6           interesting aspects of this to me, because it  
7           always -- you always wonder, what are the  
8           variables? You know, if bankruptcy rates go  
9           up, you -- you don't want to automatically  
10          assume that bankruptcy rates went up because  
11          of the casinos. You want to try to figure  
12          out, were there other variables? So here  
13          we'll have five other communities to compare.  
14          If bankruptcy rates went up in all five  
15          communities, then, it probably doesn't have  
16          anything to do with the casinos. But it's  
17          just an incredible effort to isolate variables  
18          as much as we can. Any research project like  
19          this isn't perfect, obviously. But I think  
20          the researchers are really taking it to the  
21          nth degree to try to isolate the variables so  
22          that the people of Massachusetts really will  
23          be able to understand what, indeed, happens  
24          when you introduce casinos to Massachusetts.

1 It's really -- it's very cool.

2 MS. VOLBERG: Yeah. And I think the  
3 other point that I would make is that, so many  
4 of the different pieces of -- of the research  
5 project that -- that we're doing, you know,  
6 you take them in isolation and it's, sort of,  
7 like, okay, well, that's kind of interesting,  
8 but that's not going to answer, like, whatever  
9 big question somebody has. And what's  
10 sometimes hard to remember is that we actually  
11 have so many different kinds of data that are,  
12 sort of, focusing in different ways on these  
13 different issues that you're able to do  
14 something called triangulation, where you  
15 have, like, you know, qualitative data and  
16 quantitative data, you have primary data and  
17 secondary data, and you're able to take all of  
18 those things and find out if you're getting a  
19 consistent finding or result that -- that  
20 comes from all of those different ways of  
21 looking at the picture. If you get a  
22 consistent result across those different ways,  
23 that increases your confidence in -- you know,  
24 that what you're finding is actually a

1 reliable and trustworthy finding.

2 So the study is really designed, in  
3 a lot of ways, to -- to not just have any one  
4 piece of information flow that's focused on a  
5 particular issue but to have many.

6 Okay. The gaming commission is  
7 mandated by the state to consider the impact  
8 of the state's new casinos on the lottery, as  
9 I'm sure you're all aware. And the state  
10 lottery has been very generous in sharing data  
11 with our team, so we will be able to look at  
12 this very closely within Massachusetts. In  
13 fact, we're hopeful that we may be able to  
14 look at impacts at the county or community  
15 level, which actually has never been done  
16 before.

17 The reality is that there is not a  
18 lot of good information on the subject of how  
19 the introduction of casinos impacts spending  
20 on lotteries. The studies that do exist  
21 explore the extent to which spending on  
22 lotteries is -- and casinos substitute for one  
23 another. Which means that, you know, you  
24 introduce a casino and suddenly the spending

1           that -- that was -- that people were doing on  
2           lottery, they decide to go over to the casino  
3           and spend that money, and so revenues for the  
4           lottery drop.

5                        So the -- the studies that do exist  
6           explore whether -- whether an increase in  
7           money spent on casinos decreases the amount of  
8           money that people spend on lottery. And  
9           the -- the existing studies actually present  
10          somewhat mixed results. So there's a small  
11          number of studies, and they're somewhat mixed.  
12          With earlier studies indicating that as casino  
13          revenue increases, net lottery revenue  
14          decreases, suggesting substitution, but with  
15          later studies indicating that this effect may  
16          actually depend on the type of lottery that  
17          you have, and on the type of lottery games  
18          that are offered.

19                       So, for example, when state  
20          lotteries earmark money for specific purposes,  
21          as Massachusetts does, there is less of a  
22          decrease in lottery revenue. And the severity  
23          of the increase is also -- differs by the type  
24          of lottery game, with greater impacts seen on

1 monitor games, such as Keno, rather than on  
2 instant games or traditional large-jackpot  
3 games.

