



TO: Chair Judd-Stein, Commissioners Hill, O'Brien, Skinner, Maynard

FROM: Mark Vander Linden, Director of Research and Responsible Gaming, Bonnie Andrews, Research Manager

CC: Todd Grossman, Interim Executive Director

DATE: November 2, 2023

RE: Recommendations from FY23 Research Agenda

Background

The Expanded Gaming Act enshrines the role of research in understanding the social and economic effects and mitigating the negative consequences of casino gambling in Massachusetts. To this end, with the advice of the Gaming Policy Advisory Committee, the Commission is charged with carrying out an annual research agenda to comprehensively assess the impacts of casino gambling in Massachusetts.

Specifically, M.G.L. Chapter 23K §71 directs the research agenda to examine the social and economic effects of expanded gambling and to obtain scientific information relative to the neuroscience, psychology, sociology, epidemiology, and etiology of gambling. M.G.L. Chapter 23N, §23 extends the scope of the research agenda to include an understanding of the effects of sports wagering in the commonwealth.

As part of enacting the annual research agenda, M.G.L. Chapter 23K §71 directs that:

The commission and the committee shall annually make scientifically-based recommendations which reflect the results of this research to the house and senate committees on ways and means, the joint committee on economic development and emerging technologies, the joint committee on mental health and substance abuse and the joint committee on public health. The commission shall consider any such recommendations, research and findings in all decisions related to enhancing responsible gambling and mitigating problem gambling.

M.G.L. Chapter 23N §23 further states:

Annually, the commission shall make scientifically-based recommendations that reflect the results of the research under clause (a) to the clerks of the senate and house of representatives, the senate and house committees on ways and means, the joint committee on economic development and emerging technologies, the joint committee on mental health, substance use and recovery and the joint committee on public health. The commission shall consider any such recommendations, research and findings in all decisions related to enhancing responsible gambling and mitigating problem sports wagering. The recommendations shall be posted on the commission's website.



The MGC worked in collaboration with Greo, an independent knowledge translation and exchange organization, to synthesize key findings and recommendations from the FY23 research agenda.

Approach

MGC's legislatively mandated research agenda is guided by a strategic plan that outlines seven key focus areas for research: economic impact; social impact; community-engaged research; public safety; responsible gaming program evaluations; Massachusetts gambling impact cohort; and data sharing. These focus areas were used as the organizing framework in this brief.

The six studies published as part of the FY23 research agenda were grouped into three distinct categories based on this framework, including: 1) Community engaged research, 2) Social and economic impact, and 3) Casino impact on public safety/surrounding areas.

Based on study findings, researchers provided a wide variety of recommendations. The Division of Research and Responsible Gaming reviewed recommendations arising from study findings and selected recommendations of focus for consideration by the Commission. Recommendations of focus were selected based on the following criteria: 1) recommendations that pertained to the Commission, 2) the degree to which recommendations were common across studies, and 3) recommendations that could be initiated within the next fiscal year. Below are key findings from studies in each area, as well as recommendations of focus for consideration for adoption by the Commission for the upcoming fiscal year.

REPORT	AUTHOR	CATEGORY
1 Views and Perspectives of Springfield Hispanic Residents Towards the MGM Casino, their Homes, Community and Neighborhoods	Neighbor to Neighbor Community Research Team	Community Engaged Research
2 Community Perspectives on Encore Boston Harbor Casino	NORC Institute for Community Health Community Advisory Board Members	Community Engaged Research
3 Legalized Sports Betting in the United States and Potential Impacts in Massachusetts	SEIGMA Research Team: Dr. Rachel A. Volberg, Dr. Robert	Social and Economic Impact



REPORT	AUTHOR	CATEGORY
4 New Employee Survey at Encore Boston Harbor	UMass Donahue Institute's Economic & Public Policy Research Group: Kazmiera Breest, Research Analyst; Ellen Aron, Research Associate; Andrew Hall, Senior Research Analyst; Rebecca Loveland, Senior Research Manager	Social and Economic Impact
5 Patron and License Plate Survey Report: Encore Boston Harbor 2022	SEIGMA Research Team: Laurie Salame, Robert J. Williams, Martha Zorn, Thomas Peake, Valerie Evans, Rachel A. Volberg	Social and Economic Impact
6 Assessing the Influence of Gambling on Public Safety in Massachusetts Cities and Towns During the COVID-19 Pandemic: Analysis of the Influence of Encore Boston Harbor on its Surrounding Community	Justice Research Associates, LLC	Public Safety

