



NOTICE OF MEETING AND AGENDA

Pursuant to the Massachusetts Open Meeting Law (G.L. c. 30A, §§ 18-25), St. 2022, c. 107, and St. 2023, c. 2, notice is hereby given of a public meeting of the **Massachusetts Gaming Commission**. The meeting will take place:

Thursday | June 6, 2024 | 10:00 a.m.
VIA REMOTE ACCESS: 1-646-741-5292
MEETING ID/ PARTICIPANT CODE: 111 531 2707
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 - #520

1. Call to Order – Jordan Maynard, Interim Chair

2. Meeting Minutes
 - a. December 8, 2022 **VOTE**
 - b. December 13, 2022 **VOTE**

3. Administrative Update – Dean Serpa, Executive Director

4. Legislative Update – Commissioner Brad Hill

5. Independent Monitor Report – Commissioner Eileen O'Brien; Alejandra Montenegro Almonte (Miller & Chevalier Chartered)



Massachusetts Gaming Commission

6. Community Affairs Division – Joe Delaney, Chief of Community Affairs; Mary Thurlow, Senior Program Manager; Lily Wallace, Program Manager
 - a. Quarterly Reports
 - I. Plainridge Park Casino - North Grounsell, General Manager; Heidi Yates-Akbaba, VP of Finance; Kathy Lucas, VP of Human Resources
 - II. MGM - Daniel Miller - Compliance Director; Gus Kim - VP & Legal Counsel; Arlen Carballo - VP of Finance; Beth Ward - Director of Public Affairs
 - III. Encore Boston Harbor – Jacqui Krum, Senior Vice President & General Counsel; Tom Coffey, Executive Director of Security and Investigations
 - b. Community Mitigation Fund Applications

I. Boston	VOTE
II. Everett	VOTE
III. Holyoke	VOTE
IV. Saugus	VOTE
V. Springfield	VOTE

7. Investigations and Enforcement Bureau – Caitlin Monahan, Director of Investigations and Enforcement Bureau
 - a. Briefing on noncompliance related to Temporary Category 3 Sports Wagering Licensee Betfair Interactive US LLC, d/b/a FanDuel Sportsbook, and discussion regarding next steps. Alleged noncompliance relates to wagers on an unauthorized event in violation of G. L. c. 23N, section 3, and 205 CMR 247.01(2)(a)(2) – Zac Mercer, Enforcement Counsel
 - b. Briefing on noncompliance matter related to Temporary Category 3 Sports Wagering Licensee Penn Sports Interactive, LLC, and discussion regarding next steps. Alleged noncompliance relates to misleading advertising in violation of 205 CMR 256.04(6)(c) and 205 CMR 256.04(6)(d) – Zac Mercer, Enforcement Counsel
 - c. Briefing on noncompliance matter related to Temporary Category 3 Sports Wagering Licensee Penn Sports Interactive, LLC, and discussion regarding next steps. Alleged noncompliance relates to wagers on unauthorized events in violation of 205 CMR 247.01(1) and 205 CMR 247.01(2)(1) – Nate Kennedy, Enforcement Counsel

8. Finance – Derek Lennon, Chief Financial and Accounting Officer
 - a. FY25 Budget Review – Commissioner Brad Hill; Dean Serpa, Executive Director; Derek Lennon, Chief Financial and Accounting Officer; John Scully, Finance and Budget Office Manager; Doug O’Donnell, Revenue Manager



Massachusetts Gaming Commission

9. Legal – Todd Grossman, General Counsel

- a. 205 CMR 16.00: Procedures for the Approval of a Simulcast-Only Facility – Discussion and Review of Proposed Regulation, and Amended Small Business Impact Statement for Final Review and Adoption – Justin Stempeck, Deputy General Counsel, Paul Kominers, Anderson & Kreiger **VOTE**
- b. 205 CMR 257: Data Privacy – Discussion and Review of Regulation Amendments and Amended Small Business Impact Statement for Final Review and Adoption – Carrie Torrisi, Deputy General Counsel, Mina Makarious, Anderson & Kreiger **VOTE**

