

NOTICE OF MEETING AND AGENDA

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, and Chapter 107 of the Session Acts of 2022, notice is hereby given of a public meeting of the **Massachusetts Gaming Commission**. The meeting will take place:

Monday | March 27, 2023 | 10:00 a.m. VIA REMOTE ACCESS: 1-646-741-5292 MEETING ID/ PARTICIPANT CODE: 111 048 1739 All meetings are streamed live at www.massgaming.com.

Please note that the Commission will conduct this public meeting remotely utilizing collaboration technology. Use of this technology is intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public. If there is any technical problem with the Commission's remote connection, an alternative conference line will be noticed immediately on www.massgaming.com.

All documents and presentations related to this agenda will be available for your review on the morning of the meeting date by visiting our website and clicking on the News header, under the Meeting Archives drop-down.

PUBLIC MEETING - #445

- 1. Call to Order Cathy Judd-Stein, Chair
- 2. Update on Assessment of Civil Administrative Penalty under G.L. c. 23K Loretta Lillios, Director of Investigations and Enforcement Bureau, Heather Hall, Chief Enforcement Counsel
- 3. Legal Caitlin Monahan, Deputy General Counsel
 - a. 205 CMR 106: Information and Filings Regulation and Amended Small
 Business Impact Statement for final review and possible adoption VOTE
 - b. 205 CMR 107: *Professional Practice* Regulation and Amended Small Business Impact Statement for final review and possible adoption **VOTE**
 - c. 205 CMR 109: *Emergency Action* Regulation and Amended Small Business Impact Statement for final review and possible adoption **VOTE**
 - d. 205 CMR 202: *Authority and Definitions* Regulation and Amended Small Business Impact Statement for final review and possible adoption **VOTE**
 - e. 205 CMR 213: *Withdrawal of an Application* Regulation and Amended Small Business Impact Statement for final review and possible adoption **VOTE**

- f. 205 CMR 229: Review of a Proposed Transfer of Interest Regulation and Amended Small Business Impact Statement for final review and possible adoption
 VOTE
- g. 205 CMR 232: Discipline of Sports Wagering Operators and Other Licensees, and Registrants Regulation and Amended Small Business Impact Statement for final review and possible adoption
 VOTE
- i. 205 CMR 241: Surveillance and Monitoring Regulation and Amended Small Business Impact Statement for final review and possible adoption VOTE
- j. 205 CMR 256: *Sports Wagering Advertising* Regulation and Amended Small Business Impact Statement for final review and possible adoption **VOTE**
- 4. Commissioner Updates
- 5. Other Business Reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that this Notice was posted as "Massachusetts Gaming Commission Meeting" at www.massgaming.com and emailed to regs@sec.state.ma.us. Posted to Website: March 23, 2023 | 10 a.m. EST

March 23, 2023

Cathy Judd-Stein, Chair

Cathy Judd - Stein

If there are any questions pertaining to accessibility and/or further assistance is needed, please email Gertrude.Lartey@massgaming.gov.

205 CMR 202: SPORTS WAGERING AUTHORITY AND DEFINITIONS

Sections

202.01: Authority 202.02: Definitions

202.03: Construction and Amendments

<u>202.01:</u> <u>Authority</u>

205 CMR 202.00, et seq. are issued pursuant to M.G.L. c. 23K, §§ 4(42) and 5 and M.G.L. c. 23N, §§ 4(a), 4(b) and 5, unless otherwise specified.

202.02: Definitions

As used in 205 CMR-202.00, et seq., the following words and phrases shall have the following meanings, unless the context clearly requires otherwise. Words and phrases not defined below shall have the meaning given to them in 205 CMR 102.00, if any, unless the context clearly requires otherwise:

Adjusted Gross Fantasy Wagering Receipts means as defined in M.G.L. c. 23N, § 3.

Adjusted Gross Sports Wagering Receipts means as defined in M.G.L. c. 23N, § 3.

Affiliate means as defined in M.G.L. c. 23N, § 3.

Annual Assessment means the annual assessment required to be paid by Operators pursuant to M.G.L. c. 23N, § 15(c).

Applicant means as defined in M.G.L. c. 23N, § 3.

Breaks means as defined in M.G.L. c. 23N, § 3.

Cash means as defined in 205 CMR 238.01.

Cash Equivalent means as defined in 205 CMR 238.01.

<u>Category 1 Sports Wagering License</u> means a Category 1 License as defined in M.G.L. c. 23N, § 3.

<u>Category 2 Sports Wagering License</u> means a Category 2 License as defined in M.G.L. c. 23N, § 3.

<u>Category 3 Sports Wagering License</u> means a Category 3 License as defined in M.G.L. c. 23N, § 3.

Check means as defined in 205 CMR 238.01.

Chief Sports Wagering Executive means as defined in 205 CMR 238.01.

Close Associate means as defined in M.G.L. c. 23N, § 3.

Collegiate Sport or Athletic Event means as defined in M.G.L. c. 23N, § 3.

Collegiate Tournament means as defined in M.G.L. c. 23N, § 3.

Commission means as defined in M.G.L. c. 23N, § 3.

Electronic Sports or eSports means as defined in M.G.L. c. 23N, § 3.

Governmental Authority means as defined in M.G.L. c. 23N, § 3.

House Rules means comprehensive house rules for game play governing sports wagering transactions with an Operator's patron as required pursuant to M.G.L. c. 23N, § 10.

<u>License</u> means as defined in M.G.L. c. 23N, § 3.

<u>Mobile Application</u> means a Sports Wagering Platform accessible through an application on a mobile phone or other mobile device through which an individual is able to place a Sports Wager.

National Criminal History Background Check means as defined in M.G.L. c. 23N, § 3.

Non-Sports Wagering Vendor means a Person who offers to an Operator goods or services which are not directly related to Sports Wagering and who does not meet the definition of a Sports Wagering Vendor.

Occupational License means as defined in M.G.L. c. 23N, § 3.

Official League Data means as defined in M.G.L. c. 23N, § 3.

<u>Operation(s)</u> <u>Certificate</u> means a certificate of compliance issued by the Commission to an Operator.

Operator or Sports Wagering Operator means as defined in M.G.L. c. 23N, § 3.

Operator License means as defined in M.G.L. c. 23N, § 3.

Person means as defined in M.G.L. c. 23N, § 3.

Personal Biometric Data means as defined in M.G.L. c. 23N, § 3.

<u>Players Association</u> means as defined in M.G.L. c. 23N, § 3.

<u>Professional Sport or Athletic Event means as defined in M.G.L. c. 23N, § 3.</u>

Promotional Gaming Credit means as defined in M.G.L. c. 23N, § 3.

Qualified Gaming Entity means as defined in M.G.L. c. 23N, § 3.

Qualifier means a person whose qualification must be established in evaluating the suitability of an applicant in accordance with the standards and criteria set forth in M.G.L. c. 23N and 205 CMR 200 *et seq*.

Responsible Gaming Messaging means as defined in 205 CMR 256.06(2).

<u>Segregated Account</u> means as defined in 205 CMR 238.01.

Sports Event or Sporting Event means as defined in M.G.L. c. 23N, § 3.

Sports Governing Body means as defined in M.G.L. c. 23N, § 3.

Sports Wager means as defined in M.G.L. c. 23N, § 3.

Sports Wagering means as defined in M.G.L. c. 23N, § 3.

Sports Wagering Account means as defined in M.G.L. c. 23N, § 3.

<u>Sports Wagering Area</u> means the part of a Gaming Establishment operated by a Category 1 Sports Wagering Licensee and approved by the Commission for in-person Sports Wagering.

Sports Wagering Control Fund means the fund established pursuant to M.G.L. c. 23N, § 15.

Sports Wagering Counter means as defined in 205 CMR 238.01.

<u>Sports Wagering Equipment</u> means, an electronic, electrical or mechanical contrivance, machine, or system used in connection with Sports Wagering.

<u>Sports Wagering Facility</u> means a facility operated by a Category 2 Sports Wagering Licensee and approved by the Commission for in-person Sports Wagering.

Sports Wagering Fund means the fund established pursuant to M.G.L. c. 23N, § 17.

<u>Sports Wagering Kiosk</u> means any self-service automated kiosk, terminal, machine or other device which a Person may use to place or redeem a Wager.

<u>Sports Wagering License</u> means a Category 1 Sports Wagering License, Category 2 Sports Wagering License, or Category 3 Sports Wagering License.

<u>Sports Wagering Platform</u> means a website, application, widget or other digital platform accessible via the internet, or mobile or wireless technology on which a Person may place or redeem a Wager.

<u>Sports Wagering Registrant</u> means a Non-Sports Wagering Vendor or Subcontractor required to register with the Commission pursuant to 205 CMR 234.01(2).

<u>Sports Wagering Subcontractor</u> means a Person that contracts with a Sports Wagering Vendor or Sports Wagering Registrant to provide goods or services necessary to fulfill the licensed sports wagering vendor's contract with an Operator.

<u>Sports Wagering Vendor</u>. A Person that is not required to be licensed as an Operator or Sports Wagering Operator under M.G.L. c. 23N, or as a gaming vendor under M.G.L. c. 23K, who regularly provides goods or services to an Applicant for an Operator License or an Operator; which goods, software, or services directly relate to Sports Wagering operations, including but not limited to:

- a. Sports Wagering platform design, operation or maintenance;
- b. line and odds setting;
- c. Sports Wagering risk management;
- d. geolocation;
- e. customer verification;
- f. integrity monitoring;
- g. Sports Wagering kiosks;
- h. sportsbook data;
- i. testing and certification; or
- j. third-party marketing entities.

<u>Sports Wagering Vendor License</u> means a license issued by the Commission pursuant to 205 CMR 234.00 that permits the licensee to act as a vendor to a Sports Wagering Operator.

Temporary License means a Sports Wagering License issued pursuant to M.G.L. c. 23N, § 6(c) and 205 CMR 219.

<u>Tethered Category 3 License</u>. A Category 3 License connected to a Category 1 or Category 2 License pursuant to M.G.L. c. 23N, § 6.

<u>Tier 1 Sports Wager</u> means as defined in M.G.L. c. 23N, § 3.

<u>Tier 2 Sports Wager</u> means as defined in M.G.L. c. 23N, § 3.

Ticket Writer means as defined in 205 CMR 238.01.

Ticket Writer Station means as defined in 205 CMR 238.01.

<u>Untethered Category 3 License</u>. A Category 3 License not connected to a Category 1 or Category 2 License pursuant to M.G.L. c. 23N, § 6.

Wager means as defined in M.G.L. c. 23N, § 3.

<u>Wager Category</u> means a specific type of sporting event or other event governed by a specific Sports Governing Body or other oversight body (for example, professional basketball governed by the National Basketball Association.

202.03 Construction and Amendments

- (1) The principles of regulatory construction and interpretation specified in 205 CMR 102.03 shall also include construction in accordance with the principles of statutory construction set forth in M.G.L. 23N, and avoidance of conflict with any provision of M.G.L. 23N.
- (2) Where the Commission waives or grants a variance from any provision or requirement contained in 205 CMR 200 *et seq.*, not specifically required by law, the waiver or variance shall be conditioned on a finding of the requirements specified in 205 CMR 102.03(4) and a finding that granting the waiver or variance is consistent with the purposes of M.G.L. c. 23N.

REGULATORY AUTHORITY

M.G.L. c. 23N § 4.



AMENDED SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission ("Commission") hereby files this amended Small Business Impact Statement in accordance with G.L. c. 30A, § 5 relative to the proposed amendments to **205 CMR 202.00: Sports Wagering Authority and Definitions,** for which a public hearing was held on March 21, 2023.

The promulgation of 205 CMR 202.00 was developed as a part of the process of promulgating regulations governing Sports Wagering in the Commonwealth. This regulation is governed largely by G.L. c. 23N, §4.

The adoption of 205 CMR 202.00 creates definitions that will be used throughout the sports wagering-related regulations. Accordingly, this regulation is unlikely to have an impact on small businesses.

In accordance with G.L. c.30A, §5, the Commission offers the following responses on whether any of the following methods of reducing the impact of the proposed regulation on small businesses would hinder achievement of the purpose of the proposed regulation:

- 1. Establishing less stringent compliance or reporting requirements for small businesses:
 - This regulation amendment contains definitions and does not establish compliance and reporting requirements for small businesses.
- 2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:
 - There are no schedules or deadlines for compliance or reporting requirements.
- 3. Consolidating or simplifying compliance or reporting requirements for small businesses:
 - This regulation amendment does not impose any reporting requirements.
- 4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:
 - There are no design or operational standards within in the proposed regulation amendment.

5. An analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

This regulation amendment is unlikely to deter or encourage the formation of new businesses in the Commonwealth.

6. Minimizing adverse impact on small businesses by using alternative regulatory methods:

This regulation amendment does not create adverse impact upon small businesses.

Massachusetts Gaming Commission By:

/s/ Ying Wang

Ying Wang Associate General Counsel

Dated: Dated: March 23, 2023

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205 CMR 256: SPORTS WAGERING ADVERTISING

Section

256.10:

256.11:

256.01: Third Parties 256.02: **Application** 256.03: **Internal Controls** 256.04: False or Misleading Advertising 256.05: Advertising to Youth 256.06: Advertising to Other Vulnerable Persons **Self-Excluded Persons** 256.07: 256.08: Disruption Endorsement 256.09:

256.01: Third Parties

Records

Enforcement

- (1) Each Sports Wagering Operator shall be responsible for the content and conduct of any and all <u>Sports Wagering</u> advertising, marketing, or branding done on its behalf or to its benefit whether conducted by the Sports Wagering Operator, an employee or agent of the Sports Wagering Operator, or an affiliated entity or a third party pursuant to contract<u>or any other agreement for consideration or remuneration</u>, regardless of whether such party is also required to be licensed or registered as a Sports Wagering Vendor or Non-Sports Wagering Vendor.
- (2) Each Sports Wagering Operator shall provide a copy of the regulations contained herein to all advertising, marketing, branding and promotions personnel, contractors, agents, and agencies retained by the Sports Wagering Operator or its agents and shall ensure and require compliance herewith.
- (3) No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of net sports wagering revenue earned from users that the third party directs or causes to be directed to the Operator.
- (3) No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee when compensation is dependent on, or related to, the volume of patrons or wagers placed, or the outcome of wagers.
- (4) Any advertisement or promotion for Sports Wagering shall disclose the identity of the Sports Wagering Operator and whether a financial relationship exists between any Person providing an endorsement or promotion and the Sports Wagering Operator.

256.02: Application

- (1) The provisions of this section shall apply to all advertising, marketing, and branding for Sports Wagering aimed at, published, aired, displayed, disseminated, or distributed in the Commonwealth. ; provided, however, that Nnothing herein shall be construed as limiting a Person's obligations to comply with any other federal, state or local law applicable to advertising, marketing and branding, nor shall anything herein be construed as modifying or limiting in any way any more stringent or additional requirement applicable to advertising, marketing and branding.
- (2) Sports Wagering advertisements may only be published, aired, displayed, disseminated, or distributed in the Commonwealth by or on behalf of Sports Wagering Operators licensed to offer Sports Wagering in the Commonwealth, unless the advertisement clearly states that the offerings are not available in the Commonwealth or otherwise makes clear that the offerings are not intended for use in the Commonwealth. Sports Wagering Operators and their agents, employees, or any third party conducting advertising or marketing on their behalf shall not advertise forms of illegal gambling in the Commonwealth.
- (3) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering on any billboard, or other public signage, which fails to comply with any federal, state or local law.

256.03: Internal Controls

Each Sports Wagering Operator shall include in its internal controls submitted pursuant to 205 CMR 138 and 238 provisions to ensure compliance with the requirements of 205 CMR 256.00.