1. Community Engaged Research:

REPORT	AUTHOR(S)
1 Views and Perspectives of Springfield Hispanic Residents Towards the MGM Casino, their Homes, Community and Neighborhoods	Neighbor to Neighbor Community Research Team
2 Community Perspectives on Encore Boston Harbor Casino	NORC Institute for Community Health Community Advisory Board Members

Both of these studies focused on understanding the perceptions and perspectives of the local community around two of the three casinos operating in Massachusetts (Encore Boston Harbor and MGM Springfield). Populations of particular focus in these studies were Hispanic/Latino communities, who represent a large racial and ethnic group living in Massachusetts.

The following summarizes and synthesizes key findings and themes across both studies, which broadly explored the impacts of casinos on various aspects of community life, including housing, crime, social



circumstances, day-to-day quality of life, and problem gambling. Consolidating findings and themes provides a holistic understanding of the multifaceted effects of casinos on local communities. The findings highlight both positive and negative perceptions, emphasizing the importance of context-specific actions and community engagement in policymaking and resource allocation.

Key Findings:

- Mixed Perspectives on Legalized Gambling/Casinos: Both studies highlighted varied opinions on the introduction of casino gambling (1, 2), with some participants holding negative views and concerns noting that the introduction of casinos could normalize gambling (2) and promote problem gambling behaviors (1, 2), while others supporting it as form of entertainment (1, 2).
- Impact on Local Economy: Participants expressed mixed views on Encore Boston Harbor and MGM Casino's impact on the local economy, including employment (1, 2), housing (1, 2), police presence (1), and small businesses (2).
- Effects on Social and Environmental Factors: Participants had mixed views on the effects of the casinos on various social and environmental factors, such as infrastructure improvements (1, 2), traffic concerns (2), and beautification (2).
- Crime and safety: Crime and safety around the casinos was brought up in both studies, with mixed views, including police presence and shift in criminal activity (1, 2).
- Concerns About Problem Gambling: Both studies identified concerns about problem gambling and its impact on community health, mental health, alcohol use, and financial loss (1, 2).
- Housing Affordability Concerns: Participants from both studies shared concerns about increasing rent and home prices (1, 2), leading to housing affordability challenges, gentrification fears (1), and potential displacement of residents (1, 2).
- Diverse Views on Casino Presence: Respondents held distinct and often opposing views about the presence of the casinos in their communities, with some associating it with increased crime (1, 2), while others appreciated job opportunities (1, 2) and improved physical environments (1, 2).
- Stress and Trauma in Community Context: Stress and trauma were pervasive in respondents' lives, affecting family, neighborhood, employment, and housing, with gambling sometimes intertwined with family lore and recreational activities (2).
- COVID-19 Impact: The studies acknowledged the impact of the COVID-19 pandemic on respondents' lives, including job losses and financial insecurity (2).

Recommendations:



- Listen to community voices: Policymakers should engage in extensive community outreach and consultations to understand diverse perspectives on legalized gambling and incorporate community input into decision-making (1, 2).
- Increase funding for resources that build community, such as education, leisure, and public safety, and particularly in locations where community members view conditions to have deteriorated since the casino's opening, (1).
- Invest in Community Development: Allocate funds for affordable housing programs (1, 2), small business support (2), education and recreation facilities to enhance the well-being of the surrounding communities,(1).
- Prioritize Infrastructure Improvements: Enhance public infrastructure and traffic management to address transportation challenges resulting from casino developments. Including, improving local infrastructure beyond the immediate casino grounds (2).
- Provide educational materials and resources for people who experience or are at risk of gambling-related harms. This could involve sharing pamphlets, posting visible signage, and providing resources for loved ones of people who experience problem gambling (2).
- Address Problem Gambling: Implement targeted, culturally and linguistically appropriate support services for individuals and families affected by problem gambling, including mental health counseling and education (2).