4 CHAIRMAN CROSBY: Or -- or  
5 large-jackpot games?

6 MS. VOLBERG: Mm-hmm.

7 CHAIRMAN CROSBY: Yeah. It's  
8 interesting because you would -- you'd think  
9 that scratch tickets would be the most  
10 analogous, kind of, to a slots machine, and  
11 given that we are so slots -- so  
12 scratch-ticket-intensive in Massachusetts,  
13 you'd think that would be an issue, but it's  
14 nice to hear the research doesn't bear that  
15 out.

16 MS. VOLBERG: Although, the research  
17 is it limited so we're hoping to contribute to  
18 that.

19 CHAIRMAN CROSBY: Right. Well,  
20 we'll figure it out.

21 MS. VOLBERG: Yes, we will. We'll  
22 do our best. So I hope the slides that I've  
23 presented today have given you a sense of  
24 everything that we've been up to for the past

1 year, or since the last time that I came and  
2 presented. I've been trying to remember when  
3 that was, and I think it might have been back  
4 in November, but that was for another piece of  
5 work.

6 In the next few slides, I'd like to  
7 give you a sense of what some of our immediate  
8 next steps include. We're going to be busy.

9 In the coming year, we plan to move  
10 forward with all of the work that I've spoken  
11 about today. This slide lists just a few of  
12 our immediate priorities. These include  
13 deeper analysis of the baseline survey data,  
14 analysis of other survey. So, for example, in  
15 addition to the baseline survey, my team and I  
16 have also conducted a number of additional  
17 supplemental surveys, including a series of  
18 targeted population surveys that we're  
19 conducting in each of the host and surrounding  
20 communities of the new gambling venues.

21 In each of these surveys, we  
22 interviewed an additional 1,000 people in  
23 these areas, in order to be able to pinpoint  
24 community-level impacts. So far, we have

1 greater Boston. We actually had enough  
2 respondents in our baseline survey that we  
3 didn't have to do additional work in greater  
4 Boston. We also have data in hand from  
5 Plainville and its surrounding communities,  
6 and we're about to leave the field with  
7 information from almost 1,100 folks from  
8 Springfield and its surrounding communities.

9 In addition to these  
10 geographically-targeted surveys, we also  
11 conducted an on-line survey using a company  
12 that gives people incentives to complete  
13 surveys on line. I mentioned this a little --  
14 a little while ago in relation to the vets. A  
15 unique feature of this kind of survey is that  
16 it tends to have a larger number of people who  
17 gamble, and a quite high proportion of people  
18 who have gambling problems. And this is going  
19 to enable us to take a deeper look at these  
20 groups, and we're eager to do that in the  
21 coming months.

22 Beyond our surveys, we're hoping to  
23 wrap up our baseline evaluation of  
24 problem-gambling services, and we'll then

1 continue collecting and updating secondary  
2 data. We're also looking forward to sharing  
3 results from many of these activities as we  
4 move forward over the next year.

5 CHAIRMAN CROSBY: We'll also be  
6 sharing the raw data at some point, right?

7 MS. VOLBERG: Yes.

8 CHAIRMAN CROSBY: Yeah. And we  
9 have -- I think it's -- I think it's in the  
10 legislation, but if it isn't in the  
11 legislation, it's certainly our intent that  
12 the -- not only will the results be available  
13 for researchers around the world, and  
14 policymakers and so forth, but the raw data  
15 will be available so other people can come in  
16 and do their own research and analysis.

17 MS. VOLBERG: Yeah. And the --  
18 there's a certain number of -- of processes  
19 that have to be put in place to, sort of, you  
20 know, ensure the confidentiality and privacy  
21 of -- of the respondents, and make sure that  
22 people's identities are protected. So  
23 there's -- there's a fair amount of work to be  
24 done to figure out how to do that, but there



1 are mechanisms in place, and we are looking  
2 into those right now.

3 So I began the presentation by  
4 sharing a handful of results from the baseline  
5 population survey that we conducted last year.  
6 I also told you about the economic profiles of  
7 host communities that our economic team is in  
8 the process of creating. Hopefully, both of  
9 these items will be available as PDFs, on the  
10 SEIGMA Web site at the address that you see on  
11 this slide, [www.umass.edu/seigma/reports](http://www.umass.edu/seigma/reports).