256.04: False or Misleading Advertising

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any unfair or deceptive advertising, marketing, or branding for Sports Wagering. Advertising, marketing, or branding that is unfair or deceptive includes, but is not limited to, advertising, marketing, or branding that would reasonably be expected to confuse and mislead patrons in order to induce them to engage in Sports Wagering.
- (2) No Sports Wagering Operator shall obscure or fail to disclose any material fact in its advertising, marketing, or branding for sports wagering or use any type, size, location lighting, illustration, graphic, depiction or color resulting in the obscuring of or failure to disclose any material fact in any advertising, marketing, or branding.
- (3) All Sports Wagering advertisements must clearly convey the <u>material</u> conditions under which Sports Wagering is being offered, including information about the cost to participate and the nature of any promotions-or, to assist patrons in understanding the odds of winning. Any material conditions or limiting factors must be clearly and conspicuously specified in the advertisement. Additional, non-material terms

- and conditions may be otherwise made available on a website or application if an advertisement is not of sufficient size or duration to permit inclusion of the additional information.
- (4) No Sports Wagering Operator, or a Sports Wagering Vendor, or a third party marketing or adverting entity required to be licensed or registered pursuant to 205 CMR 234, nor any employee of any of the foregoing, may No employee or vendor of any Sports Wagering Operator (or an employee of any Sports Wagering Vendor) shall—advise or encourage individual—patrons to place a specific wager of any specific type, kind, subject, or amount. _This restriction does not prohibit general advertising or promotional activities—which may requirenotify a patron of the need to place a specific wager type, kind, subject, or amount in order for patron to receive a promotional benefit.
- (5) A Sports Wagering Operator that engages in any promotion related to Sports Wagering shall clearly and concisely explain the terms of the promotion and adhere to such terms. If a Sports Wagering Operator offers complimentary items or promotional credit that are subject to terms, conditions or limitations in order to claim the item or redeem the item or credit, the Operator shall fully disclose all suchmaterial terms, conditions or limitations through the following methods: provided that additional, non-material terms and conditions, may be otherwise made available on a website or application if an advertisement is not of sufficient size or duration to permit inclusion of the non-material information.
 - (a) In all advertisements or inducements where the complimentary item or promotion are advertised;
 - (b) If being added to a Sports Wagering Account, through the use of a pop-up message either while the complimentary item or promotional credit is being added or when the patron next logs in to the Account, whichever is earlier; and
 - (c) If the offer requires the patron to Wager a specific dollar amount to receive the complimentary item or promotional credit, the amount that the patron is required to Wager of the patron's own funds shall be disclosed in the same size and style of font as the amount of the complimentary item or promotional credit, and the complimentary item or promotional credit shall not be described as free.
- (6) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall:
 - (a) Promote irresponsible or excessive participation in Sports Wagering;
 - (b) Suggest that social, financial, or personal success is guaranteed by engaging in event wagering;

- (c) Imply or promote Sports Wagering as free of risk in general or in connection with a particular promotion or Sports Wagering offer;
- (d) Describe Sports Wagering as "free", "cost free" or "free of risk" if the player needs to incur any loss or risk their own money to use or withdraw winnings from the Wager;
- (e) Encourage players to "chase" losses or re-invest winnings;
- (f) Suggest that betting is a means of solving or escaping from financial, personal, or professional problems;
- (g) Portray, suggest, condone or encourage Sports Wagering behavior as a rite of passage or signifier of reaching adulthood or other milestones;
- (h) Portray, suggest, condone or encourage Sports Wagering behavior that is socially irresponsible or could lead to financial, social or emotional harm;
- (i) Imply that the chances of winning increase with increased time spent on Sports Wagering or increased money wagered;
- (j) Be placed on any website or printed page or medium devoted primarily to responsible gaming;
- (k) Offer a line of credit to any consumer; or-
- (I) Use individuals to provide purported expertise or Sports Wagering advice who are employed by, contracted with, or otherwise compensated by a Sports Governing Body, team, club or athlete on which a wager may be placed.

(k)

<u>Advertising to Youth</u>

- (1) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall state that patrons must be twenty-one years of age or older to participate.
- (2) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed at individuals under twenty-one years of age.
- (3) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall contain images, symbols, celebrity

- or entertainer endorsements, or language designed to appeal primarily to individuals younger than twenty-one years of age.
- (4) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator <u>for Sports Wagering</u> shall be published, aired, displayed, disseminated, or distributed:
 - in media outlets, including social media, video and television platforms, that are used primarily by individuals where 25% of the audience is reasonably expected to be under twenty-one years of age, unless adequate controls are in place to prevent the display, dissemination or distribution of such advertising, marketing, branding or other promotional materials to individuals under twenty-one years of age including by use of age category exclusions and similar mechanisms;
 - (a) ;
 - (b) in other media outlets, including social media, video and television platforms, to the extent not prohibited by 205 CMR 256.05(4)(a), unless adequate controls are in place to prevent the display, dissemination or distribution of such advertising, marketing, branding or other promotional materials to individuals under twenty one years of age including by use of age category exclusions and similar mechanisms; unless the Operator utilizes all available targeted controls to exclude all individuals under twenty-one years of age from viewing such advertising, marketing, branding, and other promotional materials;
 - (b)(c) at events aimed at minors or where 25% or more of the audience is reasonably expected to be under twenty-one years of age;
 - (e)(d) at any elementary, middle, and high school, or at any sports venue exclusively used for such schools;
 - (d)(e) on any college or university campus, or in college or university news outlets such as school newspapers and college or university radio or television broadcasts; or, except for advertising, including television, radio, and digital advertising that is generally available, and primarily directed at an audience, outside of college and university campuses as well; or
 - (e)(f) to any other audience where 25% or more of the audience is presumed to be under twenty-one years of age.
- (5) No sports Sports Wagering advertisements, including logos, trademarks, or brands, shall be used, or licensed for use, on products, clothing, toys, games, or game equipment designed or intended for persons under twenty-one years of age.

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- (6) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall depict an individual who is, or appears to be, under twenty-one years of age, except live footage or images of professional athletes during sporting events on which sports wagering is permitted. Any individual under the age of twenty-one may not be depicted in any way that may be construed as the underage individual participating in or endorsing sports gaming.
- (7) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator <u>for Sports Wagering</u> shall depict students, schools or colleges, or school or college settings.

<u>Advertising to Other Vulnerable Persons</u>

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed exclusively or primarily at <u>individuals or groups</u> of people that are at moderate or high risk of gambling addiction. A Sports Wagering Operator shall not <u>intentionally</u> use characteristics of at-risk or problem bettors to target potentially at-risk or problem bettors with advertisements.
- Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health andor such other responsible gaming information regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging").
- (3) Such advertising, marketing, branding and other promotional materials shall not use a font, type size, location, lighting, illustration, graphic depiction or color obscuring conditions or limiting factors associated with the advertisement of such Problem Gambling Helpline Information.
- (4) Information regarding the Problem Gaming Helpline and any other required responsible gaming information ("Responsible Gaming Messaging") must also meet the following requirements:
 - (a) For signs, direct mail marketing materials, posters and other print advertisements, the height of the font used to advertise Responsible Gaming Messaging must be the greater of:
 - i. The same size as the majority of the text used in the sign, direct mail marketing material, poster or other print advertisement; or
 - ii. 2% of the height or width, whichever is greater, of the sign, direct mail marketing material, poster or other print advertisement.

- (b) For billboards, the height of the font used for Responsible Gaming Messaging must be at least 5% of the height or width, whichever is greater, of the face of the billboard.
- (c) For digital billboards, Responsible Gaming Messaging must be visible for the entire time the rest of the advertisement is displayed.
- (d) For video and television, Responsible Gaming Messaging must be visible for either:
 - i. The entire time the video or television advertisement is displayed, in which case the height of the font used for Responsible Gaming Messaging must be at least 2% of the height or width, whichever is greater, of the image that will be displayed.
 - ii. From the first time Sports Wagering Equipment, a Sports Wagering Facility, a Sports Wagering Area or Sports Wagering is displayed or verbally referenced, and on a dedicated screen shot visible for at least the last three (3) seconds of the video or television advertisement. If the Operator elects to utilize this option, the height of the font used for Responsible Gaming Messaging:
 - 1. During the advertisement must be at least 2% of the height or width, whichever is greater, of the image that will be displayed.
 - 2. On the dedicated screen shot must be at least 8% of the height or width, whichever is greater, of the image that will be displayed.
- (e) For web sites, including social media sites:
 - i. Responsible Gaming Messaging must be posted in a conspicuous location on each <u>webpagewebsite</u> or profile page and on a gaming related advertisement posted on the webpage or profile page.
 - ii. The height of the font used for Responsible Gaming Messaging must be at least the same size as the majority of the text used in the webpage or profile page.
 - <u>iii.</u> For advertisements posted on the webpage or profile page, the height of the font used for Responsible Gaming Messaging must comply with the height required for signs, direct mail marketing materials, posters and other print advertisements.
- (5) All direct advertising, marketing, or promotional materials shall include a clear and conspicuous method allowing patrons to unsubscribe from future advertising, marketing, or promotional communications.

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iii.

256.07: Self-Excluded Persons

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for sports wagering that is aimed at persons who have enrolled in a Self-Exclusion Program pursuant to 205 CMR 233.
- (2) No Sports Wagering Operator shall direct text messages or unsolicited pop-up advertisements on the internet to an individual in the Self-Exclusion Program or shall allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions.
- (3) All direct advertising, marketing, or promotional materials shall include a clear and conspicuous method allowing patrons to unsubscribe from future advertising, marketing, or promotional communications.

<u>256.08:</u> <u>Disruption to Viewers</u>

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that obscures the game play area ofat a sporting event-or obstructs a game in progress.
- (2) Advertisements for Sports Wagering may not be placed by a Sports Wagering Operator at a sports event with such intensity and frequency that they represent saturation of that medium or become excessive.

256.09: Endorsements

- (1) An advertisement for Sports Wagering shall not state or imply endorsement by minors, persons aged 18 to 20 (other than professional athletes), collegiate athletes, schools or colleges, or school or college athletic associations.
- (2) An individual who participates in Sports Wagering in the Commonwealth under an agreement with a Sports Wagering Operator for advertising, branding or promotional purposes <u>must disclose the relationship and</u> may not be compensated in promotional credits for additional wagers.
- (3) Endorsements must comply with the Federal Trade Commission's Guides

 Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R.

 Part 255.

256.10: Records

(1) Each Sports Wagering Operator shall retain a copy of all advertising, marketing, branding and other promotional materials <u>promoting or intended</u> to promote any Sports Wagering within the Commonwealth, including a log of when, how, and with whom, those materials have been published, aired, displayed, or disseminated,

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for six (6) years. A Sports Wagering Operator shall also grant the Commission access to all social media platforms utilized by or on behalf of the licensee for such purposes, provided that an Operator shall not be required to permit the Commission to control or directly alter such content on such platforms. For all directed or targeted advertising and marketing, a Sports Wagering Operator shall maintain records sufficient to describe all targeting parameters used, as well as efforts undertaking to comply with 205 CMR 256.06(1).

(2) All advertising, marketing, branding, and other promotional materials related to Sports Wagering and the log described in subsection (1) shall be made available to the Commission or its agents upon request.

256.11: Enforcement

- (1) A Sports Wagering Operator shall discontinue or modify as expeditiously as possible the use of a particular advertisement, marketing, or branding material in the Commonwealth or directed to residents in this state upon receipt of written notice that the Commission has determined that the advertisement, marketing, or branding material in question does not conform to the requirements of 205 CMR 256.00 or the discontinuance or modification of which is necessary for the immediate preservation of the public peace, health safety, and welfare of the Commonwealth.
- (2) A failure to adhere to the rules of 205 CMR 256.00 may be grounds for disciplinary action under any enforcement method available to the Commission, including emergency enforcement orders to immediately cease and desist such advertising pursuant to 205 CMR 109.
- Operator that violates this section 205 <u>CRCMR</u> 256 to provide electronic copies of all advertising, marketing and promotional materials developed by or on behalf of the Operator to the Commission at least ten (10) business days prior to publication, distribution or airing to the public.

REGULATORY AUTHORITY

(4)(3) G.L. c. 23N, §4

Public Comments 205 CMR 256: Sports Wagering Advertising

Subsection	Comment	Commenter/Entity
All	Generally, the proposed advertising rules apply to "branding" and not just advertising and promotional materials. Fanatics submits that these requirements, as applied to branding, create unnecessarily burdensome requirements for operators and their employees. For example, under these rules, as written, operators would have to include responsible gambling messages in simple logo placement branding. Further, inclusion of "branding" in the rules would impinge requirements on employees of operators who set up LinkedIn profiles, or, for example, share a press release about a sportsbook opening. Further, and as alluded to above, it is increasingly likely that new entrants to the sports betting market will be part of larger and diversified organizations whose success is premised on brand awareness - both in and out of the gaming space. The inclusion of "branding" within these rules thus could subject such companies to overly exhaustive and near impossible to follow gambling-advertising requirements. Such a result would also potentially confuse the public and limit companies' abilities to establish a diverse brand that only partially encompasses the gaming industry. As such, Fanatics respectfully requests that the Commission amend these rules to remove the inclusion of "branding."	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")
All	WynnBET looks forward to any clarity on whether there are any advertising requirements as it relates to e-mail, SMS or text message, or social media posts (e.g., Twitter, Instagram, Facebook, etc.).	Jennifer Roberts, General Counsel, VP WynnBet, WSI US, LLC, dba WynnBET

All	With the saturation of the airwaves during sporting events, the advertising of sports gambling need severe restriction. I would simplify the regulation to state that no promotion offering credits, free play, etc., be allowed. Similar to medical advertising, at least a third of the duration of any advertisement should be devoted to the risks associated with gambling, the fact that most people lose money, and ways to access help for problem gamblers.	Ted Steger, Citizen
All	With the saturation of television advertising, children are exposed to countless numbers of sports gambling advertisements. During the Super Bowl and the Celtics game, My 6-year-old and 10-year-old were subjected to dozens of ads. I propose a limitation on television advertising until after 9:00 p.m. on weekdays, and after 10:00 p.m. on weekends. Thus, limiting the exposure of this advertising to power impressional youth, who are forbidden by law to participate in it.	Ted Steger, Citizen
256.01	Comment: This rule provides that sports wagering operators shall be responsible for the content and conduct of any and all advertising and marketing conducted on its behalf. Fanatics submits that, to the extent an advertisement is improperly placed on behalf of a sports wagering operators without its prior approval, the sports wagering operator should not be responsible for said marketing/advertisement. Said otherwise, an operator should not be subject to punishment in situations where it has taken reasonable steps to ensure that it maintains the right to review all advertisements made on its behalf prior to public dissemination, but where a third party fails to adequately provide such operator with an opportunity for prior approval of content.	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")

256.01(1)	PENN recommends narrowing the scope of this regulation to content specifically "related to sports wagering." As currently written, this regulation is overly broad and imposes an unduly burden on Sports Wagering Operators to be responsible for any advertising, marketing, or branding content which may be "to its benefit." As many Sports Wagering Operators have affiliation with media brands, advertising, marketing, or branding for such partners may be interpreted as being to a Sports Wagering Operator's "benefit," even if such advertising, marketing, or branding is not related in any way to sports wagering.	PENN
256.01(3)	Proposed: (3) No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee when compensation is dependent on, or related to, the volume of patrons or wagers placed, or the outcome of wagers. Comment: DraftKings respectfully requests that the Commission clarify its intentions in rule 205 CMR 256.01(3). DraftKings reads the below to only allow for flat fee arrangements with third parties to conduct advertising, marketing, or branding on behalf of operators. In other jurisdictions an arrangement based upon a cost per acquisition model is permitted. Clarification as to the Commission's intentions will allow DraftKings and other operators to appropriately plan for the upcoming Massachusetts launch.	Draft Kings Inc.

256.01(3)	Proposed: (3) No Sports Wagering Operator may enter into an agreement with a	Cory Fox, FanDuel Inc.
	third party to conduct advertising, marketing, or branding on behalf of, or to the	cory.fox@fanduel.com
	benefit of, the licensee when compensation is dependent on, or related to, the	cory.lox(w)tanduel.com
	volume of [patrons or] wagers placed, or the outcome of wagers."	
	Comment: Section 205 CMR 256.01(3) of the Proposed Advertising Regulation	
	prohibits any advertising or marketing contracts where compensation is based on	
	"the volume of patrons or wagers placed, or the outcome of wagers." While we	
	understand the concern about compensation based on the volume of wagering or	
	the outcome of wagers, this language appears to prohibit a standard marketing	
	practice used by operators throughout the United States.	
	It is standard industry practice to pay marketing affiliates on a cost per acquisition ("CDA") basis. This is in line with mortating practices in many other industries.	
	("CPA") basis. This is in line with marketing practices in many other industries	
	where compensation is provided for referrals. We strongly urge the Commission to	
	clarify that compensation of marketing affiliates is authorized based on the number	
	of patrons they assist the operator in acquiring, while still prohibiting compensation	
	based on player activity (amount wagered, amount won or lost).	
256.01(3)	Proposed (delete): (3) No Sports Wagering Operator may enter into an agreement	PENN
	with a third party to conduct advertising, marketing, or branding on behalf of, or to	
	the benefit of, the licensee when compensation is dependent on, or related to, the	
	volume of patrons or wagers placed, or the outcome of wagers.	
	PENN recommends this regulation be removed as it is unprecedented in the sports	
	wagering industry and prohibits standard marketing practices and agreements	
	currently in place across multiple jurisdictions. PENN operates online sports	
	wagering in 15 jurisdictions and retail sports wagering in 12 jurisdictions	
	(excluding Plainridge Park Casino in MA), none of which impose a ban on	
	establishing agreements with third party marketing entities based on the volume of	
	patrons or wagers placed, or the outcome of wagers. It is standard industry practice	
	to base compensation of a third-party marketing entity on the volume of new	

	players it generates through its advertising for the Sports Wagering Operator as this is an objective metric to evaluate the partnership's success. However, the compensation terms of an agreement between a Sports Wagering Operator and a third-party marketing partner are immaterial to the messaging of marketing, advertising, and branding that will be present in the Commonwealth on a Sports Wagering Operator's behalf.	
	Additionally, notwithstanding the removal of this regulation, the Massachusetts Gaming Commission will continue to maintain regulatory oversight of all advertising, marketing, and branding conducted by such third-party marketing partners as 205 CMR 256 are applicable to all such activity done on Sports Wagering Operators' behalf pursuant to rule 256.01(1).	
256.01(3)	A. The Regulation (205 CMR 256.01(3)) Effectively Prohibits Affiliate Marketers from Providing their Services to Massachusetts Consumers i. What/Who is a Marketing Affiliate and their Advertising Strategy Marketing Affiliates, commonly referred to as affiliates, are entities that promote or direct customer traffic to gaming operators. Affiliates usually provide and publish informational content to interested parties. Consumers looking for sports betting options turn to affiliate websites, such as Actionnetwork.com, Gambling.com, and Legalsportsreport.com, to assist them in finding the legal options available to them and evaluating deals or best odds being offered at any given time. Affiliate websites provide links and informative content such as expert reviews, comparisons of the products offered by gaming operators, available player incentives and other informational content such as gaming industry news and "how to" guidance. The affiliate sites typically also include information and resources on responsible gaming, including compulsive gambling self-tests. Successful affiliates act as gateways to the legal gaming operators with whom they choose to work, pulling individuals away from entering the illegal market.	Jeff Ifrah, iDevelopment and Economic Association

As opposed to traditional "push" advertising, affiliates engage in "pull" marketing. Push advertising, such as TV ads, radio ads, social media ads, etc., is designed to entice consumers to a product. Otherwise stated, push advertisements push or encourage consumers to buy or engage with a certain business unprompted. It advertises to all, regardless of age demographics and product/service interest. Affiliates, however, do not generally engage in direct or push marketing. Conversely, pull advertising, a strategy used by nearly all affiliates, is designed to provide information to consumers who are proactively searching for sports betting information. A prime example in a different industry is a travel website such as Expedia or Travelocity. When a potential traveler visits these websites, they already intend to book a trip. They are using these websites to evaluate all of their options and learn about new offers or places they could stay. Like potential travelers visiting these websites, consumers that visit affiliate websites primarily do so through unpaid channels, including search engine optimization. Search engine optimization is the process of optimizing websites to make them more appealing to search engines so they rank favorably in search engines' results pages for certain queries. It would be rare for a consumer to be shown advertisements from a marketing affiliate unless they were already interested in making a wager or learning more about legal sports wagering.

