



MGC Executive Director Karen Wells Delivers Oral Testimony to the Joint Committee on Economic Development and Emerging Technologies During Sports Wagering Public Hearing on June 17, 2021

Chairs Lesser and Parisella and Members of the Committee,

On behalf of the Massachusetts Gaming Commission, thank you for the opportunity to present comments and field questions this morning. Along with Chair Judd-Stein and Commissioner Cameron, I am joined by various members of the MGC staff who may assist this morning if that would be helpful to this Committee.

Aside from written testimony, the MGC has also provided two white papers which we hope will be helpful for your work.

The first pertains to responsible gaming and the second gives an overview of US policies and practices related to sports wagering.

As the Chair has indicated, we do not presume to necessarily be the regulator should Massachusetts allow sports wagering. However, we are preparing as much as we can, prior to specific statutory language being determined, for that potential outcome. We offer comments in the context of having been the state agency that implemented casino gaming. Chapter 23K provided an excellent roadmap for that implementation and based upon our experience, we have identified 5 critical areas that we suggest should be covered by sports wagering legislation.

- 1) **Integrity**: Of paramount importance is providing tools for the regulator to ensure the integrity of sports wagering operations. Statutory language that provides the regulator with broad regulatory authority, the ability to conduct robust suitability investigations, and clear mechanisms to take enforcement action are all critical to the success of that goal.
- 2) **Funding**: A funding mechanism to support the regulator's operations will be necessary. Our recommendation is that the mechanism parallels the assessment structure for casino gaming, which we have worked diligently to be fair and transparent. Our CFO, Derek Lennon, is available to answer any questions relative to a funding mechanism for sports wagering regulation.
- 3) **Consumer Protection**: To prevent and mitigate harms associated with sports wagering, it is important that the regulator have the authority to promulgate regulations that support responsible gaming in the context of sports wagering. Based on research findings as well as our extensive experience, we recommend



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multiple strategies and measures to promote and support safer levels of sports wagering targeted to different player segments. These are outlined in the Gaming Commission's white paper. The Commission also makes available to the legislature today our Director of Research and Responsible Gaming, Mark Vander Linden, for his expertise on these issues.

- 4) Clarity in Licensing: To efficiently implement sports wagering legislation, it would be extremely helpful to the regulator to have specific and extremely clear statutory language outlining the legislative intent as to the eligible applicants for sports wagering licenses and the number of licenses and skins to be awarded.
- 5) Confidentiality: To effectively regulate the industry, it will be essential for the regulator to require submission of and gain access to, commercially sensitive and confidential information and documentation from the licensees. To ensure unbridled access by the regulator it will be essential to exempt such information and documents from the Public Records Law.

I can go into more depth on each of these issues or can take questions from the Committee, whichever is most helpful to your process here today.



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