12 There's an executive summary, as well as a  
13 complete baseline survey report that should be  
14 available on the Web site right now, or  
15 shortly. They are? Oh, thank you, Martha.  
16 They're available right now. The profiles --  
17 the host community profiles will be posted  
18 later this summer. And we hope that you and  
19 everyone else in the audience who's interested  
20 will visit the Web site and check them out.

21 I'm going to turn the microphone  
22 over to Amanda at this point, who's going to  
23 walk you through one of the most exciting ways  
24 that we are hoping to share data with the

1 public.

2 MS. HOUPT: I'm going to stay back  
3 here so that I can show you what I'm going to  
4 show you. And I guess this is the part of the  
5 presentation we can call, and now for  
6 something completely different.

7 So my name's Amanda Houpt, and I'm  
8 the SEIGMA project manager. I'm sorry if all  
9 of you can't see me. What we're looking at  
10 here is our -- is our Web site. And I'm going  
11 to share with you one of the things that I  
12 think is most exciting.

13 When I think about the research  
14 mandate and the work that we're doing, one of  
15 the things that excites me most is both the  
16 research mandate's commitment on sharing our  
17 findings and data with a broad, general public  
18 audience, I think that's one of the most  
19 exciting parts about it. I think that,  
20 oftentimes, when you do research there's a  
21 real lag between the research that's done and  
22 applying that research. And one of the things  
23 that's nice about sharing findings very  
24 broadly, and being committed to that and

1           trying to do that is, it really limits the gap  
2           between the time in which it takes to collect  
3           data and do something about it. So I want to  
4           showcase one of the ways that we're going to  
5           be using to -- to share our data with a broad,  
6           general public audience.

7                        Increasingly, as time goes forward,  
8           our Web site's going to be a wonderful place  
9           to get information about the work that we're  
10          doing. And -- and we're on, yet, another of  
11          the tabs, Rachel highlighted the reports tab,  
12          but this is the data tab of our Web site. And  
13          now, at the click of a button, you can access  
14          a whole lot of data.

15                       So for the purposes of this  
16          demonstration, what I'd like you to do, is I'd  
17          like you to imagine that you're from one of  
18          the state's new casino host communities. So  
19          imagine that you're from Springfield, Everett  
20          or Plainville. For some of you, who are from  
21          these communities, this won't be hard. Other  
22          folks will just have to use your imagination.  
23          And I want to pretend that, for the purposes  
24          of this demonstration, you're interested at

1 looking at suicide rates in your own  
2 community. Now, at the click of a button,  
3 truly, by going through our Web site, you can  
4 access these data. And we'll just wait for  
5 them to load.

6 What you're seeing here on the  
7 screen in front of you is what's called an  
8 interactive Web application. And that's just  
9 a complicated way of saying it's a tool that  
10 will enable you both to look at a bunch of  
11 different data and interact with those data on  
12 line. So what you're seeing here on this  
13 screen, it's just, sort of, a summary that  
14 tells you how to use the app. You can look at  
15 the data by clicking on the different tabs, as  
16 I'm doing now, and you can see it in tabular  
17 form, which isn't that glamorous, and plot  
18 form. And I'll show you how this works.

19 So what you can do is, you can  
20 select the county that you're interested, for  
21 this particular app. This might be different  
22 on a different app. And I'll model a city  
23 app. here in a just a minute. But you can  
24 pick the county that you're interested in

1 looking at. And since we're from the state's  
2 casino host communities, what I'd like do is  
3 put in those counties. So I'm going to put in  
4 Hampden County, Middlesex and Norfolk. Pardon  
5 my typing. It's hard to type far away in  
6 front of people.

7 So you can see that, as I typed in  
8 each one of those county names, a line  
9 appeared on the plot that you've got. And  
10 when you click on these boxes, Massachusetts  
11 and U.S., other lines will appear.