In an affiliate/operator contractual relationship, affiliates receive performance-based marketing compensation, such as revenue share and cost per acquisition ("CPA"). Some form of performance-based marketing is permissible in all states where sports wagering is legal except Connecticut, which restricted CPA and revenue share, and Illinois, which restricts revenue share. Operators either compensate affiliates on a performance metric basis, such as CPA on deposit, CPA on first wager, or revenue, because they allow for the most efficient marketing spend. Without such predictability and ensured results from affiliates, operators would have little to no reason to outsource marketing efforts.

ii. Benefits of Marketing Affiliates in a Legal Market

Affiliates provide crucial aid in a legal and competitive market for two key reasons. First, one of, if not the ultimate, major challenge all legal wagering states face is aiding their licensees to capture market share from existing, entrenched offshore

operators who have been active in states like Massachusetts for decades. Offshore illegal sportsbooks have been able and continue to advertise freely to customers in all 50 states. Even today, offshore sportsbooks continue to obtain a significant share of customers. Offshore sportsbooks and those that advertise on their behalf frequently appear in search results like "Massachusetts online sports betting". A top priority and goal of affiliates is to reduce or fully eradicate offshore sportsbooks, ensuring that customers who wish to participate in a regulated and approved market do so only with Massachusetts licensed operators. Second, affiliates assist in facilitating and providing a competitive sports betting market. Restrictions on revenue share and CPA compensation limits competition by ensuring that only the biggest sportsbooks with the largest marketing budgets will be successful. For instance, some smaller operators are unable to work with affiliates in Illinois, which prohibits revenue share, because their marketing spend is too low to pay affiliates a CPA.

Marketing affiliates are a neutral informational source for consumers to explore all licensed options in the market. Without affiliates present in a legal market, it is harder for consumers to be educated on brands that are less front facing or with smaller advertising budgets; thereby consolidating the power at the top and stifling the natural abilities for the market to be competitive. Such consolidation will hurt the Massachusetts' legal sports betting economy over time as the majority of the market share remains concentrated to one or two operators, with the true victims being Massachusetts consumers who will be uninformed and left with fewer choices.

iii. Current Impact of Regulations on Marketing Affiliates

The current regulation prohibits revenue share and CPA compensation to affiliates, stating that "[n]o Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee when compensation is dependent on, or related to, the volume of patrons or wagers placed, or the outcome of wagers." From the outset to those unfamiliar with affiliates and their benefits, such prohibition could seem reasonable, but it will have detrimental effects to the Massachusetts sports betting

marketing. Consequently, the Regulation makes it infeasible for an affiliate to enter into agreements in Massachusetts.

Additionally, by prohibiting revenue share and CPA, the likely result will be that those that have a true interest in being educated and placing a wager in the legal market will not be able to effectively do so as takes place in other regulated jurisdictions. Additionally, as explained above, offshore sportsbooks will be more likely to continue prospering, and the market is likely to become consolidated and anti-competitive.

iv. Recommendations for Amending

The vast majority of states that have legalized sports betting do not regulate the compensation structures available to affiliates. In fact, the majority of states have limited to no regulations at all in regards to marketing affiliates, with most not even requiring affiliates to register or obtain a license. It is our recommendation that the Commission strike regulation 205 CMR 256.01(3), and instead focus on ways it can effectively license and register such affiliates.

As has been done in other legal wagering states, we suggest that if the Commission has concerns on certain compensations structures, then they effectively regulate and monitor those entities through elevated licensing requirements. For example, of the legalized states, Colorado, Michigan, New Jersey, and Pennsylvania have explicit elevated licensing requirements for affiliates receiving a revenue share compensation as opposed to the more traditional CPA compensation. Other states such as Kansas, Louisiana, and Maryland only require licenses or elevate the level of license if a vendor/affiliate's annual expected revenue from the state exceeds a certain dollar threshold. All other states with registration or licensing requirements demand the same level of registration/licensing from affiliates regardless of their compensation structure: Arizona, Indiana, Virginia, and West Virginia.

Marketing affiliates are vital to a legal sports wagering market. Through appropriate licensing any and all of the Commissions third-party advertising concerns will be assuaged. Therefore, we recommend striking 256.01(3) and

	instead provide a more structured licensing scheme for affiliates, perhaps being elevated, or differentiated depending on their payment structure.	
256.01(3)	We thank the Commission for entertaining comments during this regulatory process, and for hosting a roundtable on Subsection 256.01(3) on February 27, 2023. We agree with comments shared by stakeholders during the discussion. We applaud the Commission for approving an interim waiver of the regulation to allow cost per acquisition (CPA) and revenue sharing models for affiliate relationships. It is our view that CPA and revenue sharing advertising is appropriate – not only with regard to affiliate arrangements for platforms like Google and other search engines, but also in other contexts. These affiliate models are commonplace in the industry, and work to funnel individuals with sports wagering intent to legally licensed regulated sports books. As presented in the roundtable, when Operators are able to focus advertising on adults through "pull" ads, Operators will tend to use this more efficient approach and rely less on "push advertising" that would reach a broad audience (including minors). We do not believe that CPA or revenue sharing advertising relationships pose a threat to consumers, and as the Commission continues to evaluate whether and how to regulate third party advertising models, we urge the Commission to avoid unneeded restrictions that may have unintended consequences.	Dave Friedman, Red Sox obo Broadcasters coalition
256.01(3)	Importantly, we note that these issues would become even more problematic should the Commission back away from its current (and very sound) prohibition on commission-based payments to third-party marketing vendors. We understand certain vendors are asking for that prohibition to be lifted, which the Commission is considering on an interim basis. The fact is that certain third-party marketing vendors present themselves to the public as tip sheets, providing advice on prospective wagers. Where a vendor expressly or impliedly advises a particular wager, that vendor must not be compensated based on whether its audience then uses or accesses a sports wagering operator's site or app to make the bet it has advised.	M. Patrick Moore Jr., AGO

256.01(3)	Comment: (1) Regarding Section 256.01(3), this section appears to prohibit compensation arrangements for marketing affiliates and similar vendors on the basis of "volume of patrons or wagers placed, or the outcome of wagers." WynnBET does not believe that the common form of compensation, cost per acquisition (CPA), which is driven by a flat fee for a single patron enrollment, would fall within this prohibition. To the extent that it is the intention of this proposed section, WynnBET would respectfully request reconsideration. Nearly all mobile sports betting jurisdictions permit CPA as a method of payment for marketing affiliates and similar companies. A majority also allow revenue sharing arrangements that are tied to player activity. While some require a higher level of licensing for such a compensation, a majority of mobile sports betting states have some allowance for it.	Jennifer Roberts, General Counsel, VP Wynnbet, WSI US, LLC, dba WynnBET
256.01(3)	I'm writing on behalf of Better Collective USA, Inc. ("BC US", "we", or "us"), a Delaware corporation and a wholly owned subsidiary of Better Collective A/S, a Denmark-based public company listed on Nasdaq Stockholm. The global and US leader in the affiliate marketing space, BC works exclusively with regulated sportsbooks. As a result, we take seriously our role within the ecosystem to educate and guide our users on all aspects of legal sports betting, including how to gamble responsibly. We believe that doing so creates a more sustainable industry for all involved, including states such as Massachusetts that have chosen to legalize sports betting. While we are pleased that Massachusetts has regulated online sports betting, we have concerns about the current proposed regulation limiting performance-based compensation like CPA and revenue share, which we fear will be harmful to the sports wagering market and is unnecessary for regulatory oversight of affiliates. As more fully detailed below, restrictions on performance-based affiliate compensation models create an anti-competitive environment due to the compensation restrictions with third parties. These restrictions make it unduly	Katherine McCord, Better Collective USA, Inc. Similar comment submitted by Jeff Ifrah, Ifrah PLLC, obo Better Collective USA, Inc., Catena Media plc, and GDC America, Inc. ("Affiliate Group")

difficult for regulated affiliates to compete with unregulated affiliates and Operators. As a result, we worry the Massachusetts regulated market will lose revenue to the offshore markets.

First, due to the oversight of the Massachusetts Gaming Commission ("MGC") through affiliate licensing requirements, restrictions on performance-based affiliate compensation models are unnecessary. Some form of performance-based marketing is permissible in all states except Connecticut, which restricts CPA and revenue share, and Illinois, which restricts revenue share. Neither Connecticut nor Illinois impose any vendor registration or affiliate licensing requirements. With the MGC's direct enforcement power over affiliates, it is unnecessary to also restrict performance-based compensation.

Limiting the affiliate commercial model away from traditional performance-based compensation methods like CPA and revenue share also hurts the growth of a newly regulated market like Massachusetts in the following ways:

Channelization: Responsible affiliates like BC US exclusively promote licensed operators. Many consumers refer to specific affiliate-run websites, like BC US's sportshandle.com, actionnetwork.com and vegasinsider.com, for betting information and education, such as which Operators are licensed. Discouraging affiliates from participating in the market by limiting affiliate compensation models allows offshore Operators to flourish. Diverting consumers from the regulated market decreases legitimacy and compliance, and reduces taxes to the state.

Sustainable Marketing Spend: Operators typically prefer compensation models based on key performance metrics (such as CPA on deposit, CPA on first wager, or revenue share) because it allows for efficiency in their marketing spend. This predictability allows them to invest in other areas that will grow handle, gross gaming revenue and tax revenue as much as possible.

Competitive Market: Restricting performance-based affiliate payment hinders competition within a state by ensuring that only the biggest sportsbooks with the largest marketing budgets will be successful. For instance, some smaller Operators are unable to work with affiliates in Illinois (which prohibits revenue share) because their marketing spend is too low to pay on CPA.

Prohibiting both CPA and revenue share would only compound the problem smaller Operators face in Illinois. This consolidation will hurt the state economy over time, as less money will be invested by second- and third-tier operators, and it's bad for consumers who will be left with fewer choices.

Mass Media: In assessing gambling advertising, it is important to differentiate between "pull" and "push" advertising. Push marketing, such as TV advertising, paid social media ads and others, is designed to entice consumers to a product. Conversely, most affiliate marketing can be categorized as pull marketing, designed to provide information to consumers who are proactively searching for sports betting information. Limiting performance-based compensation will result in Operators focusing their marketing budgets away from pull advertising and towards push advertising. Responsible gaming resources and educational content are scarce at best on push marketing, and shown to all age demographics.

Education and Responsible Gaming: Affiliates provide betting information and insights, including introductions to various bet types and markets, and information and resources on responsible gaming, including compulsive gambling self-tests. BC US is committed to fostering wider initiatives in the affiliate marketing sector to promote social responsibility and create a safer gambling environment for consumers, including offering responsible gaming products that help consumers track their wins and losses across all Operators.

Limiting compensation models paid by Operators will limit regulated affiliate activities in the state, reducing access to resources our consumers depend on to

	make informed betting decisions that are particularly essential in a newly regulated market. It is vital that consumers searching for gambling related products find the product offerings of responsible, regulated operators, rather than those of unlicensed operators. To achieve this, it is necessary to create a commercially viable market in which affiliate marketers can thrive. We would welcome the opportunity to discuss further and can be reached via email at kmccord@bettercollective.com and Legal.US@bettercollective.com, or by phone at 203-536-2138.	
256.01(3)	On behalf of Better Collective USA, Inc. ("we", "us" or "BC"), we respectfully submit the below comments on the Massachusetts Gaming Commission's ("Commission") proposed Sports Wagering Advertising regulations 205 CMR 256. As a leading marketing affiliate, BC takes seriously our role within the sports wagering ecosystem to responsibly educate and guide users. While we understand and are aligned with the Commission's concerns on advertising with respect to responsible gaming, we believe that 205 CMR 256 as currently drafted will have a significant dampening effect on the new Massachusetts market without any measurable increase in consumer protections. Accordingly, we provide the following comments: We respectfully urge the Commission to delete 205 CMR 256.01(3) in its entirety to allow for performance-based marketing compensation models such as revenue share and cost per acquisition ("CPA"). Prohibiting industry-recognized commercial models like CPA and revenue share in a newly regulated Massachusetts will limit both marketing affiliate activity and competition between sports wagering operators, negatively impacting tax revenue to the state and hurting consumers.	Katherine McCord, Better Collective USA, Inc.

Some form of performance-based marketing is permissible in all states where sports wagering is legal except Connecticut, which restricts CPA and revenue share, and Illinois, which restricts revenue share. Neither Connecticut nor Illinois impose any vendor registration or affiliate licensing requirements. With the Commission's direct enforcement power over marketing affiliates through the vendor registration process, it is unnecessary to also restrict performance-based compensation.

Additionally, we note feedback from Todd Grossman conveyed by email on February 16 that operators may enter into revenue share or CPA agreements where compensation is based on the number of visits to the operator's website, i.e., a cost-per-click model ("CPC"). Operators typically prefer to compensate marketing affiliates based on key performance metrics (such as CPA on deposit, CPA on first wager, or revenue share) because it allows for efficiency in their marketing spend. This predictability allows them to invest in other areas that will grow handle, gross gaming revenue and tax revenue as much as possible.

Responsible marketing affiliates like BC exclusively promotes licensed operators. Many consumers refer to specific affiliate-run websites, like BC's sportshandle.com, actionnetwork.com and vegasinsider.com, for betting information and education, such as which operators are licensed. Discouraging affiliates from participating in the market by limiting affiliate compensation models allows offshore operators to flourish. Diverting consumers from the regulated market decreases legitimacy and compliance, and reduces taxes to the state.

Restricting revenue share and CPA also limits competition by ensuring that only the biggest sportsbooks with the largest marketing budgets will be successful. For instance, some smaller operators are unable to work with affiliates in Illinois (which prohibits revenue share) because their marketing spend is too low to pay on CPA. Prohibiting both CPA and revenue share would only compound the problem smaller operators face in Illinois. This consolidation will hurt the state economy

over time as the majority of the market share is concentrated to one or two operators, and it's bad for consumers who will be left with fewer choices.

In assessing gambling advertising, it is important to differentiate between "pull" and "push" advertising. Push marketing, such as TV advertising, paid social media ads and others, is designed to entice consumers to a product. Conversely, most affiliate marketing can be categorized as pull marketing, designed to provide information to consumers who are proactively searching for sports betting information. By prohibiting CPA and revenue share in favor of CPC, operators will instead focus their marketing budgets away from pull advertising (such as agreements with marketing affiliates) and towards push advertising. Push advertising is shown across all age demographics, and doesn't include the same responsible gaming resources and educational content that marketing affiliates provide.

Marketing affiliates provide betting information and insights, including introductions to various bet types and markets, and information and resources on responsible gaming, including compulsive gambling self-tests. BC is committed to fostering wider initiatives in the affiliate marketing sector to promote social responsibility and create a safer gambling environment for consumers, including offering responsible gaming products that help consumers track their wins and losses across all operators.

It is vital that consumers searching for gambling related products find the product offerings of responsible, regulated operators, rather than those of unlicensed operators. To achieve this, it is necessary to create a commercially viable market in which affiliate marketers can thrive. As such, we respectfully request that 205 CMR 256.01(3) be removed in its entirety.