10. Sports Wagering Division – Bruce Band, Director of Sports Wagering

- ~~a. Request for waiver/variance pertaining to 205 CMR 257.03 (4) from:~~
- a. **Request for approval to protect confidential information and personally identifiable information in another manner that is equally protective of the information in question pursuant to 205 CMR 257.03(4).**
 - I. BetMGM – Kevin Allan, Chief Architect **VOTE**
 - II. DraftKings – David Prestwood, Manager, Government Affairs **VOTE**
 - III. Executive Session
The Commission anticipates that it will meet in executive session in accordance with G.L. c. 30A, § 21(a)(7) and G. L. c. 4, § 7(26)(n) to review certain materials in connection with the sports wagering operators’ processes and parameters for the protection of Confidential Information and Personally Identifiable Information, as these matters relate to cyber security in the Commonwealth, and the public disclosure of which is likely to jeopardize public safety or cyber security. The public session of the Commission meeting will reconvene at the conclusion of the executive session. **VOTE**
- b. Update to House Rules: FanDuel **VOTE**
- c. Event Catalog Addition Requests
 - IV. Ladies Professional Golf Association (LPGA) **VOTE**
 - V. Ladie’s European Tour (LET) **VOTE**

11. Commissioner Updates

12. Other Business - Reserved for matters the Chair did not reasonably anticipate at the time of posting.



Massachusetts Gaming Commission

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: June 4, 2024 | 10:00 a.m. EST | REVISED 6/5/24 @ 3:45 p.m.

June 4, 2024

A handwritten signature in blue ink, appearing to read "Jordan M. Maynard".

Jordan M. Maynard, Interim Chair

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



Massachusetts Gaming Commission



Massachusetts Gaming Commission Meeting Minutes

Date/Time: December 8, 2022, 10:00 a.m.
Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 778 3072

The Commission conducted this public meeting remotely utilizing collaboration technology. The use of this technology was intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public.

Commissioners Present:

Chair Cathy Judd-Stein
Commissioner Eileen O'Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner
Commissioner Jordan Maynard

1. [Call to Order](#) (00:00)

Chair Judd-Stein called to order the 408th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

Chair Judd-Stein stated that the Commission's principal responsibility in reviewing the sports wagering applications was to ensure the integrity of the gaming industry in Massachusetts. She stated that the Commission would maintain strict oversight of gaming establishments and sports wagering operators. She noted that awarding a sports wagering license was a privilege and that operators would be held to the highest standards of compliance on a continuing basis. She stated that the Commission's mission permits the creation of a fair, transparent process that engenders the confidence of the public, and maximizes the benefits to the Commonwealth. She then briefly explained the agenda for today's public meeting.

2. [Legal Framework Relative To The Award Of A Sports Wagering License](#) (05:54)

General Counsel Todd Grossman explained that this meeting was the Commission’s opportunity to evaluate the application for a category one sports wagering license submitted by Wynn MA, LLC, (d/b/a Encore Boston Harbor) (“EBH”). He explained that under G.L. Chapter 23N, § 6(b)(1), the Commission shall issue a category one sports wagering license to any holder of a gaming license under G.L. Chapter 23K, provided that any holder of a category one sports wagering license shall not receive a category two sports wagering license.

General Counsel Grossman stated that EBH held a gaming license under G.L. Chapter 23K. He stated that a category one sports wagering license was defined in G.L. Chapter 23N, § 3, as a license issued by the Commission that permits in-person sports wagering at a gaming establishment and not more than two individually branded mobile applications or digital platforms approved by the Commission. He stated that the entities operating the mobile platforms would be required to have a category three sports wagering license.

General Counsel Grossman stated that 205 CMR 218 set out the application requirements, standards, and procedures. He stated that the Commission had convened a meeting to receive public feedback on the category one applications on December 5, 2022. He specified that the regulation sets out factors and considerations for the Commission to analyze in the evaluation process, but that the regulations did not set out a particular order to review factors in or assign particular weight to the factors. He stated that the Commission may require that the applicant provide additional information or documents the Commission deems appropriate.

General Counsel Grossman noted that the evaluation of this application was being conducted in public and that all deliberations made by the Commission must take place in public. He stated that G.L. Chapter 30A, § 21(a)(7) allowed the Commission to move into executive session to comply with or act under the authority of any general law, such as G.L. Chapter 23N, § 6(i) regarding competitively sensitive information received in the course of the application process. He stated that if the Commission requested competitively sensitive information, the applicant could request to move the meeting to executive session.

General Counsel Grossman stated that any finding the Commission makes must be backed by substantial evidence, and that the heightened standard of clear and convincing evidence applied to suitability pursuant to 205 CMR 215.

General Counsel Grossman stated that the factors the Commission would evaluate would be: the applicant’s experience and expertise related to sports wagering; the economic impact and benefits to the Commonwealth; the applicant’s proposed measures related to responsible gaming; the description of the applicant’s willingness to foster racial, ethnic, and gender diversity, equity, and inclusion (“DEI”); the technology the applicant intends to use in operations; the suitability of the applicant and qualifiers; and any other appropriate factor in the Commission’s discretion.