12 Without going into the particular  
13 measures that are showcased on the site, just  
14 at a glance what you can see, the yellow line  
15 at the top is the U.S., and just at a passing  
16 glance, just having typed this in and looking  
17 at it now, it appears as though suicide rates  
18 in the United States, generally speaking, are  
19 a bit higher than they are in our state and in  
20 the host counties of the new gambling venues.  
21 So this is one way to look at the data, and  
22 one way to, sort of, compare communities to  
23 one another, and compare how things change  
24 over time.

1                   Another way that you can do that  
2                   within each of the apps that we've created is  
3                   by actually mapping the data. So here, you  
4                   get to pick a timespan. You can pick a single  
5                   year, or you could pick multiple years. I'm  
6                   going to keep it simple and go with all the  
7                   defaults. We're going to look at a single  
8                   year, we're going to look at 2012. I'm going  
9                   to click on "generate map," and what you can  
10                  see is the state of Massachusetts broken out  
11                  into its counties. And based on the  
12                  saturation of the color, you can see  
13                  differences in on how high or low the suicide  
14                  rate is. If I was interested in my particular  
15                  county, maybe I could click. I could click.  
16                  And I could get the precise measure. I could  
17                  understand what the rate was. And I could  
18                  click on any other county and get that  
19                  information.

20                  I think this is really exciting,  
21                  because I think a lot of times data is  
22                  something -- we have a lot of access to data.  
23                  There's a lot of data that's collected on a  
24                  national level, at a state level, and it is

1 made accessible to the public, but very few  
2 people go through and click through to get the  
3 data, and it's even harder to understand when  
4 you do get it. So the beauty of this is it  
5 really packages data in a way that might be  
6 user-friendly for a broader audience. And it  
7 enables them to see and interact with data  
8 they might not ever -- ever appreciate or see  
9 before.

10 So I want to give you one more  
11 example of this, and you have to bear with me  
12 while I do it. Oh, no, sorry, guys. So I'm  
13 going to click on household income. So let's  
14 pretend for a minute that we're not interested  
15 in suicide rate, we're interested in household  
16 income. The reason I want to show this one is  
17 that, while suicide looks at the county level,  
18 the suicide rate is presented at the county  
19 level, household income is presented at the  
20 city level, and I just wanted to give you a  
21 different view.

22 So when you click on this you get  
23 the same thing, a summary of how to use it.  
24 You can see the data in a table form, and you

1 have some options here, if you wanted to play  
2 with it. You can also plot the data.

3 There are a couple of notable  
4 changes between this app and the other one  
5 that I showed, and it just illustrates a few  
6 of the different ways that we can illustrate  
7 and show the data. On this particular app  
8 you're looking at an estimate based on a  
9 five-year average, and you're looking,  
10 obviously, at something that let's us look at  
11 the city level. So what you've got is a  
12 series of bar charts when you plot it. You  
13 got the city, the county, the state, and the  
14 United States.

15 So if we were interested in one of  
16 the states, new community, let's say we were  
17 interested in Plainville, we could actually  
18 scroll down and select Plainville from the  
19 list -- well, you could if you were -- I'm  
20 struggling. Well, let's just say that we're  
21 interested in Abington 'cause it's up there.  
22 You get the idea. You can see, and you can  
23 compare how those communities relate to the  
24 rest of the United States and to the -- to the



1 state as a whole. You also, just like you  
2 could with the other app., you can pick a  
3 five-year period of time. Let's pick the most  
4 recent period of time, and you can click  
5 "generate map" to be able to map these data.  
6 And, once again, both in a general sense, you  
7 can look at, based on the saturation of the  
8 color, how this rate of household income  
9 changes or is different from community to  
10 community. And if you wanted to click on your  
11 particular community, let's pretend we're  
12 interested in Plainville, you can get the  
13 actual measure in your own community.