256.02	Caesars supports this regulation but recommend this not apply to national	Curis Lane Jr., Caesars Sportsbook
	advertising buys. While we are licensed to operate in the Commonwealth, it would	
	be onerous on the staff, and potentially illegal, to regulate out-of-state media	
	organizations.	
256.02(2)	DraftKings respectfully requests that the Commission clarify the requirements of	Draft Kings Inc.
	this section. For example, if an offer in a national advertisement is not available in	8
	Massachusetts and not intended for use in Massachusetts, would a "Void in MA"	
	disclaimer be sufficient? In such a case, where an offer is not available in	
	Massachusetts and the advertisement includes a disclaimer as such, would the	
	provisions about including specific responsible gaming information about	
	resources in Massachusetts still apply?	
256.02(2)	Subsection 256.02(2) requires an affirmative statement that wagering is not	Dave Friedman, Red Sox obo
	available in Massachusetts if the Operator is not licensed in Massachusetts. We	Broadcasters coalition
	would like to request clarification on whether and when such a disclosure is	
	required and in particular would propose a modification for advertisements in	
	broadcasts. Any additional disclosures like this, proposed by the Commission, add	
	to an already cumbersome disclosure paragraph that is difficult for viewers to sort through. Additionally, a significant portion of ads in sports broadcasts are national	
	or regional ads for which it may be technically and practically infeasible to	
	substitute state-specific ads or copy. This proposal would raise significant legal	
	questions in this context. We would recommend that the Commission allow	
	industry standard verbiage for these ads (e.g., "Void where prohibited.").	
	Our coalition also requests clarification on the Commission's definition of "third	
	party." We understand third parties to refer to creative producers like advertising	

	agencies and marketing firms, and media buyers, but not to include broadcasters who simply air the content produced by other third parties.	
256.02(2)	Proposing: Add "knowingly" to state: "Sports Wagering Operators and their agents, employees, or any third-party conducting advertising or marketing on their behalf shall not knowingly advertise forms of illegal gambling in the Commonwealth."	Jess Panora, BetMGM jess.panora@betmgm.com
	BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	
256.04 256.04(2) and (3)	While BC supports the Commission's goals of prohibiting deceptive advertising and clearly disclosing responsible gaming messaging, we believe the requirements of 205 CMR 256.04 and 205 CMR 256.06 are too broad to realistically allow for compliance.	Katherine McCord, Better Collective USA, Inc.
	Requirements such as those in 205 CMR 256.04(2) and (3) regarding the conspicuous disclosure of terms and conditions on the advertisements themselves would effectively render digital advertisements and promotions impossible. We therefore respectfully request that the Commission allow for such disclosures to be accessible within one click, as permitted by Ohio Administrative Code 3775-16-0&(A)(l).	
256.04(1)	Proposing: Add "knowingly" to state: "No Sports Wagering Operator shall knowingly allow, conduct, or participate in any unfair or deceptive advertising, marketing, or branding for Sports Wagering. Advertising, marketing, or branding that is unfair or deceptive includes, but is not limited to, advertising, marketing, or branding that would reasonably be expected to confuse and mislead patrons in order to induce them to engage in Sports Wagering."	Jess Panora, BetMGM jess.panora@betmgm.com

	BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	
256.04(1)	To avoid any future, incorrect argument otherwise from regulated entities, the Commission should expressly state that its regulations, and particularly those related to advertising and marketing, are in addition to, and are not intended to displace, the Commonwealth's preexisting and extensive consumer protection laws. Those laws include without limitation the Massachusetts Consumer Protection Act, G.L. c. 93A, and regulations established by our Office under that Act.	M. Patrick Moore Jr., AGO
256.04(1)	Delete: "Advertising, marketing, or branding that is unfair or deceptive includes, but is not limited to, advertising, marketing, or branding that would reasonably be expected to confuse and mislead patrons in order to induce them to engage in Sports Wagering." Comment: Caesars supports the Commonwealth's goal of prohibiting deceptive advertising practices, but as written it is too broad to provide meaningful direction to the operators and may be impossible to comply with.	Curis Lane Jr., Caesars Sportsbook
256.04(1)	Our coalition appreciates the Commission's work to prevent unfair or deceptive advertising. On this Subsection, we request clarification to confirm that the Commission intends this provision to apply to Operators and those responsible for producing the advertising at issue, not third parties that disseminate the ads, including broadcasters.	Dave Friedman, Red Sox obo Broadcasters coalition
256.04(2)	Proposing: Add "knowingly" to state: "No Sports Wagering Operator shall knowingly obscure or fail to disclose any material fact in its advertising, marketing, or branding for sports wagering or use any type, size, location lighting, illustration, graphic, depiction or color resulting in the obscuring of or failure to disclose any material fact in any advertising, marketing, or branding."	Jess Panora, BetMGM jess.panora@betmgm.com

	BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	
256.04(3)	Comment: Caesars believes it would be impracticable to include all terms and conditions in an advertisement. For example, an NFL game earlier this season was canceled in the first quarter because a player collapsed from cardiac arrest. This was an unprecedented result for a NFL game. Operators in legal jurisdictions were bound by their internal controls and terms and conditions. Listing every possible condition would not be possible.	Curis Lane Jr., Caesars Sportsbook
256.04(3)	Proposing: Change "and the nature of any promotions or and information to assist patrons in understanding the odds of winning" to "and the nature of any promotions or any information to assist patrons in understanding the odds of winning" BetMGM Comment: This appears to be a typo.	Jess Panora, BetMGM jess.panora@betmgm.com
256.04(3)	Comment: Regarding Section 256.04(3), all Sports Wagering advertisements must clearly convey the conditions under which Sports Wagering is being offered, including information about the cost to participate and the nature of any promotions or and information to assist patrons in understanding the odds of winning. As this requirement would necessitate a significant number of disclosures, WynnBET respectfully requests additional information as to what disclosures would be required. WynnBET does have such information available within its app and on its website.	Jennifer Roberts, General Counsel, VP Wynnbet, WSI US, LLC, dba WynnBET
256.04(4)	205 CMR 256.04(4) regarding limitations on "specific wager[s] of any specific type, kind, subject or amount" is so vague and broad as to potentially prohibit	Katherine McCord, Better Collective USA, Inc.

	content we create that is intended to educate users and allow for more informed betting decisions.	
256.04(4)	Proposed (4): No employee or vendor of any Sports Wagering Operator (or employees of its vendors) shall advise or encourage individual patrons on a one-on-one basis to place a specific wager of any specific type, kind, subject, or amount. This restriction does not prohibit general advertising or promotional activities, which may require a patron to place a specific wager type, kind, subject, or amount in order for patron to receive a promotional benefit. Comment: Caesars believes the proposed change above would clarify that standard industry promotions advertised publicly or to certain market segments that require a participating customer to place a specific wager type, kind, subject or amount in order to receive a particular promotional benefit would not be prohibited.	Curis Lane Jr., Caesars Sportsbook
256.04(4)	Proposed: (4) No employee or vendor of any Sports Wagering Operator shall advise or encourage individual patrons to place a specific wager of any specific type, kind, subject, or amount. This restriction does not prohibit general advertising or promotional activities, including wager types offered by operators and sports wagering industry media coverage. Comment: DraftKings respectfully requests that the Commission clarify and amend this section. From time to time, employees of operators and personalities affiliated with operators can be active on social media, posting their active wagers, thoughts on bets, and so on. Would any of the following examples be a violation of this rule? • An operator executive attends a Celtics game, and before the game tweets "We put the line at Celtics -4 tonight, but the way they've been playing it should be Celtics -75."	Draft Kings Inc.

	 A low-level employee replies to a tweet about the Super Bowl with, "the Patriots are a lock to win the 2024 Super Bowl. Count on it." A vendor employee posts a screenshot of their active wagers before games begin and says "I'm feeling really good about these!" As written, this section could be read to prohibit pre-made same-game parlay bets offered by an operator, as that could be encouragement to place a specific wager, which DraftKings does not believe is the intention of the proposed rule. Further, by way of example, DraftKings owns VSiN (Vegas Sports Information Network, Inc.), which is a multi-platform broadcast and content company that delivers sports wagering news, analysis, and data. VSiN produces up to 18+ hours of live sports wagering content each day. It operates a 24/7 stream of content, and is accessible through multiple video and audio channels, including on NESN and other platforms in Massachusetts. VSiN maintains editorial independence, but its on-air talent are all DraftKings employees who discuss, advise, and encourage bets on specific markets. DraftKings respectfully submits that the proposed rule should not prohibit the manner in which VSiN operates. 	
256.04(4)	Comment: Section 205 CMR 256.04(4) of the Proposed Advertising Regulation prohibits employees and vendors of the sports wagering operator from advising or encouraging individual patrons to place a specific wager. While this section has an exemption for general advertising and promotional activities, we would suggest further clarification from the Commission as to the scope of this prohibition. For example, we would understand a proposed limitation on members of our VIP team specifically suggesting a wager to a customer. However, we would not expect, and it would not be a standard requirement, to prohibit our application from suggesting an event or wager a patron may be interested in based on previous activity on the site.	Cory Fox, FanDuel Inc. cory.fox@fanduel.com

256.04(2)-(4)	Section 256.04(2) and (3) require conspicuous disclosure of all terms and	Jeff Ifrah, iDevelopment and
230.04(2)-(4)	conditions on advertisements including disclosing "any material fact in its advertising" and "information about the cost to participate and the nature of any promotions or information to assist patrons in understanding the odds of winning." Such a requirement would effectively render all digital advertisements and promotions impossible. Displaying such information within an advertisement would render it useless, the content would be nothing but terms and conditions, and not provide any effective marketing of the product or service. It is commonly understood that the most effective means to provide a message or marketing is within easily understood and digestible words or phrases, not long-winded displays of terms and conditions which are commonly ignored. The Commission's intentions can be better captured by requiring such disclosures similar to those in Ohio. The Ohio Administrative Code 3775-16-08(A)(1) allows such disclosures to be displayed in a one-click link on the advertisement.	Economic Association
	Further, section 256.04(4)'s prohibition against vendors advising "patrons to place a specific wager of any specific type, kind, subject, or amount" is ripe for unintended negative consequences. The sports wagering market is new to consumers in Massachusetts. It is more than likely that many consumers will be unfamiliar with odds or types of bets and where such wagers may be legally placed. These individuals must have resources to inform them of the specific types and kinds of bets that are not only accessible but also permitted in Massachusetts. Many marketing affiliates publish and provide this sort of content, and it has shown to be beneficial in aiding consumers to place well and more informed wagers. We request that the Commission reconsider the wording in this section to ensure that Massachusetts sports wagering consumers remain able to seek advisements through informational resources.	
256.04(5)(a)	Regarding Section 256.04(5)(a), "all advertisements or inducements where the complimentary item or promotion" is must fully disclose all the terms, conditions, or limitations of the offer. Such terms and conditions are detailed and lengthy and disclosure would render advertising and promotions impossible. WynnBET	Jennifer Roberts, General Counsel, VP Wynnbet, WSI US, LLC, dba WynnBET

	includes at minimum that terms apply and will often include a link for direct access to the terms.	
256.04(5)(c)	Section 205 CMR 256.04(5)(c) of the Proposed Advertising Regulation requires that when a customer is required to wager a certain amount to receive a complimentary item or promotional credit, any advertisement of such promotion must display the required wager amount in the same size and style of font as the complimentary item or promotional credit. While we understand the underlying concern to prevent operators from "hiding" the required wager, it is not standard practice to require the exact same size and style of font for both the required wager and the complimentary item. We suggest that this section be clarified to require the advertisement to "clearly and conspicuously" disclose any required wager. To address this concern, we suggest the following edits: Section 205 CMR 256.04(c): "(c) If the offer requires the patron to Wager a specific dollar amount to receive the complimentary item or promotional credit, the amount that the patron is required to Wager of the patron's own funds shall be clearly and conspicuously disclosed [in the same size and style of font as the amount of the complimentary item or promotional credit], and the complimentary item or promotional credit shall not be described as free."	Cory Fox, FanDuel Inc. cory.fox@fanduel.com

256.04(5)(b)	Proposed: Delete (b) If being added to a Sports Wagering Account, through the use of a pop-up message either while the complimentary item or promotional credit is being added or when the patron next logs in to the Account, whichever is earlier; and	Draft Kings Inc.
	(e) (b) If the offer requires the patron to Wager a specific dollar amount to receive the complimentary item or promotional credit, the amount that the patron is required to Wager of the patron's own funds shall be disclosed in the same size and style of font as the amount of the complimentary item or promotional credit, and the complimentary item or promotional credit shall not be described as free.	
	Comment: DraftKings respectfully requests that the Commission strike this section of the proposed rules, as terms of promotion are readily available on the website and in the app whenever a customer views or selects a promotion. The availability of terms moots the need for an additional popup.	
256.04(5)(b)	Proposed: (delete) [If being added to a Sports Wagering Account, through the use of a pop-up message either while the complimentary item or promotional credit is being added or when the patron next logs in to the Account, whichever is earlier;] and	Cory Fox, FanDuel In. cory.fox@fanduel.com
	(c) If the offer requires the patron to Wager a specific dollar amount to receive the complimentary item or promotional credit, the amount that the patron is required to Wager of the patron's own funds shall be disclosed in the same size and style of font as the amount of the complimentary item or promotional credit, and the complimentary item or promotional credit shall not be described as free."	
	Comment: Section 205 CMR 256.04(5)(b) of the Proposed Advertising Regulation requires operators to disclose to a patron all terms, conditions, or limitations of a promotional offer "through the use of a pop-up message either while the complimentary item or promotional credit is being added or	

	when the patron next logs in to the Account, whichever is earlier." While operators certainly make the terms and conditions of promotional offers available to patrons, it is not a standard requirement in other jurisdictions for operators to build specific pop-up messaging into their application to serve this purpose. As such, we suggest removal of this requirement.	
256.04(5)(b)-(c)	Comment: Subsection (5)(b) provides that sports wagering operators who offer complimentary items or promotional credits that are subject to terms, conditions or limitations must fully disclose the terms, conditions or limitations through the use of a pop-up message. While Fanatics appreciates the importance of disclosing any specific terms, conditions or limitations, Fanatics submits that this requirement is overly limiting. Fanatics recommends that the Commission amend this rule to give operators the option of making the terms of an offer available through webpage disclosures (which could be one-click away), as opposed to requiring them to display terms through a pop up. Fanatics submits that this approach is consistent with Federal Trade Commission guidance as well as the goal of ensuring that the terms of an offer are fully disclosed to patrons in a manner that is most user friendly and easy to comprehend. Subsection 5(c) also applies to sports wagering operators who offer complimentary items or promotional credits that are subject to terms, conditions or limitations. This subsection provides that if the offer requires the patron to wager a specific dollar amount, operators must disclose the amount in the same size and style of font as the amount of the complimentary item or promotional credit. Fanatics submits that the Commission should amend this rule to require that sports wagering	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")

	operators must disclose "clearly and conspicuously" the amount a patron must	
	wager, as opposed to the "same font" requirement. The requirement, as written,	
	limits operators' ability to exercise discretion in establishing marketing campaigns	
	and to determine what is most appropriate for a particular advertisement.	
256.04(6)	Proposing to add "knowingly" after "shall not"	Jess Panora, Bet MGM
	BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	jess.panora@betmgm.com
256.05(1)	Proposing to add "knowingly" to state: "No Sports Wagering Operator shall	Jess Panora, BetMGM
	knowingly allow, conduct, or participate in any advertising, marketing, or branding	
	for Sports Wagering that is aimed at individuals under twenty-one years of age."	jess.panora@betmgm.com
	BetMGM Comment: This conduct should not constitute a violation if the operator	
	is unaware of it.	
256.05(2)	Proposing to add "knowingly" to state: "Advertising, marketing, branding, and	Jess Panora, BetMGM
	other promotional materials knowingly published, aired, displayed, disseminated,	. 01 4
	or distributed by or on behalf of any Sports Wagering Operator shall not knowingly	jess.panora@betmgm.com
	contain images, symbols, celebrity or entertainer endorsements, or language	
	designed to appeal primarily to individuals younger than twenty-one years of age."	
	BetMGM Comment: This conduct should not constitute a violation if the operator	
	is unaware of it.	
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256.05(3)	Proposing to add "knowingly" to state: "Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall not be knowingly published, aired, displayed, disseminated, or distributed;" BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM jess.panora@betmgm.com
256.05(3)	Caesars believes further clarification if this is a ban on celebrity and entertainment endorsements, or those designed to appeal to minors. Caesars supports the former interpretation. Celebrities that appeal to adults can be a key part of a marketing strategy to attract customers who currently bet illegally and to grow the market through new customers who will generate increased tax revenues for the Commonwealth.	Curis Lane Jr., Caesars Sportsbook
256.05(4)	Proposing to add "knowingly" to state: "Sports Wagering advertisements, including logos, trademarks, or brands, shall not knowingly be used, or licensed for use, on products, clothing, toys, games, or game equipment designed or intended for persons under twenty-one years of age." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM jess.panora@betmgm.com
256.05(2)-(7)	Comment: Subsections (2)-(7) of this rule, generally, prohibit sports wagering operators from advertising and marketing to persons under twenty-one years of age and limit the dissemination of marketing information at certain venues, including schools and college campuses. As written, the prohibitions are broad and when read literally are not necessarily limited to sports wagering, or gaming-related advertisements. While Fanatics understands the presumed purpose and shares the goal of preventing the promotion of sports wagering to youth, the provisions as written are overly limiting. Particularly, Fanatics recommends that the Commission amend these subsections to remove any potential ambiguity and make clear that the	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")