General Counsel Grossman stated that the Commission could determine temporary or durable findings of suitability, but that no preliminary finding needed to be entered. He noted that the

Commission could use any information received pursuant to G.L. Chapter 23K, G.L. Chapter 128A, G.L. Chapter 128C, or information from other jurisdictions where an operator was authorized to operate. He stated that conditions could be placed on a license pursuant to 205 CMR 220. General Counsel Grossman noted that the operator would require an operations certificate, issued by the Commission before they could begin their sports wagering operations.

3. [Presentation Of Application For Category 1 Sports Wagering Operator License Submitted By EBH In Accordance With 205 CMR 218.06\(3\) \(22:37\)](#)

Encore Boston Harbor (“EBH”) Vice President and General Counsel, Jaqui Krum stated that EBH was focused on optimizing the customer experience while welcoming new guests. She stated that EBH had generated more than \$460 million in tax revenue for the Commonwealth of Massachusetts since opening. She reported that EBH had provided more than \$35 million to mitigate impacts to its host and surrounding communities. She added that EBH had contributed \$11 million to more than 300 charities in the Commonwealth and had created 3,000 jobs.

Ms. Krum detailed that EBH’s parent company was Wynn Resorts, LLC (“Wynn”) a publicly traded hospitality company. She stated that Wynn had extensive training programs for its employees and a comprehensive leadership development program. She stated that Wynn’s Las Vegas Sportsbook had generated \$200 million since 2017, which was 13% of the sports wagering handle for the Las Vegas Strip.

Ms. Krum explained that WynnBET was the operating subsidiary of Wynn Interactive Limited, which was majority controlled by Wynn. She stated that WynnBET was currently operating in nine jurisdictions, and anticipated launching in an additional six jurisdictions. She stated that WynnBET would provide advisory services, branding, and trading services to EBH.

EBH’s Director of Sponsorships, Joe Zarbano stated that EBH had invested \$20 million and constructed the WynnBET Sportsbook inside the property. He stated that the WynnBET Sportsbook included food offerings and a 123-foot-long video wall. He stated that the Sportsbar opened in September 2021 and if EBH was approved for a sports wagering license, ten live-betting windows and twenty-nine kiosks would be installed.

Mr. Zarbano explained that there would be multiple locations at EBH with kiosks to serve customers’ different needs. He stated that there would be a kiosk room with thirty-two kiosks, the WynnBET Express Sportsbook with twenty kiosks located in the parking garage, seven kiosks at the On Deck Sports Bar, a promo room with twenty-three kiosks, three kiosks in the poker area, and six kiosks in the high-limit area. He stated that there would be a way for patrons to build their bet on the EBH website and scan the QR code provided to them at the kiosks.

Ms. Krum presented the floor plan of the property and stated that EBH would be submitting a petition to amend the gaming floor in all areas where kiosks were anticipated to be placed. She stated that EBH proposed adding 13,747 square feet of gaming area at the casino level; adding

3,200 square feet of gaming area on the mezzanine level and adding 800 square feet of gaming area to the B1 parking level.

Ms. Krum stated that EBH intended to add 100 employees to their existing 3,479 employee workforce. She stated that EBH had hired Mark Marino as the Sportsbook Director. She noted that Mr. Marino had twenty years of industry experience. She stated that EBH reinstated its 401K match program, offered tuition reimbursement, and had over 26,000 volunteer hours from employees engaging with local charities.

Ms. Krum stated that the diversity inclusion advisory council focused on ensuring there was diversity at every level. She stated that EBH had met or exceeded its diversity goals related to minorities and veterans, and that EBH was still pursuing their goals related to women employed by EBH. She added that the 100 new employees would help to narrow the gap towards the goals. She stated that EBH had a workforce development and diversity plan, and that EBH reached out to partners within the community. She reported that EBH had met or exceeded all supplier diversity spending goals as of Q3 2022.

Ms. Krum stated that EBH would remain committed to responsible gaming and that EBH would adhere to all of its marketing and advertising commitments. She added that EBH employees were trained on an annual basis to identify signs of problem gaming amongst patrons. She noted that EBH had launched PlayMyWay in 2022 and worked closely with GameSense employees. She explained that following the interim approval of the REIT transaction, that EBH had completed the sale of the EBH real property assets on December 1, 2022.