14 So we don't have to explore these in  
15 any great length and talk about what these  
16 findings mean. The real point in showing them  
17 is, we've been trying to get creative about --  
18 about how we go about sharing our data and our  
19 findings with people, and this is one of the  
20 ways that we're exploring.

21 So right now, we have just a handful  
22 of apps available on the Web site. We're  
23 going to be working very hard to add to that  
24 list for almost all of the secondary data

1 measures that we presented earlier. And with  
2 a click of a button, just as I've shown you  
3 today, people will be able to interact with  
4 these data and understand their communities  
5 and other communities of interest better  
6 across the commonwealth.

7 Over time, one of the -- the  
8 challenges, and one of the exciting things  
9 ahead of us is, we're going to try to figure  
10 out how to put our own primary data up on  
11 these apps so that people can interact with it  
12 as well. And we're excited to do that.

13 Before I close out, just showing off  
14 Shiny, I just want to thank a couple of  
15 people. We have this team of amazing graduate  
16 students. That's the part of the project you  
17 can't see. We've mentored all these amazing  
18 students, and this app would not exist without  
19 them. They are so tech-savvy, so good at  
20 code, so I just want to acknowledge them  
21 quickly. Emily Ramos, Xuelian Li,  
22 Jenna Kiridly and Arvind Ramakrishnan. They  
23 were absolutely amazing in creating these.  
24 And I also just want to acknowledge the tool.

1 It's a tool called Shiny that's put out by a  
2 company called R Studio, which is  
3 Massachusetts based. So if you're out there  
4 watching and want to make your own apps, reach  
5 out to them 'cause they're amazing. And  
6 that's all I really want to say about these.

7 CHAIRMAN CROSBY: Yeah, I just want  
8 to highlight that. You know, to produce it to  
9 its simplest and most important point, people  
10 of Massachusetts will be able to go to a Web  
11 site, click on their community and figure out  
12 what's happened to their community with any of  
13 these variables as you saw, suicide rates,  
14 household income, and what's happened to  
15 those, once we start to -- once we introduce  
16 the casinos.

17 As you well know from the debates  
18 about casinos, whether they're a good idea or  
19 a bad idea, which, you know, the people who  
20 hate them say that what you get is increases  
21 in crime, increases in traffic, increases in  
22 bankruptcies. People who like them say what  
23 you get is increases in jobs and new revenues,  
24 economic development. Well, this will no

1 longer be people yelling bumper stickers at  
2 each other. People will be able to go -- the  
3 people of Springfield and the people of  
4 Everett, and the people of Plainville, and the  
5 people of surrounding communities will be able  
6 to go to their communities and see exactly  
7 what has happened. And policymakers will see  
8 it, regulators will see it, the operators will  
9 see it. It will also be a near -- real --  
10 some of it, at least, will be -- all of it  
11 will be a feedback loop, some of it a near  
12 real-time feedback loop- that will tell us if  
13 we see, yes, there is an increase in the  
14 suicide rates and it does appear to be related  
15 to casinos, we'll know that and we'll have the  
16 tools to -- with us and the legislature to  
17 figure out, how do we address it? Or if you  
18 see an increase in DUIs, we'll -- that clearly  
19 is related to the casinos. And we're doing  
20 some incredibly interesting work, as you heard  
21 at our last meeting, working with local police  
22 to track casino-related crimes. If you see an  
23 increase in DUIs that is related to casinos,  
24 we'll know the casino's are doing something

1 wrong and we'll be able to work with them  
2 immediately.

3 So it is a really -- it's a really  
4 extraordinary tool, principally, for the  
5 citizens of Massachusetts to know, to a  
6 certainty, what happens when you introduce --  
7 introduce casinos to their communities, but,  
8 also, to regulators and policymakers alike on  
9 how to deal with those consequences.

10 COMMISSIONER MCHUGH: Yeah, this is  
11 really powerful, and it's fascinating, even to  
12 look at these baselines and be able to play  
13 with the baselines. So it's -- it's great  
14 work.