	rules relate solely to an operator's gaming-related business. Such a clarification would be timely and consistent with the scope and presumed objectives of the sports wagering statute given that as the gaming industry expands and new multi-dimensional and innovative companies enter the market, it is likely that such companies will seek to advertise and market their gaming business while also growing their non-gaming assets.	
256.05(4)(a)	Section 256.05(a) prohibits advertisements and promotions published or disseminated "in media outlets, including social media platforms, that are used primarily by individuals under twenty-one years of age." This requirement is vague. We request that the Commission provide clearer guidance on the specific media outlets such content cannot be disseminated. It is well known that individuals under the age of 21 are active on many social media platforms, but it is nearly impossible for an advertiser to determine at any one time if such platform is "primarily" used by those underage. The Commission's concern is valid, however, we advise that they provide operators and third-party advertisers more specific guidance media outlets and social media platforms that are strictly prohibited, and regularly update that guidance. Importantly, we note that social media, like affiliate marketing, is an effective way to advertise the legal and regulated market, thereby drawing individuals away from the illegal market and making regulators operators known to consumers.	Jeff Ifrah, iDevelopment and Economic Association
256.05(4)(a)	The AGO appreciates the Commission's efforts to protect underage youth from harmful exposure to sports wagering, which is a goal that we share. With that goal in mind, the Commission's draft and emergency regulations should be strengthened. The Commission's advertising regulations limit the placement of paid marketing and promotion in areas likely to be viewed by young people, including, for example, mass media with a young audience and outlets serving colleges and universities. These regulations should be amended to more directly address social media (e.g., Instagram and TikTok) and connected television platforms (e.g., YouTube TV and Hulu). Many such platforms allow individuals under a certain age (actual or predicted) to be excluded from an advertiser's audience. Where	M. Patrick Moore Jr., AGO

	technically feasible, operators and their vendors should be mandated to exclude any age category that includes those under the age of 21. We understand from our diligence that certain operators would welcome this mandate. Where an operator can demonstrate that this type of exclusion is not feasible or available, however, operators should still not be permitted to promote or market on platforms where 25% or more of the audience is under 21, consistent with the standard for other marketing settings under the current draft regulations. This is particularly important given that operators are presently advertising through paid social media influencers who have potentially substantial underage audiences. Moreover, we urge the Commission to strengthen age verification protocols by amending 205 CMR 248.04 to clearly state the minimum standard of reliability and accuracy for age verification that operators must implement. The standard should be consistent with the highest level of accuracy and reliability in the digital age verification industry and incorporate protections against the unauthorized use of sports betting accounts by underage users (e.g., underage use of an account of an	
256.05(4)(d) (now (e))	older sibling or friend). Proposed: No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall be published, aired, displayed disseminated, or distributed: (d) on any college or university campus, except for generally available	PENN
	advertising, including television, radio, and digital advertising; Comment: PENN recommends amending this rule to permit the presence of generally available television, radio, and digital advertising on college or university campuses in Massachusetts. Prohibiting advertisements from Massachusetts college or university campuses, generally, is overly restrictive as campus borders are often ambiguous and expand beyond areas predominantly utilized by college students and student-athletes. Additionally, the rule as currently written would result in a significant operational burden for Sports Wagering Operators to ensure	

	generally available advertisements on mediums such as television, radio, and social media are not able to be consumed on college or university campuses.	
256.05(4)(e)	Moreover, as to subsection (4)(e), Fanatics submits that the use of the phrase "presumed to be under 21" is ambiguous. Fanatics submits that the presumed intention of subparagraph (e) is captured in subparagraph (b), which prohibits advertising at events aimed at minors or where 25% or more of the audience is "reasonably expected" to be under twenty-one years of age. As such, Fanatics recommends that the Commission delete this language and instead rely upon the clear mandate set forth in subsection (b).	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")
256.05(5)	Proposing to add "knowingly" to state: "Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall not knowingly depict an individual who is, or appears to be, under twenty-one years of age, except live footage or images of professional athletes during sporting events on which sports wagering is permitted. Any individual under the age of twenty-one may not be knowingly depicted in any way that may be construed as the underage individual participating in or endorsing sports gaming." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM jess.panora@betmgm.com
256.05(6)	Proposing to add "knowingly" to state: "Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall not knowingly depict students, schools or colleges, or school or college settings." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM jess.panora@betmgm.com

256.05(7)	Proposing to add "knowingly" to state: "Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or	Jess Panora, BetMGM
	distributed by or on behalf of any Sports Wagering Operator shall knowingly state that patrons must be twenty-one years of age or older to participate."	jess.panora@betmgm.com
	BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	
256.06	This rule, among other things, requires that marketing and advertising include a link to and phone number for the Massachusetts Problem Gambling Helpline, as well as state-specific problem gambling messages, regardless of whether the marketing and advertising is targeted to Massachusetts. Consistent with the approach accepted in numerous jurisdictions, Fanatics recommends that the Commission give operators the ability to use the "1-800 GAMBLER" number and message for national or regional advertisements. Fanatics submits that the requirement to list state-specific responsible gaming messages in national advertisements does not further operators' and regulators'	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")
	shared goal of providing customers straightforward guidance on how to seek assistance with problem gaming. More particularly, Fanatics submits that permitting operators to utilize one helpline for national or regional advertisements will promote greater awareness, consistency in messaging and understanding by patrons of the resources available to persons in need of valuable problem gambling resources. To the contrary, a state-by-state approach on the issue risks creating confusion amongst patrons and makes responsible gaming disclosures on multistate advertisements harder to read and quickly comprehend.	
	Consistent with the above recommendations, Fanatics submits that the Commission should limit the express requirements in subsection (4)(d) (related to video and television responsible gaming messaging) and subsection (4)(e) (related to websites and social media responsible gaming messaging) to advertising specifically targeting the Massachusetts market or the promotion of Massachusetts-specific	

offerings - as opposed to national or regional advertisements. Further to this point, Fanatics again submits that operators should be permitted to utilize national problem gambling messaging (i.e., 1-800 GAMBLER" number and message for national advertisements) when conducting multi-state marketing efforts on its websites and social media assets in order to permit easy viewing and comprehension of responsible gaming messaging, and in tum give patrons straightforward guidance on seeking assistance.

Finally, as to subsection (e)(l), Fanatics recommends that the Commission replace the word "webpage" with "website." Fanatics understands the importance for operators to clearly and prominently display responsible gaming messaging. Fanatics believes that this amendment gives more flexibility to determine the appropriate placement of the messaging on the overall websites to meet that requirement. This will allow operators to effectively provide the requisite messaging to patrons in a location on the website that is easily accessible and in a manner that is most user friendly. In this regard, Fanatics suggests that the Federal Trade Commission's ("FTC") ".com Disclosures: How to Make Effective Disclosures in Digital Advertising" may provide additional guidance on the issue. The FTC's guidance provides that the use of hyperlinks to provide relevant disclosures (or by extension other means to provide disclosures in a manner that is one-click away) are particularly useful if a disclosure in question is lengthy or needs to be repeated. Fanatics submits that it should be permitted to use a similar approach for including responsible gaming messaging on advertisements on social media platforms as well.

256.06	iDEA is highly invested in providing consumers with meaningful and easily accessible resources in connection with responsible gaming. Section 256.06's requirement for Massachusetts specific messaging, along with the messaging length and font size requirements for responsible gaming messages, are not practical. A state specific messaging approach will be very difficult for multijurisdictional operators and advertisers and is ripe for unintended errors. Such operators and advertisers provide advertisements and promotional content nationally and/or throughout the legal wagering jurisdictions, and many forms of advertising that cross national or regional borders is not well suited for jurisdiction specific responsible gaming messaging. As stated above, when an ad contains too many disclaimers, they are more likely to be ignored or drowned out by the other messaging. Instead, iDEA suggests that the Commission follow in the footsteps of other states and allow advertisements to display the national hotline, 1-800-GAMBLER, at a minimum for advertisements that are intended to be deployed on a multi-jurisdictional basis. The national hotline is very effective in providing access to problem gaming resources. By using the national hotlines, it is less likely the important messaging will be lost, and the messaging will be more effective to those that require such assistance and guidance. Additionally, it is important to note that the provisions of Chapter 23N, Section(4)(d)(3) only require display of the "problem gambling hotline overseen by the department of health" to patrons "upon each entry into the application or platform." There is no requirement in statute to utilize the Massachusetts specific messaging in advertisements	Jeff Ifrah, iDevelopment and Economic Association
256.06	With respect to 205 CMR 256.06, while BC is strongly supportive of the display of responsible gaming messaging for all marketing materials, the length of the messaging and the font size requirements are practically very challenging. Furthermore, the requirement to use Massachusetts-specific language is impossible	Katherine McCord, Better Collective USA, Inc.

	to implement across certain advertising mediums including direct marketing (such as emails) and social media posts.	
256.06(1)	Proposing to add "knowingly" to state: "No Sports Wagering Operator shall knowingly allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed exclusively or primarily at groups of people that are at moderate or high risk of gambling addiction. A Sports Wagering Operator shall not intentionally use characteristics of at-risk or problem bettors to target potentially at-risk or problem bettors with advertisements." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM jess.panora@betmgm.com
256.06(1)	Subsection 256.06(1) prohibits certain advertising aimed at "moderate or high risk" individuals. We agree with the public comment provided by PENN that the current language is vague and seek further clarification on how "moderate" and "high risk" are defined.	Dave Friedman, Red Sox obo Broadcasters coalition
256.06(1) (note, moved down from 256.01 because I think this comment was misplaced)	Caesars supports operators taking full responsibility for the actions of their third-party marketing affiliates and efforts to protect the consumers, but this regulation does not provide further protections for the public and instead mandates contractual relationship terms between private parties. Many of the other provisions in the marketing regulations provide ample, and often best-in class, consumer protections. Further, the vagueness of the terms "moderate" and "high risk" renders this regulation inherently problematic. For example, if it were determined that males are at higher risk of gambling disorder than females, would an advertisement depicting just males be prohibited?	Curis Lane Jr., Caesars Sportsbook

	If persons of color are at a higher risk of gambling disorder than persons not of color, would an advertisement depicting primarily group of people of color be prohibited? Caesars recommends deleting this regulation.	
256.06(1)	In addition, unfair and deceptive trade practices, like targeted marketing to at-risk populations, do not require proof of specific intent. It is enough that the business knew or should have known that its conduct reasonably could be perceived as unfair or deceptive. To this end, the word "intentionally" should be removed from 204 CMR 256.06(1); the phrase "in order to induce them to engage in Sports Wagering" should be removed from 205 CMR 256.04(1); and 205 CMR 256.09 should be expanded to specifically require compliance with Federal Trade Commission's Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R. Part 255, or any later iteration.	M. Patrick Moore Jr., AGO
256.06(2)	Proposed: (2) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator targeted at Massachusetts residents shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health and such other information regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging"). Such materials not specifically targeted at Massachusetts residents that may be seen in Massachusetts shall include either: The Massachusetts Problem Gambling Helpline; the National Council on Problem Gambling's twenty-four-hour confidential helpline; or another helpline approved by the Commission that is free of charge to the caller. Comment: DraftKings respectfully requests that the inclusion of the National Council on Problem Gambling's 1-800-GAMBLER helpline be allowed as a substitution for the Massachusetts Problem Gaming Helpline in national advertisements. This inclusion is supported by the American Gaming Association,	Draft Kings Inc.

256.06(2)	has been approved for advertisements in other U.S. regulated sports wagering jurisdictions, including Ohio, and allows for consistency in advertising and clearer resources for players. The American Gaming Association (AGA) previously released a policy note to improve access and service for problem gambling that focused on how state-specific regulations have led to confusion and inconsistency in how operators must display problem gambling helpline disclaimers. Specifically, the AGA identified advertisements that listed each state specific problem gambling helpline number on national advertisements created diminished awareness, customer confusion, and outdated offerings. The policy note states, "The American Gaming Association and its members support utilizing national problem gambling helplines in national advertising campaigns to help consumers in need access support and resources quickly and efficiently." As more jurisdictions request jurisdiction-specific information in national advertisements, the responsible gaming information included in those advertisements become lengthier, and thus more difficult for players to parse. This may result in a player being less likely to be able to identify the correct resource to contact, thus impeding access to that resource. DraftKings supports the AGA's position, and our proposed language is adopted from Ohio's regulations and provides the Commission discretion to approve additional gambling hotline numbers, and messages, for national advertising to provide clarity and streamlined messaging to players.	Cory Fox FanDuel Inc
256.06(2)	Proposed: (2) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health, or a national toll-free problem gambling assistance hotline approved by the commission, and such other information	Cory Fox, FanDuel Inc. cory.fox@fanduel.com

regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging").

<u>Alternative Language</u>: (2) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator solely within the commonwealth, shall include a link to and phone number for the Massachusetts

Problem Gambling Helpline using language provided by the Department of Public Health and such other information regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging"). All other advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator within the commonwealth, shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the

Department of Public Health, or a national toll-free problem gambling assistance hotline approved by the commission, and such other information regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging")"

Comment: Additionally, we would also urge the Commission to work with operators and the Department of Public Health on the appropriate language used in the "Responsible Gaming Message" to ensure that the length and message are both effective and appropriate in light of these considerations and the specific requirements around "Responsible Gaming Messaging" font size discussed in further detail in Issue 3 [205 CMR 256.06(4)] below.

Comment: Section 205 CMR 256.06(2) of the Proposed Advertising Regulation requires that operators must include a responsible gaming message on all

advertising, and that such responsible gaming message must include the contact information of the Massachusetts Problem Gambling Helpline1.

While we wholeheartedly agree with including a responsible gaming message along with contact information for a resource where individuals can seek assistance with problem gambling issues, the requirement to only use a jurisdictionally specific number on all advertisements poses significant issues for multi-state operators, especially those who are, or will be, advertising nationally and/or throughout New England and the northeast specifically.

While copy for billboards and other out-of-home advertisements can be designed in a jurisdictionally specific format, other forms of advertising on a national or regional level crosses borders (radio, tv, social media, podcasts, etc.) and is not best suited to require jurisdictionally specific responsible gambling messages and use of state hotlines. What happens in these forms of advertising is that numerous state disclaimers are added which leads to each individual state responsible gaming message being ignored as it is drowned out by the others. For example, it takes almost 40 seconds for a host to read through a standard listing of responsible gambling messages for an advertisement during a podcast.

We wish to work with the Commission on a solution that ensures listeners and viewers receive pertinent information on how to access problem gambling assistance in a way that reduces the likelihood of audiences "tuning out" while a long listing of jurisdictionally specific messages are presented to them. There are national hotlines, like 1-800-GAMBLER, which have been authorized by other jurisdictions and provide access to problem gambling resources. We suggest that the Commission consider allowing operators to utilize this resource, at a minimum for advertisements that will be transmitted across multiple jurisdictions.