4. [Presentations and Analysis Relevant To Review And Evaluation Of Application For Category 1 Sports Wagering Operator License Submitted By EBH](#) (1:07:10)

a. Technical Components

Chair Judd-Stein stated that GLI was the first company to develop and set gaming technical standards which were now considered an industry benchmark. She stated that GLI continued to innovate standards and regulators rely upon these standards to preserve the integrity of the industry.

GLI's Director of Client Solutions, Joe Bunevith stated that before the test lab could make submittals, the Commission would have to approve 205 CMR 138.00, 205 CMR 238.00, 205 CMR 247.00, and 205 CMR 248.00. He noted that those regulations were scheduled for a vote in the following week. He stated that after those regulations were approved, the operators would submit the code for their sports wagering systems and hardware to GLI for testing. He stated that the code would be tested in a locked-down environment to verify compliance with regulations and GLI standards. He noted that additional testing would take place at the retail point-of-sale and that these tests would take two to three days to complete. He stated that GLI would also review operator's internal controls and procedures.

b. [Report on Suitability of the Applicant](#) (1:14:11)

Chief Enforcement Counsel Heather Hall explained that when evaluating EBH's suitability for a sports wagering license, the Commission could utilize information obtained from suitability investigations related to G.L. Chapter 23K. She stated that in 2018, the Commission found EBH and its then qualifiers suitable in connection with its application under G.L. Chapter 23K. She stated that new qualifiers who joined the company also submitted to background check requirements. She noted that the applicant remained in good standing with its ongoing suitability requirements. She stated that EBH's REIT transaction had been closed.

Commissioner Skinner offered comment, noting that Wynn Interactive and WynnBET had a CEO in common with Wynn. She noted that WynnBET would be providing vendor services for EBH, but that WynnBET was not listed as an entity qualifier for EBH. She inquired if Craig Billings, in his capacity as CEO of Wynn would have to report on items related to WynnBET as part of the ongoing suitability process. Chief Enforcement Counsel Hall stated that once the applicant was awarded a license, it would be required to provide ongoing notifications to the IEB for continuing suitability. She noted that Mr. Billings was already investigated by the IEB and found suitable by the Commission.

Commissioner Skinner asked if Mr. Billings, in his capacity as a qualifier, would be required to report on items of concern related to WynnBET and Wynn Interactive. Chief Enforcement Counsel Hall stated that it might not be Mr. Billings, but the staff of those entities who sent the reports. She stated that if an entity was awarded a license, they would have the continuing duty related to suitability.

Commissioner O'Brien noted that Wynn Interactive and WynnBET were not named as entity qualifiers in the application. Chief Enforcement Counsel Hall stated that WynnBET was acting both as a vendor and as a category three applicant. Chair Judd-Stein stated that EBH's decision to use WynnBET as a vendor was a business decision and that they could still elect to choose another vendor to provide these services.

Chair Judd-Stein stated that if a license was awarded to EBH and WynnBET was an anticipated vendor, then WynnBET would have to be vetted by the Commission. Chief Enforcement Counsel Hall offered clarification that vendors were investigated at the IEB level, not the Commission level. She stated that it would be redundant to investigate WynnBET both as a vendor and as a sports wagering applicant.

Commissioner Skinner stated that she was interested in understanding what obligations Wynn had in reporting on Wynn Interactive. Commissioner O'Brien noted that EBH's application did not rely on the category three application in the way that previous applications had. Commissioner Skinner agreed but stated that her question was still relevant to sections F and G of the current application.

Chair Judd-Stein stated that the Commission might not be considering EBH's legitimate business decision to use WynnBET as a vendor for these services. She noted that this might be a topic that EBH was required to answer in this process, however. Commissioner Skinner noted that she had asked the same question during the discussions related to MGM Springfield and Plainridge Park Casino's applications as well.

c. [Financial and Economic Impact Analysis](#) (1:33:27)

Partner from RSM US, LLP, ("RSM") Greg Naviloff stated that RSM reviewed sections of the EBH sports wagering application related to finance. He introduced RSM's strategic Finance Practice Leader, Jeff Katz, RSM's National Gaming and Hospitality Leader, Theresa Merlino, and RSM's Director of Financial Consulting, Connor Loughlin. Mr. Naviloff stated that RSM's presentation was based upon documentation received as of December 2, 2022, and was subject to change if new information became available.