2. Social and Economic Impact:

REPORT	AUTHOR(S)
3 Legalized Sports Betting in the United States and Potential Impacts in Massachusetts	SEIGMA Research Team: Dr. Rachel A. Volberg; Dr. Robert J. Williams; Valerie Evans; & Martha Zorn
4 New Employee Survey at Encore Boston Harbor	UMass Donahue Institute's Economic & Public Policy Research Group: Kazmiera Breest, Research Analyst; Ellen Aron, Research Associate; Andrew Hall, Senior Research Analyst; Rebecca Loveland, Senior Research Manager
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Three studies in FY23 focused on the social and economic impact of casinos in Massachusetts. The first report, “Legalized Sports Betting in the United States and Potential Impacts in Massachusetts” examined the status of legalized sports betting in the United States, analyzing legislative models, revenues generated, and social outcomes observed in states and international jurisdictions where sports betting is legal. It aimed to provide policy recommendations for Massachusetts to optimize economic and social benefits while minimizing harm from sports betting.

The second study, “New Employee Survey at Encore Boston Harbor,” focused on assessing new employees’ experiences and satisfaction working at the casino. By gathering unique workforce-related data, the report helps policymakers and workforce development providers better understand the casino industry’s labor dynamics. The last study, “Patron and License Plate Survey Report: Encore Boston Harbor 2022” compared patron surveys from Plainridge Park Casino, MGM Springfield, and Encore Boston Harbor to gain insights into the demographics and characteristics of casino visitors.



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Key Findings:

→ Sports betting:

- Different states exhibit variation in sports betting legislation and regulatory structures, including licensing fees and constraints for operators (3).
- Online operators play a significant role in revenue maximization, aligning with the global trend favoring digital sports betting (3).
- Estimates suggest a potential economic impact, but caution is advised in projecting revenues compared to other established forms of gambling (3).
- Sports betting is associated with varying degrees of problem gambling, warranting resource allocation for interventions and considerations of advertising restrictions (3).

→ Casino employment:

- Encouraging findings indicate stable and flexible work opportunities at Encore Boston Harbor, with a majority of new employees securing full-time positions (4).
- Employees experience improved remuneration and benefits relative to their previous employments, indicating positive career prospects and training opportunities in the casino sector (4).
- Diversity hiring goals show promising outcomes, fostering equitable access to full-time employment across diverse demographic segments (4).

→ Patron behavior and demographic profiles:

- Patrons at Encore Boston Harbor were somewhat younger, more likely to be employed, and had higher levels of education compared to patrons at MGM Springfield and Plainridge Park Casino (5).
- 78.3% of patrons were from Massachusetts, with 41.8% from the host and surrounding communities (5).
- Asian patrons from Massachusetts were higher compared to their prevalence in the adult population of Massachusetts (5).

→ Gambling and non-gambling behavior:

- Nearly two-thirds of surveyed patrons were regular visitors, with almost half visiting once a week or more (5).
- A third of patrons at Encore Boston Harbor had not visited another casino in the past year, possibly influenced by the COVID-19 pandemic (5).
- Slot machines were the most popular game (62.7%), with 37.7% playing table games (5).



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- Majority bought food and beverage on-site (68.1%), with 33.6% attending events, shows, or exhibits off-site (5).

→ Expenditures:

- Median gambling expenditure at Encore Boston Harbor was \$131 per patron, with a mean of \$309 (5).
- Income groups below the median household income in Massachusetts accounted for 29% of gambling revenue at Encore Boston Harbor (5).

→ Recapturing and capturing spending:

- Recaptured in-state patrons accounted for 45.2% of gambling spending and 64.4% of estimated non-gambling spending at Encore Boston Harbor (5).
- Patrons with lower incomes did not contribute disproportionately more to gambling revenues; higher income groups accounted for 54% of gambling spending (5).

→ Strategies for safer gambling:

- Most frequently reported strategy was avoiding on-site ATMs (43.1%), followed by viewing gambling as fun, not a money-making activity (31.0%) (5).
- 64.8% of patrons reported a strong or modest impact from their safer gambling strategies (5).

→ License plate survey estimates closely matched patron survey estimates for patron residency and expenditure (5).

Recommendations:

→ Recommendations specific to sports betting:

- Prioritize integrity: To ensure fairness and integrity, allocate resources to regular auditing of commercial offerings, (3).
- Fund harm mitigation: Support ongoing harm mitigation and continuous improvement efforts including prevention, treatment, and research specifically related to sports betting (3).
- Data sharing and analysis: To inform evidence-based policies, operators should share player data with the MGC and researchers to assess impacts and identify emerging issues (3).
- Implement safer gambling initiatives: Encouraging safer gambling can be achieved through mandating features such as deposit, loss, time, and betting limits, opt-out self-banning, and alerts for potential problem gambling patterns (3).