256.06(2)	Proposed: 2) Advertising, marketing, branding, and other promotional materials	Curis Lane Jr.,
200.00(2)	published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall include a link to and phone number for the Massachusetts Problem Gambling Helpline, or a national problem gambling	Caesars Sportsbook
	helpline, using language provided by the Department of Public Health and such other information regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging").	
	Comment: National leaders in responsible and problem gaming have requested the industry use the national 1-800 number where possible to create consistency and to allow the experts there to direct customers to the best local resources. This has become an industry best practice.	
256.06(2)	Subsection 256.06(2) requires advertising on behalf of any Sports Wagering Operator to include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health. The coalition agrees with various Operators' requests that the inclusion of the National Council on Problem Gambling's 1-800-GAMBLER helpline be allowed as a substitute for the Massachusetts Problem Gambling Helpline in national advertisements.	Dave Friedman, Red Sox obo Broadcasters coalition

256.06(2)	Proposed: Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health. PENN recommends removing "branding" from this regulation to align with industry standards in regards to sponsorship and brand signage. As sponsorship and brand signage solely contains a Sports Wagering Operator's logo, there is no call-to-action for patrons to engage in sports wagering. PENN is not aware of any other jurisdiction which requires a responsible gaming disclaimer be present on sponsorship and brand signage. Requiring a responsible gaming disclaimer any time a Sports Wagering Operator's logo appears without a marketing or advertising message to engage in sports wagering is overly burdensome, as it materially alters a Sports Wagering Operator's intellectual property and its ability to use it in non-advertisement materials. By way of example, as currently written, this regulation would require a T-shirt (or other merchandise) containing a Sports Wagering Operator's logo with no call-to-action to engage in sports wagering to include a responsible gaming disclaimer. Such merchandise is not an advertisement for sports wagering and thus should not be mandated to alter the display of the Sports Wagering Operator's intellectual property.	PENN
256.06(4)	Comment: WynnBET strongly supports the display of responsible gaming messaging for marketing materials. However, the length of the responsible gaming messaging and font size requirements would significantly impact our ability to utilize billboards, radio, and television media. WynnBET respectfully asks for reconsideration of these requirements. In addition, WynnBET does not have any way to control or prevent a VSE from observing an "unsolicited pop-up	Jennifer Roberts, General Counsel, VP Wynnbet, WSI US, LLC, dba WynnBET

	advertisement" that is available to the general public through broad distribution channels.	
256.06 (4)	channels. Proposed: Strike 205 CMR 256.06(4) in its entirety. Alternative Language: "(4) Information regarding the Problem Gaming Helpline and any other required responsible gaming information ("Responsible Gaming Messaging") must also meet the following requirements: (a) For signs, direct mail marketing materials, posters and other print advertisements, the height of the font used to advertise Responsible Gaming Messaging must be the greater of: i. The same size as the majority of the text used in the sign, direct mail marketing material, poster or other print advertisement; or ii. 2% of the height or width, whichever is greater, of the sign, direct mail marketing material, poster or other print advertisement.	Cory Fox, FanDuel Inc. cory.fox@fanduel.com
	 (b) For billboards, the height of the font used for Responsible Gaming Messaging must be at least 5% of the height or width, whichever is greater, of the face of the billboard. (c) For digital billboards, Responsible Gaming Messaging must be visible for the entire time the rest of the advertisement is displayed. (d) For video and television, Responsible Gaming Messaging must be visible for either: i. The entire time the video or television advertisement is displayed, in which case the height of the font used for Responsible Gaming Messaging must be at least 2% of the height or width, whichever is greater, of the image that will be displayed. 	

	ii. From the first time Sports Wagering Equipment, a Sports Wagering Facility, a Sports Wagering Area or Sports Wagering is displayed or verbally referenced, and on a dedicated screen shot visible for at least the last three (3) seconds of the video or television advertisement. If the Operator elects to utilize this option, the height of the font used for Responsible Gaming Messaging: 1. During the advertisement must be at least 2% of the height or width, whichever is greater, of the image that will be displayed. 2. On the dedicated screen shot must be at least 8% of the height or width, whichever is greater, of the image that will be displayed. (e) For web sites, including social media sites: i. Responsible Gaming Messaging must be posted in a conspicuous location on each webpage or profile page and on a gaming related advertisement posted on the webpage or profile page. ii. The height of the font used for Responsible Gaming Messaging must be at least the same size as the majority of the text used in the webpage or profile page. iii. For advertisements posted on the webpage or profile page, the height of the font used for Responsible Gaming Messaging must comply with subparagraph (ii) of this paragraph [the height required for signs, direct mail marketing materials, posters and other print advertisements].[,]"	
256.06(4)(b)	Proposed: For billboards, the height of the font used for Responsible Gaming Messaging must be at least 5-2% of the height or width, whichever is greater, of the face of the billboard. Comment: PENN recommends reducing the sizing requirement to 2% to align with the sizing requirements for other print advertisements listed in 256.06(4)(d)(i). As	PENN

	the sizing requirement in 256.06(4)(d)(i) is a percentage of, and thus relative to, the height or width of print material, the responsible gaming disclaimer will proportionally increase with the print material. Accordingly, there is no reason for the percentage to increase as the size of the print material increases. In practice, 5% of the height or width (whichever is greater) of a billboard is extremely large and will dominate the copy of a billboard, especially when considering the length of the prescribed responsible gaming disclaimer in Massachusetts. This responsible gaming disclaimer sizing requirement for billboards is only present in Pennsylvania, where the responsible gaming disclaimer is materially shorter than that prescribed in Massachusetts.	
256.06(4)(e)(i)	Comment: DraftKings respectfully requests that the Commission clarify that, while operators should include responsible gaming messages on social media sites, they are not required to use responsible gaming messaging specific to Massachusetts. No other jurisdiction requires a jurisdiction-specific responsible gaming messaging to be utilized on third party websites, including in profiles. Additionally, character limitations in profiles on third party websites, including social media pages, make it impossible for operators to include responsible gaming messages for specific jurisdictions	Draft Kings Inc.
256.06(4)(e)(i)	Requesting to change "webpage" to "website"	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")
256.07(1)	Proposing to add "knowingly" to state: "No Sports Wagering Operator shall knowingly allow, conduct, or participate in any advertising, marketing, or branding for sports wagering that is aimed at persons who have enrolled in a Self-Exclusion Program pursuant to 205 CMR 233."	Jess Panora, BetMGM

	BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	
256.07(2)	Proposing to add "knowingly" to state: "No Sports Wagering Operator shall knowingly direct text messages or unsolicited pop-up advertisements on the internet to an individual in the Self-Exclusion Program or shall knowingly allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it. Question: Looking for more clarity on what they deem "unsolicited pop-up advertisements" and the process around this. If these are general advertisements on the internet it would be extremely hard/almost impossible to control these being seen by self-excluded person.	Jess Panora, BetMGM
256.07(2)	Proposed: (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for sports wagering that is aimed at persons who have enrolled in a Self-Exclusion Program pursuant to 205 CMR 233. (2) No Sports Wagering Operator shall direct text messages or unsolicited pop-up advertisements on the internet to an individual in the Self-Exclusion Program or shall allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions. Comment: DraftKings respectfully requests that the Commission remove the reference to "unsolicited pop-up advertisements." Operators understand their responsibility to not direct advertisements to individuals on a self-exclusion list, however, it is not clear what is meant by "unsolicited pop-up advertisements," nor	Draft Kings Inc.

256.07(2)	what it would mean to "direct" such an advertisement to a person in the Self-Exclusion program. While operators work with their advertising partners to ensure that individuals on the self-exclusion list are not directly marketed to, operators have limited to no ability to control who sees a general advertisement online, and thus cannot prevent individuals who have self-excluded from seeing them. Additionally, the provisions of this section are already covered by the prohibitions in 205 CMR 256.07(1). Eliminating the vagueness presenting in 205 CMR 256.07(2) will not have any negative effect on consumer protections in Massachusetts. Subsection (2) prohibits sports wagering operators from directing text messages or "unsolicited pop-up advertisements on the internet" to individuals in the self-exclusion program. Fanatics recommends that the Commission amend this rule to replace "unsolicited pop-up advertisements," with "directed marketing to Massachusetts residents." Digital companies, whether gaming businesses or otherwise, in almost all cases do not have the ability to determine the identity of the person receiving a non-targeted marketing pop-up, and by extension whether the recipient of such a pop-up is a self-excluded person. By focusing this requirement toward directed marketing activities, operators would still be prohibited from directly advertising to persons known to be self-excluded, which is consistent with requirements in other sports wagering jurisdictions.	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")
256.07(2)	Proposed: "(2) No Sports Wagering Operator shall direct text messages [or unsolicited pop-up advertisements on the internet] to an individual in the Self-Exclusion Program or shall allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions. A Sports Wagering Operator shall not be found to have violated this	Cory Fox, FanDuel Inc. cory.fox@fanduel.com

	provision if the individual did not provide the phone number at which the text message was received when entering the Self-Exclusion Program."	
256.07(2)	We additionally note with respect to 205 CMR 256.07(2) that preventing unsolicited pop-up advertisements from being shown to self-excluded persons is not technologically possible.	Katherine McCord, Better Collective USA, Inc.
256.07(2)	Subsection 256.07(2) prohibits direct text messages or unsolicited pop-up advertisements to an individual in the Self-Exclusion Program from any Operator, affiliated entity, or third party. We support the goal of preventing sports wagering advertising from reaching individuals in the Program. We share the concerns raised by Operators in their public comments, however, regarding the technical feasibility of implementing this provision (e.g., similar name issues, privacy restrictions) and seek clarification on how the Commission believes such a system could be implemented. At the very least, a standard based on knowledge or intent should be added.	Dave Friedman, Red Sox obo Broadcasters coalition
256.08 (1)	Proposed: No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that obscures the game play area of at a live sporting event or obstructs the viewer experience at a sports event game in progress. Comment: PENN recommends amending this rule as the current requirement is not supported by M.G.L. c. 23N, Section 4(c)(C). Pursuant to the language of Section 4(c)(C), the Commission is to promulgate rules to prohibit "any form of advertising, marketing or branding that the commission deems unacceptable or disruptive to the viewer experience at a sports event" (emphasis added); however, the current language of 256.08(1) can reasonably be interpreted as imposing requirements on the broadcast or other display of a live sports event. As there is only statutory support for the Commission to determine what is unacceptable or disruptive to the viewer experience at a live sports event, PENN recommends	PENN

	amending this rule so that it is narrowly tailored and aligns with the intent of M.G.L. c. 23N, Section 4(c)(C).	
256.08(1)	Subsection 256.08(1) relates to "obscur[ing]" game play area or "obstruct[ion]" of a game in progress. The Commission's legal counsel acknowledged that "[w]hile this section fulfills the Commission's statutory mandate, [it] may be on constitutionally shaky ground." And we appreciate that several Commissioners expressed concerns about the section's lack of clarity during the open meeting on January 12. We trust that the Commission will be reasonable in its interpretation of this section and will not call into question widely used advertising displays such as physical or virtual signage on venue walls, dasher boards, on-screen scrolls, etc., and we ask only that the Commission engage with relevant stakeholders before taking any relevant interpretive or enforcement action.	Dave Friedman, Red Sox obo Broadcasters coalition
256.08 (1)	Proposing to add "knowingly" to state: "No Sports Wagering Operator shall knowingly allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that obscures the game play area of a sporting event or obstructs a game in progress." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM
256.08(2)	Proposing to add "knowingly" to state: "Advertisements for Sports Wagering may not knowingly be placed at a sports event with such intensity and frequency that they represent saturation of that medium or become excessive." BetMGM Comment: This conduct should not constitute a violation if the operator is unaware of it.	Jess Panora, BetMGM

256.08(2)	Comment: Section 205 CMR 256.08(2) of the Proposed Advertising Regulation prohibits advertising being placed at a sports event "with such intensity and frequency that they represent saturation of that medium or become excessive." While we understand the underlying concern of the Commission, we find it	Cory Fox, FanDuel Inc. cory.fox@fanduel.com
	important to point out that this will be a competitive market for operators, who will be advertising significantly to draw customers from the illegal market to the regulated market. While a single operator may place advertisements in relation to a sporting event that is nowhere near "saturation", they are unable to control what other operators will do. It is not possible for sports wagering operators to control what may feel to some as "saturation" of sports wagering advertisements, when those advertisements are coming from many different companies. We urge the Commission to provide further clarification on what they consider "saturation."	
256.09	To avoid any future, incorrect argument otherwise from regulated entities, the Commission should expressly state that its regulations, and particularly those related to advertising and marketing, are in addition to, and are not intended to displace, the Commonwealth's preexisting and extensive consumer protection laws. Those laws include without limitation the Massachusetts Consumer Protection Act, G.L. c. 93A, and regulations established by our Office under that Act. The Federal Trade Commission Act, 15 U.S.C. § 45(a)(1), and the regulations and guidance interpreting that statute also apply. The Commission should ensure that its regulations are consistent with these and other existing laws and regulations.	M. Patrick Moore Jr., AGO

256.10(1)	Proposed: (1) Each Sports Wagering Operator shall retain a copy of all advertising, marketing, branding and other promotional materials intended to promote any Sports Wagering within the Commonwealth, including a log of when, how, and with whom, those materials have been published, aired, displayed, or disseminated, for six (6) years. A Sports Wagering Operator shall also grant the Commission access to such log of all social media posts utilized by the licensee for advertising, marketing, and branding purposes. Comment: DraftKings respectfully requests that the Commission amend this section to clarify Commission access to social media platforms. The term "utilized by the licensee" is broad and undefined. This could include customer experience accounts, which deal with individual customers and can include private information in direct messages. "Utilized by the licensee" could also be construed to include any personal social media accounts of company executives, who may	Draft Kings Inc.
	promote the company on their personal channels. DraftKings requests an amendment to limit this to the promotional log detailing posts expressly used for advertising, marketing, and branding purposes. Additionally, DraftKings requests an amendment to clarify that "access" means	
	specifically to view a log of what the accounts have publicly posted. As written, it is not clear if the Commission requests the ability to view all posts by accounts utilized by the licensee for marketing purposes, or if the Commission requests login credentials for each licensee for all social media accounts used for marketing purposes. If the latter, DraftKings would request establishment of a detailed process for access that would include but not be limited to detailed information as to reasons for access, the level of access required, the process by which the Commission would gain access, and procedures for the operator to be able to safeguard information.	
256.10(1)	Proposed: (1) Each Sports Wagering Operator shall retain a copy of all advertising, marketing, branding and other promotional materials intended to promote any	PENN

	Sports Wagering within the Commonwealth, including a log of when, how, and with whom, those materials have been published, aired, displayed, or disseminated, for six (6) years. A Sports Wagering Operator shall also grant the Commission access to all social media platforms utilized by the licensee. Comment: PENN recommends removing the requirement to maintain such a detailed log of marketing activity in the Commonwealth as it is overly burdensome and does not align with industry standards. PENN operates online sports wagering in 15 jurisdictions, and Illinois is the only jurisdiction that requires such a cumbersome log for advertisements. As currently written, the required fields for the log imposed in this regulation do not impact whether such advertising, marketing, or branding is compliant with the regulations and tracking all such information is operationally burdensome.	
256.10(1) -(2)	Subsection 256.10(1), as written, requests Commission access to all social media platforms "utilized by" Operators. We would appreciate clarification on what social media platforms the Commission expects to access, how such access is granted, and if this access differs from the Commission viewing a public social media page. On Subsection 256.10(2), we request clarification as to what entity is responsible for providing the Commission any advertising materials or logs and believe the obligation should reside with the Operator.	Dave Friedman, Red Sox obo Broadcasters coalition
256.10(1) -(2)	Comment: Subsection (1) requires operators to maintain all promotional materials for six years. Fanatics submits that this rule is unnecessarily burdensome for operators and not in accordance with market standards. As such, Fanatics respectfully recommends that the Commission adopt a two-year retention standard,	Adam Berger, Duane Morris LLP o/b/o FBG Enterprises Opco, LLC d/b/a Fanatics Betting & Gaming ("Fanatics")

	which is in line with the rules in other jurisdictions that have recently adopted robust advertising regulations, such as Ohio. Subsection (2) requires operators to make advertising and marketing materials available to the Commission or its agents upon request. Fanatics recommends that the Commission amend this subsection to clarify that operators are only required to give "read only" access to social media accounts and not control of such accounts. Such access controls would not undermine the purpose of the rule.	
256.11(3)	Proposed: (3) The Commission may, in addition to, or in lieu of, any other discipline, require an Operator that violates this section 205 CMR 256 to provide electronic copies of all advertising, marketing and promotional materials developed by or on behalf of the Operator to the Commission at least ten (10) business days prior to publication, distribution or airing to the public. To date, operators have been directed by Commission staff to submit all promotional materials ten days prior to publication. The Commission has not issued any regulation that operators must submit all promotional materials ten days prior to publication outside of this section, which only provides the Commission an option to enact such a requirement as part of an enforcement action. DraftKings respectfully requests that the Commission only apply the ten-day requirement in line with this section - to operators who are the subject of enforcement actions, and where the Commission specifically determines that such pre-approval is warranted. Providing all materials ten days in advance of publication would be exceptionally burdensome and would prevent operators from marketing certain events. For example, the NBA Finals may go	Draft Kings Inc.

to a game seven, which could not be known to operators 10 days in advance. Operators would be unable to advertise or offer such promotions.

Additionally, there is no need for preapproval for all operators for oversight purposes, as operators are already required by 205 CMR 256.10(1) to retain all advertising, marketing, and promotional materials. The Commission already has access to those materials to ensure that operators follow these regulations, and the Commission has remedies in cases where an operator does not follow the regulations.

Finally, there is one typographical error in the draft rule, corrected below.

From: MGC Website
To: Torrisi, Carrie

Subject: Regulations Public Comment Submission

Date: Tuesday, March 21, 2023 1:47:21 AM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.11(3)

Comments

There is one typographical error in the draft rule, where "205 CR 256" should read "205 CMR 256".

From: MGC Website
To: Torrisi, Carrie

Subject: Regulations Public Comment Submission
Date: Tuesday, March 21, 2023 1:46:27 AM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.07(2)

Comments

DraftKings respectfully requests that the Commission remove the reference to "unsolicited pop-up advertisements." Operators understand their responsibility to not direct advertisements to individuals on a self-exclusion list, however, it is not clear what is meant by "unsolicited pop-up advertisements," nor what it would mean to "direct" such an advertisement to a person in the Self-Exclusion program.

While operators work with their advertising partners to ensure that individuals on the self-exclusion list are not directly marketed to, operators have limited to no ability to control who sees a general advertisement online, and thus cannot prevent individuals who have self-excluded from seeing them.

Additionally, the provisions of this section are already covered by the prohibitions in 205 CMR 256.07(1). Eliminating the vagueness presenting in 205 CMR 256.07(2) will not have any negative effect on consumer protections in Massachusetts.