15 CHAIRMAN CROSBY: Yeah.

16 COMMISSIONER CAMERON: Along those  
17 same lines, I had a question, and maybe it's  
18 Director Vander Linden. You mentioned, at the  
19 beginning, that Dr. Jeff Marotta was very good  
20 at applying the research to programs and  
21 services.

22 MR. VANDER LINDEN: Right.

23 COMMISSIONER CAMERON: And I'm just  
24 wondering, you know, the research is really

1 valuable, the data, but unless you apply it,  
2 unless you take it and do something with it in  
3 a positive way, it's not nearly as valuable.  
4 One of the reasons you know I'm excited about  
5 the crime portion of this, is the ability to  
6 have real-time information and put a  
7 public-safety strategy together immediately  
8 to -- to address the issue. Have we given  
9 thought to how to use this to address some of  
10 the issues that may -- that may -- that the  
11 research demonstrates?

12 MR. VANDER LINDEN: Right. We're in  
13 the process of -- of creating, well, a couple  
14 strategic plans, really. But in two weeks  
15 we'll talk about a -- kind of an initial plan  
16 for the southeastern Mass area. And it's  
17 partly built on this, but I think that we  
18 haven't fully utilized this report in  
19 southeastern Mass because it was -- it was  
20 really fresh data that hadn't gone through the  
21 full analysis yet. But as we look to the  
22 larger, broader, statewide strategic plan,  
23 this becomes a central document in informing  
24 -- informing where we go and how that plan is

1 constructed. I mean, I -- I could give you an  
2 example.

3 So we talked about what is the-- the  
4 prevalence rate of problem gambling? What the  
5 prevalence rate of at-risk gambling? And that  
6 is all -- and we had a discussion about how do  
7 you come to those determinations? People  
8 answered a series of questions that -- that  
9 led to the determination of what the  
10 prevalence rate for -- for that was.

11 So one of the questions was, in the  
12 past 12 months, when you gambled, did you go  
13 back another day to win back the money that  
14 you had lost? Very specific question.  
15 8.7 percent, 76 percent of the respondents  
16 said yes, that they -- they had done that. I  
17 think that -- that while it's interesting to  
18 say we have this percentage of -- of at-risk  
19 gamblers, I think that there is specific  
20 messaging that we can do. Specific  
21 educational campaigns, responsible gaming  
22 messages that we can apply to this specific  
23 data point right here. And then, you will  
24 see, we will do that through -- through our

1 responsible-gaming initiatives. Through the  
2 problem-gambling prevention initiatives that  
3 you see. This will be information that we can  
4 take to the responsible gaming information  
5 center and start thinking about, how can we  
6 talk to people about chasing their losses?  
7 How can we -- another piece is, in thinking in  
8 the last 12 months, have you felt guilty about  
9 the way that you gambled, or what happens when  
10 you gamble? 12.7 percent said they're  
11 sometimes, most of the time or almost always.

12 A really important piece of data to  
13 think about. What tools -- what can we do to  
14 help create an informed player base that would  
15 help address that specific issue right there?

16 COMMISSIONER ZUNIGA: Let me just  
17 expound on that, because that's one of the  
18 powerful things about the -- the amount of  
19 data that we have collected here and will  
20 continue to collect. The differences, say  
21 ethnic differences, will help us target  
22 messages to outreach, will help DPH inform  
23 programs, just -- just the ability to slice,  
24 you know, a number. You know, a prevalence



1 number, for example, or views. When you  
2 corroborate that with how people -- the  
3 attitudes towards gambling, you know, you  
4 can -- you can really start targeting and  
5 making very efficient programs, which is  
6 ultimately a lot of what the public health  
7 trust fund monies is designed to be going  
8 towards. But the first step is to do the  
9 research to actually be able to target them.