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- Safer gambling promotion: Policymakers may consider restricting advertising and athlete/celebrity endorsements to mitigate potential excessive gambling, especially among young people (3).
- Workforce development: Fostering partnerships between casinos and local communities can expand stable and flexible job opportunities, focusing on providing full-time positions and comprehensive benefits to enhance career prospects (4).
- Inclusive hiring practices: The casino industry should promote diversity hiring goals and practices to ensure equitable access to full-time employment opportunities across different demographic segments (4).
- Targeted safer gambling education: Tailored safer gambling education programs can address distinct demographic profiles of patrons, emphasizing risk management and responsible spending (5).
- Continuous monitoring: Continuously monitoring gambling revenue sources can help assess in-state spending recapture and ensure the sustainability of casino revenue contributions to the local economy (5).
- Data collection: Maintaining robust data collection on patron behavior, spending patterns, and safer gambling strategies can inform evidence-based policies and interventions effectively (5).
- Collaboration for safer gambling: Collaboration among casinos, public health authorities, and community organizations can facilitate comprehensive strategies for safer gambling practices and consumer protection (5).

3. Public Safety

REPORT	AUTHOR(S)
6 Assessing the Influence of Gambling on Public Safety in Massachusetts Cities and Towns During the COVID-19 Pandemic: Analysis of the Influence of Encore Boston Harbor on its Surrounding Community	Justice Research Associates, LLC

This study, conducted by Justice Research Associates, LLC, was a comprehensive analysis that delved into the impact of the Encore Boston Harbor Casino on crime rates and public safety in its vicinity and surrounding regions during and after the COVID-19 closures. Through an examination of crime patterns and comparisons with other areas, the study sheds light on the factors influencing crime trends and provides valuable insights into the complex relationship between the casino's presence and crime in the region.



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Key Findings:

- The study found a significant increase in crime before the Encore Boston Harbor Casino reopened after the COVID-19 closure, suggesting that the casino is not the primary cause of crime but other social, economic, or psychological factors may be at play (6).
- Vehicle crime, including stolen autos, theft from vehicles, and theft of auto parts, increased significantly when the casino initially opened and remained generally high during the reopening period (6).
- Crime patterns were impacted differently during the COVID-19 closures, with theft from persons, shoplifting, robberies, and burglaries declining, while auto thefts and domestic violence increased (6).
- Overall crime in the region has been declining over the past 10 years, but some cities like Lynn, Malden, and Melrose experienced upward trends (6).
- The top ten crime types were consistent across all cities in the region, including vandalism, simple assault, other theft, theft from vehicle, burglary, and aggravated assault (6).
- Violent crime clusters more heavily in Lynn and to a lesser degree in Chelsea, while burglaries were more evenly distributed across the region (6).
- Further micro-analysis is needed to understand crime and place, and the Risk Terrain Model will be employed in future reports to study risk and assist in crime prevention efforts (6).

Recommendations:

- Micro-Analysis for Precision: Conduct further micro-analysis using tools like the Risk Terrain Model to study risk and to assist agencies in developing crime prevention and Problem-Oriented Policing (POP) projects to improve their effectiveness of practice (6).
- Collaborate Among Agencies: Public safety agencies in the region could pool resources, collaborate on innovative problem-oriented policing solutions, and look to create regional taskforces to target the most prevalent crime and individuals committing prolific amounts of crime. Regional agencies should consider tapping into mitigation funds that the Massachusetts Gaming Commission offers specifically to address crime related to the casino, directly impacting the area at and around Encore. A regional crime analysis consortium should be considered that meets regularly to share intelligence, review patterns and trends, and collectively conducts problem-oriented policing (POP) projects (6).
- Continued Monitoring and Assessment: Future research should attempt to ascertain the causal factors and correlates related to crime in proximity to the casino. An additional focus should include patterns of crime in the state, the region, and within comparable hotspots to monitor crime going forward. As sports betting opens across Massachusetts, additional attention should focus on various types of establishments given licenses to operate. Cash-based establishments demonstrate unique



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risks and crime opportunities and attract distinct clientele and individuals specializing in distinct types of crime (6).



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