Proposed Final Rule Language (replacing "unsolicited pop-up advertisements" with "advertising"):

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for sports wagering that is aimed at persons who have enrolled in a Self-Exclusion Program pursuant to 205 CMR 233.
- (2) No Sports Wagering Operator shall direct text messages or advertising on the internet to an individual in the Self-Exclusion Program or shall allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions.

Subject: Regulations Public Comment Submission

Date: Tuesday, March 21, 2023 1:43:53 AM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.06(4)(e)(i)

Comments

DraftKings respectfully requests that the Commission clarify that, while operators should include responsible gaming messages on advertising on social media sites, they are not required to use responsible gaming messaging specific to Massachusetts on profile pages.

No other jurisdiction requires a jurisdiction-specific responsible gaming messaging to be utilized on third party websites, including profiles. Additionally, character limitations in profiles on third party websites, including social media pages, make it impossible for operators to include responsible gaming messages for specific jurisdictions.

Proposed Final Rule Language:

i. Responsible Gaming Messaging must be posted on each gaming related advertisement posted on the webpage.

Subject: Regulations Public Comment Submission

Date: Tuesday, March 21, 2023 1:41:58 AM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.06(2)

Comments

DraftKings respectfully requests that the inclusion of the National Council on Problem Gambling's 1-800-GAMBLER helpline be allowed as a substitution for the Massachusetts Problem Gaming Helpline in national advertisements. This inclusion is supported by the American Gaming Association, has been approved for advertisements in other U.S. regulated sports wagering jurisdictions, including Ohio, and allows for consistency in advertising and clearer resources for players.

The American Gaming Association (AGA) previously released a policy note to improve access and service for problem gambling that focused on how state-specific regulations have led to confusion and inconsistency in how operators must display problem gambling helpline disclaimers. Specifically, the AGA identified advertisements that listed each state specific problem gambling helpline number on national advertisements created diminished awareness, customer confusion, and outdated offerings. The policy note states, "The American Gaming Association and its members support utilizing national problem gambling helplines in national advertising campaigns to help consumers in need access support and resources quickly and efficiently." As more jurisdictions request jurisdiction-specific information in national advertisements, the responsible gaming information included in those advertisements become lengthier, and thus more difficult for players to parse. This may result in a player being less likely to be able to identify the correct resource to contact, thus impeding access to that resource.

DraftKings supports the AGA's position. The proposed language is adopted from Ohio's regulations, and provides the Commission discretion to approve additional gambling hotline numbers, and messages, for national advertising to provide clarity and streamlined messaging to players.

Proposed Final Rule Language:

(2) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator targeted at Massachusetts residents shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health and such other information regarding responsible gaming as required by the Commission ("Responsible Gaming Messaging"). Such materials

not specifically targeted at Massachusetts residents that may be seen in Massachusetts shall include either: The Massachusetts Problem Gambling Helpline; the National Council on Problem Gambling's twenty-four hour confidential helpline; or another helpline approved by the Commission that is free of charge to the caller.

Subject:Regulations Public Comment SubmissionDate:Tuesday, March 21, 2023 1:39:08 AM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.04(5)(b)

Comments

DraftKings respectfully requests that the Commission strike this section of the proposed rules, as terms of promotion are readily available on the website and in the app whenever a customer views or selects a promotion. The availability of terms moots the need for an additional popup.

Subject: Regulations Public Comment Submission

Date: Tuesday, March 21, 2023 1:38:04 AM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.04(4)

Comments

DraftKings respectfully requests that the Commission clarify and amend this section to ensure that it does not capture routine statements about sports wagering, or sports wagering analysis by media.

From time to time, employees of operators and personalities affiliated with operators are active on social media, posting their active wagers, thoughts on bets, and so on. DraftKings would argue that none of the following examples should be captured by the proposed rule:

- An operator executive attends a Celtics game, and before the game tweets "We put the line at Celtics -4 tonight, but the way they've been playing it should be Celtics -75."
- A low-level employee replies to a tweet about the Super Bowl with, "the Patriots are a lock to win the 2024 Super Bowl. Count on it."
- A vendor employee posts a screenshot of their active wagers before games begin, and says "I'm feeling really good about these!"

As written, this section could be read to prohibit pre-made same-game parlay bets offered by an operator, as that could be encouragement to place a specific wager, which DraftKings does not believe is the intention of the proposed rule.

Further, by way of example, DraftKings owns VSiN (Vegas Sports Information Network, Inc.), which is a multi-platform broadcast and content company that delivers sports wagering news, analysis, and data. VSiN produces up to 18+ hours of live sports wagering content each day. It operates a 24/7 stream of content, and is accessible through multiple video and audio channels, including on NESN and other platforms in Massachusetts. VSiN maintains editorial independence, but its on-air talent are all DraftKings employees who discuss, advise, and encourage bets on specific markets. DraftKings respectfully submits that the proposed rule should not prohibit the manner in which VSiN operates.

Proposed Final Rule Language (adding a clarifying clause in the final sentence):

(4) No employee or vendor of any Sports Wagering Operator shall advise or encourage individual patrons to place a specific wager of any specific type, kind, subject, or amount. This restriction does not prohibit

general advertising or promotional activities, including wager types offered by operators and sports wagering industry media coverage.

Subject: Regulations Public Comment Submission

Date: Tuesday, March 21, 2023 4:56:32 PM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

DraftKings

Name

David Prestwood

Email

d.prestwood@draftkings.com

Regulation

Rule 205 CMR 256 - Sports Wagering Advertising

Subsection

256.05(1), 256.06(2)

Comments

DraftKings respectfully requests that the Commission clarify the intended scope of "branding" in these sections.

No jurisdiction requires all branding to include an age limitation and responsible gaming message for patrons, instead only applying provisions to advertisements and other calls to action. An advertisement encouraging individuals to visit an operator's website, download an app, or deposit funds should require age limitation information and a responsible gaming message, but a company or product logo in the absence of a call to action should not. DraftKings respectfully requests that Massachusetts adopt this line of reasoning.

Without such a clarification, the plain language of the rule would require any branding to include age limitation information and a responsible gaming message. That could include employee business cards, company letterhead, t-shirts given to employees, and building signage. Additionally, this language does not limit its application to Massachusetts, which is especially problematic in jurisdictions where the legal wagering age is not 21, and the particular responsible gaming message would not be applicable. No other jurisdiction requires anything of this kind.

Finally, Massachusetts casinos are not required to include an age limitation and responsible gaming message on all branding. Adult beverage companies are not required to include an age limitation or responsible consumption message on all branding. Sports wagering operators should not be held to a separate standard.

Subject: Regulations Public Comment Submission

Date: Tuesday, March 21, 2023 8:33:39 PM

Submitted By

Operator (Applicant or Licensed)

Business/Entity Name

BETMGM LLC

Name

Jess Panora

Email

jess.panora@betmgm.com

Regulation

205 CMR 256: Sports Wagering Advertising

Subsection

256.01: Third Parties

Comments

BetMGM Response to MA Rev Share:

Affiliate Marketing, where 3rd-party partners market our product using specified tracking links, is essential to the health of BetMGM's business and the entire industry. Without the ability to tactfully pay our partners for their acquisition efforts, we will be forced to dial back or completely cease the affiliate channel in the state. This could potentially:

a. Allow Illegal Operators to Flourish

Models that do not allow performance-based metrics such as CPA or rev share will cause operators to not partner with as many third-party affiliates because the marketing spend is not as efficient or effective.

- b. Discouraging affiliates from participating in the market by limiting compensation models allows offshore operators to flourish. Diverting consumers from the regulated market decreases legitimacy and compliance and reduces tax revenue for the state.
- c. Adds to patron confusion as to who is regulated and who is not 3rd party affiliate marketing legitimizes the market.
- d. Allowing performance-based metrics and rev share models allows for the largest number of third-party marketing affiliates across the largest number of sportsbooks. This increases consumer choice;
- 2. Education: Player Education and Responsible Gaming
- a. Without this crucial channel, acquisition across the industry will undoubtedly drop as many people rely exclusively on third party websites, blogs, influencers, and newsletters for impartial and trustworthy information about sports wagering.
- b. Operators rely heavily on these partners for promotion of offers and player education. Many sites provide tools and guides to educate players on offers, bet types, and responsible gaming tactics that act to inform users before they make the choice to become an active player.
- c. Affiliates are also essential in disseminating updated regulations, disclaimers, products and offers, which in turn keeps the industry current and promotes responsible gaming.
- 3. Massachusetts State Play Dropoff
- a. With sports betting now accessible in surrounding states, players who are not incentivized by third-party sites to bet in MA, will filter to NJ, PA, NY etc. to complete wagers, in turn diverting funds from the MA gov.
- 4. Reduced Opportunity for Local / Smaller / Diverse 3rd Party Affiliates

- a. Models allowing performance-based metrics increase the ability for operators to contract with smaller, local, and diverse third-party marketing affiliates, allowing additional opportunity for Massachusetts-based companies to participate in the sports wagering industry and MA market.
- b. Without performance-based metrics such as rev. share, operators are likely to consider a reduction in marketing spend and allocate their marketing budgets toward paid advertising channels such as mainstream television, that receive more viewership. This will increase the visibility of sportsbook advertisements in mainstream media for the larger operators. This will reduce visibility of the smaller operators who are not competing for mainstream television spend.



AMENDED SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission ("Commission") hereby files this amended Small Business Impact Statement in accordance with G.L. c. 30A, § 5 relative to the proposed adoption of **205 CMR 256.00: Sports Wagering Advertising,** for which a public hearing was held on March 21, 2023.

The promulgation of 205 CMR 256.00.00 was developed as a part of the process of promulgating regulations governing Sports Wagering in the Commonwealth. This regulation is governed largely by G.L. c. 23N, §4.

205 CMR 256.00 will pertain to the promotional communications and advertisements produced by Sports Wagering Operators licensed by the Commission. Accordingly, this regulation is unlikely to have an impact on small businesses.

In accordance with G.L. c.30A, §5, the Commission offers the following responses on whether any of the following methods of reducing the impact of the proposed regulation on small businesses would hinder achievement of the purpose of the proposed regulation:

- 1. Establishing less stringent compliance or reporting requirements for small businesses:
 - As a general matter, the Commission does not anticipate that small businesses will be negatively impacted by this regulation. As a result, less stringent compliance or reporting requirements for small businesses have not been established.
- 2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:
 - There are no schedules or deadlines for compliance or reporting requirements within this regulation that would pertain to small businesses.
- 3. Consolidating or simplifying compliance or reporting requirements for small businesses:
 - This regulation does not impose any reporting requirements upon small businesses.
- 4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:
 - The proposed regulation prescribes performance-based standards.

5. An analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

The promulgation of this regulation is not likely to deter nor encourage the formation of new businesses in the Commonwealth.

6. Minimizing adverse impact on small businesses by using alternative regulatory methods:

The Commission does not anticipate that small businesses will be impacted by this regulation, however alternative regulatory methods have been heavily discussed by the Commission, and relevant stakeholders. The provisions of the final regulations are intended to produce a minimal adverse impact or hardship on small businesses and Operators.

Massachusetts Gaming Commission By:

/s/ Judith A Young
Judith A. Young
Associate General Counsel

Dated: March 23, 2023



THE COMMONWEALTH OF MASSACHUSETTS OFFICE OF THE ATTORNEY GENERAL

ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108

(617) 727-2200 www.mass.gov/ago

March 21, 2023

VIA EMAIL

Cathy Judd-Stein, Chair Bradford R. Hill, Commissioner Jordan Maynard, Commissioner Eileen O'Brien, Commissioner Nakisha Skinner, Commissioner Massachusetts Gaming Commission 101 Federal Street, 12th Floor Boston, MA 02110

Re: Proposed Amendments to Mobile Sports Wagering Regulations

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

We appreciate the opportunity to provide draft regulatory language, consistent with the comments our Office submitted on March 7, 2023, and the testimony we provided on March 9, 2023.

We look forward to working with the Commission to address and mitigate the public health challenges presented by mobile sports wagering. This work begins with the regulations that the Commission is finalizing to ensure that *only* safe and responsible gaming of the type permitted by the Legislature in G.L. c. 23N is allowed in the Commonwealth. At minimum, safe and responsible gaming means that the betting experience must be fairly and accurately described, marketed and promoted. This requirement is especially important given that our state is currently awash in advertising for mobile sports betting. In recent years, the Commission has been a nationwide leader in responsible gaming work at brick-and-mortar casinos. Now that wagers can be made from literally anywhere in the Commonwealth, that work has become at once substantially more important for public wellbeing and substantially more difficult—unless the Commission takes proactive steps to limit targeted marketing, harmful promotions, and platform design choices that, if left unregulated, may deepen addiction or encourage risky behavior.

Our proposed language specifically relates to:

- Ensuring that young people are protected from exposure to sports betting platforms through stronger authentication requirements and by sharply limiting advertising to young people on social media and connected television (e.g., YouTubeTV and Hulu).
- Barring the use of app or platform design elements that prolong use of the platform or encourage risky behavior, in order to ensure that gaming applications are not designed to be addictive or harmful.

- Prohibiting operators from using the extensive personal information they collect to improperly
 target users with digital advertising or push alerts. Among other things, the proposed language
 bars the use of push alerts based on a user's time away from the application or past betting
 history, so that patrons seeking to limit their betting are not nudged into additional gambling by
 the operators.
- Requiring operators to account for and disclose the roles that automated decision-making and algorithms play on their platforms.
- Banning certain promotional offers, like referral bonuses, and requiring close scrutiny of others. Specifically, the proposed language requires that sports wagering operators submit their promotional offers for Commission review and approval. No such approval may be granted unless the operator demonstrates that the promotion accurately represents the gambling experience and adequately mitigates the negative consequences and side effects of gambling. Indeed, that standard is in the Commission's very own mission statement. Many of the promotions incessantly offered on Massachusetts airwaves and social media feeds will not be permitted under this language when it is adopted.
- Allowing customers repeated, conspicuous opportunities to opt-out of information-sharing, targeted advertising and push alerts.
- Prohibiting the conflict of interest inherent when an operator pays a spokesperson to encourage specific bets—including the burgeoning practice of operators paying perceived insiders (like sportscasters, announcers, or players) to be "experts" providing "advice" to consumers.
- Reiterating that Operators are required to comply with all state and federal laws, and harmonizing regulatory language with them, including, for example, consumer protection and data security laws and regulations such as G.L. c. 93A, G.L. c. 93H, 940 CMR 3, 940 CMR 6, and 201 CMR 17.

In the first weekend of mobile sports betting, nearly half a million people in the Commonwealth opened accounts; which, according to the 2020 Census, is approximately 8% of *all people* in the state over the age of 21. Those numbers will only continue to grow. Given the size and scope of mobile sports betting, we cannot overemphasize the importance of getting this right—at the very start.

If the Commission, your legal team, or any agency stakeholders have questions or concerns with the language we have proposed, we welcome further discussion.

Respectfully submitted,

M. Patrick Moore Jr.

First Assistant Attorney General

Jared Rinehimer

Chief, Data Privacy & Security Division

Mychii Snape, Deputy Chief Alda Chan, Assistant Attorney General, Colin Harnsgate, Assistant Attorney General, Consumer Protection Division

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Liza M. Hirsch Director of the Children's Justice Unit Civil Rights Division

Office of the Attorney General Proposed Amendments to Mobile Sports Wagering Regulations Proposed amendments apply to red text only. Black text is included to provide context.

205 CMR 138.00: UNIFORM STANDARDS OF ACCOUNTING PROCEDURES AND INTERNAL CONTROLS

Regulatory Section	Proposed Amendment
205 CMR 138.00 – Table of Contents	138.73: Personally Identifiable Personal Information Security
NOTE: Section 138.73 invokes c. 93H and 201 CMR 17.00 et seq., which both utilize and define the term "Personal Information" (as opposed to "Personally Identifiable Information"). "Personal Information" is defined in chapter 93H to consist of a person's full name plus various government identification and financial account numbers. We have assumed that it was the Commission's intent in section 138.73 to apply the data security obligations of chapter 93H and 201 CMR 17 to just the statutorily defined "personal information" (and not a wider scope of personal data) and made corresponding edits to section 138.73 to make this clear.	Add definition: Personal Information shall mean the same as that term is understood in M.G.L. c. 93H and 201 CMR 17.00.
205 CMR 138.21	The system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include the internal policies and procedures as required in 205 CMR 150.00 and 250.00: Protection of Minors and Underage Youth and 205 CMR 250.00: Protection of Minors and Underage Youth from Sports Wagering.

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138.73: Personally Identifiable Personal **Information Security** Any personally identifiable information, as defined in M.G.L. c. 93H and 201 CMR 17.00 Any Personal Information, obtained and maintained with respect to a patron, shall be obtained and maintained in compliance with the privacy regulations and standards observed by the Commission including the application of M.G.L. c. 93H and 201 CMR 17.00: Standards for the Protection of Personal Information of Residents of the Commonwealth for the protection of personally identifiable information Personal <u>Information</u> for any patron regardless of residency.