10 MR. VANDER LINDEN: Right.

11 COMMISSIONER STEBBINS: I -- I think  
12 it is -- I mean, first of all, it's a little  
13 understated, I think, this morning,  
14 understanding how important all this baseline  
15 research is, and what this report is going to  
16 mean to communities in the state going  
17 forward. If our licensees were unveiling this  
18 report, we'd be shooting off confetti cannons  
19 or something, at this point, to highlight how  
20 important it is.

21 And to thank our chairman and  
22 Commissioner Zuniga, because they have been  
23 attached to this research project from the  
24 beginning, and stewarding it with -- with

1 UMass, and with Rachel, and with Mark all the  
2 way, to this point and going forward.

3 Is there an assumption, and maybe  
4 for our ombudsman to think about, how  
5 communities will use this data, or is there a  
6 plan to use this data as we begin to think  
7 about applications in the future for the  
8 community mitigation fund?

9 COMMISSIONER ZUNIGA: Absolutely. I  
10 mean, there's -- there's so much data here  
11 that will inform, you know, all kinds of  
12 mitigation questions that -- that will come up  
13 or, you know -- and it'll all be available to  
14 whoever wants to look at it. It's an  
15 unequivocal yes, I would argue.

16 CHAIRMAN CROSBY: We may have  
17 created a monster, but it's a good -- it's a  
18 good monster. It's our monster.

19 COMMISSIONER ZUNIGA: Well, it's  
20 data driven. No, no. It's -- it's -- you  
21 know, data driven informs decision-making.

22 COMMISSIONER MCHUGH: It's not a  
23 monster at all. I mean, the more data the  
24 better. And -- and we've got all these --

1 now, these -- these tools to analyze the data,  
2 and to present it in understandable ways.  
3 This is -- this very, very good.

4 CHAIRMAN CROSBY: Agreed.

5 MS. VOLBERG: I have just a few more  
6 remarks. So I hope we've succeeded, both in  
7 giving you sense of the baseline survey  
8 findings, and the immense amount of work that  
9 we've done over the past two years.

10 This research project and the  
11 legislation that mandated it, truly are  
12 unique. And the state of Massachusetts is  
13 doing something that no other jurisdiction in  
14 the world has done. And I truly, truly am  
15 thrilled to be part of it.

16 I'm excited to look more deeply at  
17 the survey findings that I shared with you  
18 today, and to continue analyzing the baseline  
19 data. I'm also excited to look forward to the  
20 next phase of this project, as we move out of  
21 the baseline and into the operational phase.

22 As Plainridge Park opens its doors  
23 on June 24th, we are going to be moving into  
24 this new operational phase of the study.

1 We'll have access to actual data, and we can  
2 begin to look at the early impacts of this new  
3 venue on the state.

4 Over time, as the other casinos  
5 open, we'll be able to look at even more data  
6 and report our findings to you. One year  
7 after all of the casinos are open, we will be  
8 conducting another population survey identical  
9 to the one I presented to you today.

10 Measuring the same behaviors, and  
11 using the same methods at subsequent points in  
12 time is so essential to monitoring trends.  
13 We're going to be able to monitor changes in  
14 attitudes, changes in gambling participation,  
15 and changes in problem-gambling prevalence.  
16 And these results are going to be critical.  
17 As you've all, sort of, touched on in -- in  
18 these final few moments, these are all going  
19 to be critical in developing data-driven  
20 strategies to promote responsible gambling,  
21 raise awareness about problem gambling, and  
22 design general and targeted services, both  
23 prevention and treatment for problem gamblers  
24 and their families throughout the

1           commonwealth. It's a true privilege to be  
2           here, and I am so proud. Thank you.

3                       CHAIRMAN CROSBY: Thank you very  
4           much, Rachel.

5                       COMMISSIONER MCHUGH: Thank you very  
6           much.

7                       COMMISSIONER CAMERON: Thank you.

8                       CHAIRMAN CROSBY: I just -- I do  
9           want to add one thing. It's important to know  
10          who funds and controls research like this.  
11          And all of the funding for the research is  
12          provided by the gaming commission.