Ms. Merlino stated that EBH's estimated retail market was a conservative amount, but was reasonable compared to other markets. She noted that in other jurisdictions, the retail sports wagering market made up only five to fifteen percent of the total sports wagering market. She stated that EBH's estimated significant capture rate for the metro Boston retail market seemed reasonable based upon their advantageous location. She stated that the expected interest in the retail market was higher for the first year due to mobile sports wagering needing additional time to launch. She stated that the revenue estimates submitted by EBH aligned with their current market share for the Commonwealth.

Mr. Loughlin explained that EBH was financially supported by Wynn through its access to sources of capital and liquidity. He stated that as of September 30, 2022, Wynn had approximately \$12.2 billion in total debt commitments with \$9.2 billion in senior bonds and loans, \$1.5 billion in total term loans, \$1.5 billion outstanding with the company's revolving credit facilities, and \$100 million in total lease liabilities. He stated that the debt commitments were \$1 billion lower than year-end in 2020. He stated that Wynn would be able to support continuing operations.

Mr. Loughlin stated that Wynn maintained an average total liquidity position of \$2.9 billion from 2018 through September 2022. He stated that Wynn had approximately \$2.8 billion in total available liquidity which was comprised of \$1.9 billion cash on hand and \$835 million available through its current revolving credit facilities.

Ms. Merlino stated that it was not clear whether the non-gaming revenue listed in the application was incremental non-gaming revenue or if it was consistent revenue from the addition of a sportsbook. She stated that the Commission might want to understand whether this revenue was from incremental impact. She stated that EBH's design with easier access to kiosks was advantageous to the patron's wagering experience and would prevent lines from forming. She stated that EBH anticipated demand of the metro Boston market.

Ms. Merlino noted that the retail sportsbook had already been built. She stated that it was unclear whether the venue was currently classified as a gaming area or if EBH would have to seek Commission approval to amend the gaming space. She stated that the Commission may want to understand EBH's projected demand for the Express Sportsbook located in the garage and whether EBH intends to repurpose the assets located there once demand decreases in correlation to the launch of mobile sports wagering.

Ms. Merlino explained that square footage had little correlation with revenue. She stated that EBH's proposed square footage was comparable to larger venues in other jurisdictions. She stated that the area seemed reasonable given the location and industry demand.

5. [Review and evaluation of Application for Category 1 Sports Wagering Operator License Submitted By EBH In Accordance With 205 CMR 218.00 \(1:50:51\)](#)

a. Experience and Expertise related to Sports Wagering (205 CMR 218.06(5)(a))

Commissioner O'Brien noted that the application stated twenty-three kiosks would be placed in the garage area, but that the presentation listed only twenty. Mr. Zarbano explained that currently twenty-three kiosks were anticipated to be placed in the garage. He stated that one or two kiosks might be moved between spaces based with demand.

Commissioner O'Brien asked if EBH planned to request an expansion of the gaming floor to include the garage area. Ms. Krum confirmed and stated that EBH would make that request before installing kiosks. Commissioner O'Brien expressed that she was still skeptical of putting kiosks in the garage venue due to potential security issues.

Commissioner O'Brien asked if the Express Sportsbook in the garage was planned to be temporary or long-term. Ms. Krum stated that it would be a long-term feature. She stated that there would be fifteen-minute parking limits and that security would be stationed in this area around the clock. Commissioner O'Brien stated that she had concerns about cash transfers at this location. Ms. Krum stated that EBH could provide information about the potential security concerns, but that she did not feel comfortable discussing this topic in a public setting. Gaming Agents Division Chief Bruce Band stated that Commission staff was collaborating with EBH and the state police, and that he was satisfied with the proposed security of the garage area.

Commissioner Maynard asked how EBH planned to address children being left in cars. Ms. Krum stated that there would be security and parking attendants in the area who would monitor parking spaces. She detailed that there would be a fifteen-minute parking limit and a signage system that would track parking time. She explained that patrons would have to exit the car and go through a security checkpoint before placing their wager and returning to their car. She stated that the temporary nature of the parking spaces helped mitigate the issue of people leaving children in cars.

Chair Judd-Stein asked if responsible gaming messaging would be incorporated into the bring-your-own-device platform. Ms. Krum stated that responsible gaming messaging would be included throughout the application, on the kiosks, and at the betting windows. Chair Judd-Stein asked if the bring-your-own-device platform would allow EBH to collect more know your customer (“KYC”) information. Ms. Krum stated that EBH would receive information when patrons registered for the application.

Commissioner Skinner asked how the bring-your-own-device system would address a change in odds between when a selection was made on the platform, and when the bet was scanned into the kiosk. Mr. Zarbano explained that if the odds were changed, the patron would be notified upon entering the bet into the kiosk and before their wager was accepted.