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures for the security and sharing of personally identifiable information Personal Information, including:

205 CMR 238.00: ADDITIONAL UNIFORM STANDARDS OF ACCOUNTING PROCEDURES AND INTERNAL CONTROLS FOR SPORTS WAGERING

Regulatory Section	Proposed Amendment
205 CMR 238.01	Add definition: Personally Identifiable Information means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Personally Identifiable Information includes, but is not limited to, Personal Information as defined in M.G.L. c. 93H and 201 CMR 17.00 et seq.
205 CMR 238.07 (1)	The Sports Wagering Operator shall implement, maintain, and comply with a comprehensive ISMS, the purpose of which shall be to take reasonable steps to protect the confidentiality, integrity, and availability of personally identifiable information Personally Identifiable Information of individuals that place a Sports Wager have an account with the Sports Wagering Operator,
205 CMR 238.07 (2)	The ISMS shall contain administrative, technical, and physical safeguards appropriate to the size, complexity, nature, and scope of the operations and the sensitivity of the personally identifiable information Personally Identifiable Information owned, licensed, maintained, handled, or otherwise in the possession of the Sports Wagering Operator.

205 CMR 238.07 (4)	The Sports Wagering Operator shall maintain an information security department responsible for developing a security strategy in accordance with the overall operation of the Sports Wagering Operation in the Commonwealth. The information security department shall subsequently work with the other departments of the Sports Wagering Operator to implement any plans relative to the protection of personally identifiable information Personally Identifiable Information of individuals that place a Sports Wager or have an account with the Sports Wagering Operator. The information security department shall be involved in reviewing all tasks and processes that are necessary for the Sports Wagering Operator to maintain the security of personally identifiable information Personally Identifiable Information of individuals that place a Sports Wager or have an account with the Sports Wagering Operator, including, but not limited to, the protection of information and data, communications, physical, virtual, personnel, and overall business operational security.
205 CMR 238.07 (8)	Add paragraph: For the avoidance of doubt, notwithstanding the obligations of this regulation, a Sports Wagering Operator is obligated to comply with all applicable state or federal laws or regulations concerning the privacy and security of Personally Identifiable Information, including but not limited to G.L. c. 93H, G.L. c. 93I, and 201 CMR 17.

205 CMR 238.18 (6)	A Sports Wagering Operator shall use commercially reasonable efforts to cooperate with investigations conducted by Sports Governing Bodies or law enforcement agencies, including, but not limited to, using commercially reasonable efforts to provide or facilitate the provision of anonymized betting information and audio or video files relating to Persons placing Wagers pursuant to M.G.L. c. 23N, § 11(h) and (i). All disclosures pursuant to 205 CMR 238.18(5) are subject to the Sports Wagering Operator's obligation to comply with all federal, state and local laws and regulations, including, but not limited to, laws and regulations relating to privacy and personally identifiable information Personally Identifiable Information.
205 CMR 238.18 (7)	If required pursuant to M.G.L. c. 23N, § 11(i) or (j), a Sports Wagering Operator shall share with the Commission or the Sports Governing Body or its designee, in a frequency, form and manner to be approved by the Commission, the anonymized betting information required in M.G.L. c. 23N, § 11(i) with respect to Sports Wagers on Sporting Events of the Sports Governing Body. Nothing in this section shall require a Sports Wagering Operator to provide any information that is prohibited by federal, state or local law or regulation, including, but not limited to, laws and regulations relating to privacy and personally identifiable information Personally Identifiable Information.
205 CMR 238.20	The system of Internal Controls submitted by a Sports Wagering Operator in accordance with 205 CMR 238.02 shall include the internal policies and procedures as required in 205 CMR 150.00: Protecting Minors and Underage Youth and 205 CMR 250.00: Protection of Minors and Underage Youth from Sports Wagering.

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205 CMR 237.27 (3)	Personally identifiable information Identifiable Information related to a patron shall not be provided to any credit provider.
205 CMR 238.44 (1)	A system of Internal Controls submitted by a Sports Wagering Operator in accordance with 205 CMR 238.02 shall ensure compliance with all applicable state and federal requirements for data and network security, including, but not limited to, G.L. c. 93H, G.L. c. 93I, and 201 CMR 17.
205 CMR 238.45 (1)	Any information obtained in respect to Sports Wagering or the Sports Wagering Account, including personally identifiable information Personally Identifiable Information and authentication credentials, shall be done collected, maintained, and secured in compliance with the Sports Wagering Operator's posted privacy policies and statements and terms of use, and all applicable state and federal laws, including, but not limited to, 205 CMR 138.73: Personally Identifiable Personal Information Security and any applicable laws. Both personally identifiable information Personally Identifiable Information and the Sports Wagering Account funds shall be considered as critical assets for the purposes of risk assessment.
205 CMR 238.45 (2)	No employee or agent of the Sports Wagering Operator shall divulge any personally identifiable information related to a Sports Wagering Account, the placing of any Wager or any other sensitive information related to the operation of Sports Wagering without the consent of the patron, except as required by this section, the Commission or other authorized governmental agencies, including:

205 CMR 238.45 (2) (e)	Unless otherwise authorized by the patron, the name, address, and other personally identifiable information in the possession of the Sports Wagering Operator that would identify the patron to anyone other than the Commission or the Sports Wagering Operator; provided, however, that authorization must be clear, conspicuous and stand alone. For the avoidance of doubt, the following does not constitute authorization: acceptance of general or broad terms of use, or similar document, that purports to permit the sharing of Personally Identifiable Information in the same document that also purports to permit the sharing of other, unrelated information; hovering over, muting, pausing, pre-selecting, or closing a given piece of content without affirmatively granting consent; or purported agreement obtained through use of dark patterns.
Insert section: 205 CMR 238.51	238.51: Automated Decision-Making The Sports Wagering Operator, in their submitted system of Internal Controls, shall document and implement provisions governing the use of computerized algorithms, automated decision-making, machine learning, artificial intelligence, or any similar system, which shall include, at a minimum: (1) Permissible and impermissible uses and purposes; (2) Types of input and output data and an accounting of the source of each.

205 CMR 247.00: UNIFORM STANDARDS OF SPORTS WAGERING

Regulatory Section	Proposed Amendment
205 CMR 247.09 (1) (d)-(f)	Add subparagraph:
	 (d) The date and time the promotional offer was or is scheduled to become discontinued; and (e) The current status of the Promotional offer; and (f) If promoted through the Sports Wagering Operator's public website, Mobile Application or any other digital platform, the conditions or circumstances under which the promotion is displayed to a patron.
205 CMR 247.09 (2)	Add paragraph: Before a Sports Wagering promotional offer for use on a Sports
NOTE: The quoted portion is taken from the MGC's Mission Statement.	Wagering Platform is made available, marketed, or promoted to the public, it must be submitted to the Commission for review and approval. Such approval shall not be granted unless the Sports Wagering Operator's submission sufficiently demonstrates that the promotional offer: mitigates, "to the maximum extent possible, the potentially negative or unintended consequences of Sports Wagering via Mobile Application"; and accurately and fairly represents the experience of wagering on the Sports Wagering Operator's Platform when the promotional offer is not in effect. A Sports Wagering Operator may submit a class or type of promotional offer for approval, provided that each promotion within any such class or type is sufficiently similar to allow the Commission to determine whether the Sports Wagering Operator is able to make its demonstration on a classwide or type-wide basis.

205 CMR 247.09 (2) With proposed amendments: 247.09 (3)	Sports Wagering Operators shall fully and accurately disclose the material terms of all promotional offers at the time such offers are advertised, and provide full disclosures of the terms of and limitations on the offer before the patron provides anything of value in exchange for the offer. Such disclosure shall be clear and conspicuous, and located in close proximity to the promotional offer. If the material terms of a promotional offer cannot be fully and accurately disclosed within the constraints of a particular advertising medium, the promotional offer may not be advertised in that medium. The terms disclosed according to this 205 CMR 247.09(2) must include, at a minimum, all of the following:
205 CMR 247.09 (3) With proposed amendments: 247.09 (4)	Add paragraph: No promotional offer may reward, be contingent upon, or otherwise relate to a patron's referral of other actual or would-be patrons.
205 CMR 247.09 (3) With proposed amendments: 247.09 (5)	No promotional offer available to new patrons may contain terms that delay its full implementation by the Sports Wagering Operator for a period of longer than ninety (90) 14 days, regardless of the amount of Sports Wagering in that period by the patron.
205 CMR 247.09 (7) With proposed amendments: 247.09 (8)	Add paragraph: Sports Wagering Operators shall not conduct promotional offers that violate 940 CMR 3.00, et seq., including, but not limited to, 940 CMR 3.13(3) concerning the deceptive use of "loss leaders"; or that violate 940 CMR 6.00, et seq., provided that 940 CMR 6.08(3)(b), (3)(c), (5)(b), (5)(c), and (6) are inapplicable.

205 CMR 248.00: SPORTS WAGERING ACCOUNT MANAGEMENT

Regulatory Section	Proposed Amendment
205 CMR 248.03 (1) (d) and (e)	 Add subparagraph: (d) Social Security Number, or the last four (4) digits of the Social Security Number, or an equivalent Federal Identification Number for a noncitizen patron, such as a passport or taxpayer identification number; and (e) Telephone number for the patron; and
205 CMR 248.03 (4) (g) and (h)	(g) Every date on, time at which, and IP address from which the Sports Wagering Account is accessed; and (h) If active, the patron's debit instrument used to fund the account, the accountholder name(s) associated with the debit instrument, and whether the name(s) associated with the debit instrument matched that of the patron of the Sports Wagering Account; and
205 CMR 248.04 (2)	The Sports Wagering Operator shall, at the time of account establishment, employ electronic verification with respect to each patron's name, date of birth and Social Security number, or the last four (4) digits of the Social Security number, or other Federal Identification Number, at the time of account establishment, by a Commission-approved national independent reference company or another independent technology approved by the Commission which meets or exceeds the reliability, security, accuracy, privacy and timeliness provided by individual reference service companies.

205 CMR 248.04 (3) NOTE: Language above is nearly identical to that in Connecticut gaming regulations 12-865-12(b).	Add paragraph: In addition, the Sports Operator shall, at the time of account establishment, utilize identity authentication questions that require a patron to provide information known only to the patron such as previous addresses or credit transactions, unless an alternate method of authentication of equal or greater security and effectiveness is approved in writing by the Commission. Where a prospective patron's age or identity information is rejected by the online gaming operator, the prospective patron shall be afforded a means to attempt to resolve the rejection by providing additional identifying
205 CMR 248.04 (4)	information. Add paragraph: The Sports Wagering
NOTE: Language above is similar to that in Connecticut gaming regulations 12-865-12(b).	Operator shall, at the time of each logon, require the patron to utilize two-factor or multi-factor authentication, biometric identification, or correctly answer identity authentication questions known only to the patron such as previous addresses or credit transactions, or employ an alternative real-time electronic age and identity verification of equal or greater security and effectiveness previously approved in writing by the Commission.
205 CMR 248.12 (6)	The Sports Wagering Operator shall not be liable for any unauthorized withdrawal of funds from a Sports Wagering Account where such unauthorized withdrawal is not caused by the negligence or intentional misconduct of the Sports Wagering Operator. It is the patron's responsibility to protect deposits in the account by keeping their authentication credentials strictly confidential.
205 CMR 248.16 (1) (c)	Add subparagraph: The Operator shall clearly and conspicuously display the offerings required by 205 CMR 248.16(1)(a)-(b) prior to allowing a new patron to make deposits to, or place wagers from, his or her Sports Wagering Account.

205 CMR 256.00: SPORTS WAGERING ADVERTISING

Regulatory Section	Proposed Amendment
205 CMR 256.01 (1)	Each Sports Wagering Operator shall be responsible for the content and conduct of any and all advertising, marketing, or branding done on its behalf or to its benefit whether conducted by the Sports Wagering Operator, an employee or agent of the Sports Wagering Operator, or an affiliated entity or a third party pursuant to contract or any other agreement for consideration or remuneration, regardless of whether such party is also required to be licensed or registered as a Sports Wagering Vendor or Non-Sports Wagering Vendor.
205 CMR 245.02 (3)	Add paragraph: All advertising, marketing, or branding for Sports Wagering shall comply with existing laws concerning truthful and accurate advertising, including but not limited to 15 U.S.C. §45; 16 C.F.R. 255; M.G.L. c. 93A, § 2; and 940 CMR 3.00 and 6.00, except 940 CMR 6.08(3)(b) and (c), (5)(b) and (c) and (6), as specifically stated in 205 CMR 247.09(6).
205 CMR 256.04 (1)	No Sports Wagering Operator shall allow, conduct, or participate in any unfair or deceptive advertising, marketing, or branding for Sports Wagering. Advertising, marketing, or branding that is unfair or deceptive includes, but is not limited to, advertising, marketing, or branding that would reasonably be expected to confuse and mislead patrons in order to induce them to engage in concerning Sports Wagering.
205 CMR 256.04 (1) (a)	Add subparagraph: Unfair or deceptive advertising, marketing or branding for Sports Wagering includes Mobile Application design elements that are, or reasonably can be foreseen to be, addictive.

NOTE: Operators should not be permitted to encourage patrons to place specific bets through paid advertising, marketing, or promotions, given that the Operators are the counter-party to the bet they would be encouraging (that is, they make money when the bet they are purporting to advise is lost). No such conduct would be permitted in any other industry. If this absolute bar is not adopted, as it should be, at the absolute minimum each Operator or vendor advising or encouraging a specific bet must fully and conspicuously disclose its prior record in any such advised or encouraged bets, so that a patron may make a fully informed decision as to the veracity of the purported advice or encouragement.	No employee or vendor of any Sports Wagering Operator shall advise or encourage individual patrons to place a specific wager of any specific type, kind, subject, or amount. This restriction does not prohibit general advertising or promotional activities.
205 CMR 256.04 (6) (1)	Add subparagraph: Use individuals to provide purported expertise or wagering advice who are employed by, contracted with, or otherwise compensated by a (i) professional or amateur sports league, team, club or player on which a wager can be placed; or (ii) a network, station, channel or platform that broadcasts any event on which a wager can be placed.
205 CMR 256.05 (4) (a)	in media outlets, including social media, video, and television platforms, that are used primarily by individuals where 25% of the audience is estimated to be under twenty-one years of age, unless the Operator utilizes all available targeted advertising tools to exclude all individuals under age 21 from receiving advertisements on the platform;
205 CMR 256.05 (5)	Add paragraph: The Sports Wagering Operator and its vendors shall, when technologically feasible, exclude audiences under 21 years old from advertisements in media outlets, including social media, video, and television platforms.

205 CMR 256.06 (1)	No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed exclusively or primarily at individuals or groups of people that are at moderate or high risk of gambling addiction. A Sports Wagering Operator shall not intentionally use characteristics of at-risk or problem bettors to target potentially at-risk or problem bettors with advertisements.
205 CMR 256.06 (1) (a)	Add subparagraph: Each Sports Wagering Operator shall disclose the steps they are taking to comply with this sub-section no less than monthly in a publicly available document, and each such disclosure shall address how the Sports Wagering Operator is using the data collected by its Sports Wagering Platform to identify the characteristics of at-risk or problem bettors.
205 CMR 256.06 (1) (b)	Add subparagraph: For all directed or targeted advertising and marketing, a Sports Wagering Operator shall maintain records sufficient to describe all efforts it undertook in order to comply with 205 CMR 256.06(1) for six (6) years.
205 CMR 256.06 (5)	Add paragraph: All direct advertising, marketing, or promotional materials shall include a clear and conspicuous method allowing patrons to unsubscribe from future advertising, marketing, or promotional communications.
205 CMR 256.07 (3)	All direct advertising, marketing, or promotional materials shall include a clear and conspicuous method allowing patrons to unsubscribe from future advertising, marketing, or promotional communications.

205 CMR 256.09 (2)	An individual who participates in Sports Wagering in the Commonwealth under an agreement with a Sports Wagering Operator for advertising, branding or promotional purposes must disclose the relationship, and may not be compensated in promotional credits for additional wagers.
205 CMR 256.10 (1)	Each Sports Wagering Operator shall retain a copy of all advertising, marketing, branding and other promotional materials promoting or intended to promote any Sports Wagering within the Commonwealth, including a log of when, how, and with whom, those materials have been published, aired, displayed, or disseminated, for six (6) years. A Sports Wagering Operator shall also grant the Commission access to all social media platforms utilized by the licensee, operated by the Sports Wagering Operator, or hosted within a mobile or digital Sports Wagering platform. For all directed or targeted advertising and marketing, a Sports Wagering Operator shall maintain records sufficient to describe all targeting parameters used.

Insert section:

256.11: Restrictions on Targeted Advertising & Push Alerts.

- (1) No Sports Wagering Operator or vendor may use information concerning a patron collected for purposes of complying with state law (including, but not limited to, M.G.L. c. 23N and 205 CMR 248.03 and 248.04) to target a patron with digital advertising, marketing, branding or promotion.
- (2) No Sports Wagering Operator or vendor may use information concerning a patron's past wagers to target a patron with digital advertising, marketing, branding or promotion.
- (3) No Sports Wagering Operator shall use a Mobile Application push alerts to promote or encourage specific wagers or promotional offers or to target patrons based on a period of dormancy or non-use of their Sports Wagering Platform.