13          Eventually, it will come out of the public  
14          health trust fund, which is a commission that  
15          we can control -- which is a trust fund that  
16          we control with the secretary of health and  
17          human services. At the moment, it's coming  
18          out of our operating budget. Our operating  
19          budget is an assessment on our licensees, so  
20          it's their money, but it's under our control.

21                       The decision-making about -- the  
22          ultimate decision-making, we do have advisers,  
23          as Mark talked about, including we have  
24          advisers from the licensees. We felt it was

1 important that they have an opportunity to  
2 talk about the research project. But the  
3 ultimate control and authority to control the  
4 methodology, the presentation, the agenda and  
5 so forth from this research project, is held  
6 jointly by the commission, and, again, the  
7 secretary of health and human services, who  
8 has designated the department of public  
9 health. So the decisions are the commission's  
10 in coordination with the department of public  
11 health. Both parties have to agree on all  
12 decisions. We are the ultimate, responsible  
13 and controlling parties for this research.

14 COMMISSIONER ZUNIGA: And on that  
15 note, I just want to thank you, thank  
16 everybody. Thank Mark, thank the whole team  
17 at UMass. You are only three of you here, but  
18 there's many watching at -- at their computers  
19 and back at Amherst and et cetera. Many of  
20 our advisers in the GRAC and the GPAC, this is  
21 really a great milestone for us and the  
22 commonwealth, and -- and I just want to thank  
23 you very much.

24 MS. VOLBERG: Thank you. Thank you

1 very much.

2 CHAIRMAN CROSBY: I agree.

3 COMMISSIONER MCHUGH: I join in  
4 those things. I think we all do.

5 CHAIRMAN CROSBY: Anything else?

6 COMMISSIONER MCHUGH: Great.

7 CHAIRMAN CROSBY: I think our plan  
8 is, it's quite close to 12:30, perfect timing,  
9 Dr. Volberg. Our plan is to take a temporary  
10 adjournment. Shall we say a half hour? And  
11 we will reconvene in 37 minutes, at  
12 one o'clock. Yeah.

13 MR. DAY: I'd like to just to take  
14 an hour, because the schedule had been set --

15 CHAIRMAN CROSBY: Oh, because the  
16 other items are set and we've missed a topic.  
17 Okay. Item -- the second section that was  
18 going to come up first after lunch, the  
19 presentation of the Southeastern Mass Public  
20 Health Services strategic plan we're  
21 postponing for two more weeks, so that saves  
22 us an hour. The other item, people are  
23 expecting to be at -- working on that  
24 schedule, so we will take an hour for lunch

1 and come back at, let's say, 1:30, and pick it  
2 up with the Investigations and Enforcement  
3 Bureau report. Thank you.

4 COMMISSIONER MCHUGH: Thank you.

5 COMMISSIONER CAMERON: Good work.

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7 (Proceeding suspended at 12:25 p.m.)  
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1 ON BEHALF OF THE MASSACHUSETTS GAMING COMMISSION:

2 Mark Vander Linden, Director of Research and  
3 Problem Gambling

4 Rick Day, Executive Director

5

6

7 Guest Speakers:

8 Rachel Volberg, PhD, SEIGMA Co-principal

9 Investigator

10 Amanda Houpt, SEIGMA Project Manager

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C E R T I F I C A T E

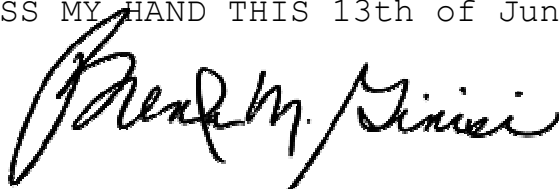
I, Brenda M. Ginisi, Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Brenda M. Ginisi, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive of Transcript Format.

I, Brenda M. Ginisi, further certify that I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by verbatim means, and transcript produced from computer.

WITNESS MY HAND THIS 13th of June 2015.



BRENDA M. GINISI  
Notary Public

My Commission expires:  
June 18, 2021