Commissioner Skinner stated that EBH’s presentation stated that it would receive advisory services from WynnBET, but that the application referenced WSI US, LLC. Ms. Krum explained that WSI US, LLC was the entity that owned WynnBET. Commissioner Skinner asked what advisory services would entail. Ms. Krum stated that the primary service was related to trading; to ensure that EBH would be consistent with the odds offered in other jurisdictions. She stated that WynnBET had extensive experience and expertise with sports wagering. Commissioner Skinner stated that she considered trading services to be a form of control over an operation, and that the nature of services provided was important to know.

Chair Judd-Stein sought clarity as to how trading services interacted with corporate governance. Ms. Krum stated that the trading services were utilized in setting the price, but not governing decisions. She stated that the WynnBET trading team would create odds and prices for the placement of bets, but that they would not be involved operationally. Chair Judd-Stein asked if WynnBET in its capacity as a trading service provider would be able to control decision-making at EBH. Ms. Krum stated that WynnBET and EBH both report to Wynn, but that there were separate compliance structures for each organization. Commissioner Skinner asked if EBH would have oversight over determinations made by WynnBET. Ms. Krum confirmed that EBH would have oversight of all odds being provided.

Commissioner Maynard asked if the information gathered by bring-your-own-device would be shared with the WynnBET mobile application. Ms. Krum stated that WynnBET would have the patron’s information and could reach out to encourage them to register for the WynnBET application. She stated that the information would not automatically be transferred to the platform.

Chair Judd-Stein stated that the Commission had previously discussed cultivating information and pre-registration. Mr. Bunevith stated that there were no laws preventing operators from gathering information or account creation, provided there was no actual betting. He stated that the practice of cultivating information was common in the industry. Chair Judd-Stein asked if other jurisdictions had regulations that would restrict the collection of this information. Mr. Bunevith stated that he was unaware of any other jurisdiction that restricted this kind of information collection.

Ms. Krum noted that some other jurisdictions restricted pre-registration where bonuses were offered for loading funds. Commissioner O'Brien stated that she was concerned about sign-up bonuses being offered when the Commission had yet to discuss how to address promotional play. Chair Judd-Stein inquired how pre-registration could be addressed by the Commission. General Counsel Grossman stated that it could be addressed either as a condition on a license or via regulation.

Commissioner Maynard stated that he was concerned about an equity issue if some operators were able to gather information and accept bets while others were not. Ms. Krum noted that the bring-your-own-device was a separate application software, and not on WynnBET's platform. Mr. Zarbano stated that the bring-your-own-device was a weblink that would not download an application. Mr. Bunevith stated that no jurisdiction he was aware of restricted pre-launch deposits for mobile sports wagering.

The Commissioners reached a consensus that EBH had met the Commission's expectations in regard to this section of the application, except for the security issue related to the sports wagering area in the parking garage that would be discussed in executive session.

b. [Economic Impact and Other Benefits to The Commonwealth if Applicant is Awarded a License \(205 CMR 218.06\(5\)\(b\)\)](#) (2:24:48)

Commissioner Hill sought clarification as to whether the kiosks would be compliant with the Americans with Disabilities Act ("ADA"). Ms. Krum stated that there were two ADA compliant wickets on either side of the sports wagering windows. She stated that EBH was looking into ADA compliance for the kiosks with their kiosk supplier. She explained that the way in which a kiosk was mounted might affect how it could be utilized. She stated that EBH had staff available to assist any patron who needed assistance. Commissioner Maynard complimented the applicant on their continued work toward ADA compliance.

Commissioner O'Brien stated that some kiosks had the capacity to have surveillance cameras and asked to discuss that security feature in executive session. Ms. Krum explained that if any kiosks did not have cameras there would be full surveillance coverage.

Commissioner O'Brien asked about the reference to using conference space to set up events. Ms. Krum stated that having kiosks in the conference center for events, such as playoff parties, was part of EBH's future goals. Commissioner O'Brien asked if that would require the gaming floor to be redefined either temporarily or permanently. Ms. Krum stated that this item was not contemplated in the current application before the Commission.

Chair Judd-Stein asked if the workforce development program had been effective in advancing employees. Ms. Krum stated that the workforce development program was available for any employee in a leadership position, and enabled employees to be more effective managers.

Chair Judd-Stein asked if the non-gaming revenue listed in the application was an incremental increase of existing non-gaming revenue or an addition from sports wagering. Ms. Krum stated that it was an incremental increase anticipated due to the extra volume of patrons. Chair Judd-Stein asked if EBH anticipated excitement related to retail sports wagering to reduce over time. Ms. Krum stated that the main projected reduction would be due to the launch of mobile sports wagering.

Chair Judd-Stein asked if there were patrons that preferred to place bets in-person as opposed to mobile sports wagering. Ms. Krum stated that some customers would never use a mobile device to place a bet. She stated that some people preferred the anonymity of in-person wagering. Chair Judd-Stein asked how EBH planned to verify age and other gaming-related concerns. Ms. Krum stated that it would be similar to slot machines where patrons are asked for identification if they appeared below the appropriate age. She stated that surveillance would monitor for excluded persons and those on the trespass list as well.

Chair Judd-Stein asked if the proposed Express Sportsbook in the garage was intended to recapture money that was going to neighboring states. Ms. Krum stated that EBH had diversified their offering to attract different types of customers. She stated that EBH wanted to get Massachusetts bettors back to Massachusetts.

Chair Judd-Stein sought clarification regarding EBH's plan with respect to the lottery. Ms. Krum stated that EBH had an existing relationship with the lottery and had lottery terminals throughout the property. She stated that lottery ticket giveaways were some of EBH's most successful promotions. Mr. Zarbano stated that there would be lottery kiosks at the sports bar. Commissioner Hill asked if lottery machines would be included in the new area being opened for sports wagering. Commissioner O'Brien asked if EBH could track the sales on each lottery machine. Ms. Krum confirmed that EBH tracked how the lottery machines were performing; and made adjustments if there were changes in sales.

The Commission reached a consensus that EBH had met the Commission's expectations in regard to this section of the application.

c. [Applicant's Willingness to Foster Racial, Ethnic, and Gender Diversity, Equity, and Inclusion \(205 CMR 218.06\(5\)\(d\)\)](#) (2:43:27)

Commissioner Hill asked for more details related to diversity hiring and promotion opportunities. Ms. Krum stated that EBH focused on its diversity goals and has had great success collaborating with organizations throughout the Commonwealth. She stated that EBH provides training and opportunities for growth to its employees.

Commissioner O'Brien asked for details regarding post-COVID attempts to increase women in the workforce. Ms. Krum expressed that the 100 new positions was a way to bring women employment up at EBH. She stated that covid had a disproportionate effect on the women workforce and that EBH had put thought into increasing their women workforce. She stated that EBH constantly

advertised different schedules that would accommodate childcare schedules. Chair Judd-Stein commended Wynn for the diversity on its board of directors. Ms. Krum stated that EBH's executive committee was also a majority women.

The Commission reached a consensus that EBH had met the Commission's expectations in regard to this section of the application.

d. [Proposed Measures Related to Responsible Gaming \(205 CMR 218.06\(5\)\(c\)\)](#) (2:51:07)

Commissioner O'Brien sought clarification regarding participation in EBH's responsible gaming committee. Ms. Krum stated that the responsible gaming committee meets on a quarterly basis with its Las Vegas counterparts. She stated that WynnBET representatives would also be included in future meetings. She stated that input received from GameSense was reviewed in these meetings and the committee discussed trainings to be implemented.

Commissioner O'Brien asked if there were areas where Boston would be different from Las Vegas. Ms. Krum stated that Boston used a different model than Las Vegas. She stated that the presence of GameSense at EBH was an advantage. She stated that Wynn and EBH wanted to have an independent role in training employees to look for signs of problem gaming. She stated that information had been taken from GameSense in developing those trainings.

Director of Research and Responsible Gaming, Mark Vander Linden stated that it would be beneficial to have a two-way communication with GameSense, and include GameSense in these committee meetings, even if on a quarterly basis. Ms. Krum stated that if GameSense wanted to participate they could be included.

Commissioner O'Brien sought clarification regarding EBH's efforts to not target those under twenty-one with advertising. Ms. Krum stated that the marketing team had received training on this issue. She added that the marketing team had rejected requests from universities that would promote EBH's hotels to students' families. She detailed that EBH was not also promoting hotels, restaurants, or gaming in any way to college publications. Ms. Krum noted that EBH did not use advertisement images that might be attractive to underage individuals. Mr. Zarbano stated that EBH had also turned down opportunities such as concerts on college campuses.

Chair Judd-Stein asked if EBH retained control over all marketing content as it was passed down through third-party marketing affiliates. Ms. Krum explained that more than 90% of EBH's marketing content was created in-house. She stated that EBH contracted with a third-party affiliate for email drops, but that EBH developed the emails and recipient lists. She stated that EBH's marketing staff was familiar with all statutory and regulatory restrictions.

Commissioner Maynard asked if stops would be added or changed for EBH's shuttle bus program due to the launch of sports wagering. Ms. Krum stated that EBH was looking at changing routes to make them more effective, but that this change was not related to sports wagering.

The Commission reached a consensus that EBH had met the Commission’s expectations in regard to this section of the application.

e. [Technology that the Applicant Intends to Use \(205 CMR 218.06\(5\)\(e\)\)](#) (4:08:40)

Chair Judd-Stein noted that the Commission had technical difficulties in accessing some of the application materials, and that there appeared to be an upload error. She noted that EBH had sent the files to the Commission over the lunch break. General Counsel Grossman stated that 205 CMR 211.01(10) allowed the Commission to extend the time to file a complete application to allow an applicant to cure a deficiency in the application. He noted that 205 CMR 218.04(c) allowed the Commission to request an applicant to submit additional documentation. Chair Judd-Stein stated that the Commission received sections F(1) and F(2), but that F(3) was inadvertently omitted.

Commissioner Hill stated that the failure to upload section F(3) seemed like an honest mistake, and that he was willing to accept the documents. Commissioner Maynard noted that the missing section was seven pages out of a nearly thousand-page application. He stated that he would be willing to accept additional documentation to remedy the clerical error.

Commissioner O’Brien moved that the Commission authorize the late submission today of so much of EBH’s category one application that pertained to sections F(3) subsections (a) through (f), consistent with the Commission’s discretion under 205 CMR 211.01(10). Commissioner Skinner seconded the motion.

Roll call vote:

Commissioner O’Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Chair Judd-Stein sought clarification regarding EBH’s relationship with WynnBET and US Integrity for integrity monitoring services. Ms. Krum stated that WynnBET would monitor wagers being submitted, and if an integrity issue was flagged, they would notify EBH so that EBH could implement procedures to stop wagering. Ms. Krum stated that US Integrity would also monitor bets across all sports and notify subscribers to their platforms if an issue arose.

The Commission reached a consensus that EBH had met the Commission’s expectations in regard to this section of the application.

f. [Suitability of the Applicant and its Qualifiers \(205 CMR 218.06\(5\)\(f\)\)](#) (4:22:46)

Commissioner Skinner stated that WynnBET's response to sections G(3) and G(4) of the application would be helpful to her review of this section of EBH's application. General Counsel Grossman stated that EBH did not rely as much on reference to the tethered mobile operator's application as other applicants had. He stated that this would limit inquiry into the other application. Commissioner Skinner asked if EBH could invite a colleague from WynnBET to answer questions related to the relationship between WynnBET and EBH.

Chair Judd-Stein stated that these questions had been answered as part of WynnBET's category three sports wagering application. She stated that similar questions were not asked with respect to EBH's other vendors. Commissioner Skinner stated that the distinction was that WynnBET was providing a service to EBH in relation to its retail operations. She stated that this was distinct from the other vendors EBH was working with. She stated that it was important to understand WynnBET's compliance history.

General Counsel Grossman stated that the Commission would need to be able to draw distinctions between this situation and the other applicants so as not to treat applicants dissimilarly. Commissioner O'Brien stated that there was a complexity in the way suitability for category one applicants coalesces into the suitability of tethered mobile sports wagering partners. She stated that it was difficult to parse out where the line was drawn. She stated that she did not want to move forward until all Commissioners were comfortable with making a decision.

General Counsel Grossman stated that discussing WynnBET was appropriate as it clearly related to the retail operation. He stated that the Commission would have to detail how it was different from the issues that arose from the previously reviewed applicants. Commissioner O'Brien stated that the applications connections to their tethered mobile operators were all slightly different.

Commissioner Skinner stated that the applications were different, and that she did not feel as if she could make a determination on MGM Springfield's application without first reviewing the BetMGM application. She stated that she felt more comfortable with making a determination on EBH's application without having WynnBET's application in front of her. She stated that she would like EBH or WynnBET to speak to the items in Section G of WynnBET's application. She noted that a lack of response would not be an impediment to the Commission moving forward in its deliberations, however. General Counsel Grossman stated that WynnBET's application could be reviewed to address the category one license, so long as no judgments were made regarding WynnBET's application.

Ms. Krum offered to have a WynnBET employee join the call to answer questions. She stated that if any of EBH's vendors breached a regulation or internal control it would ultimately be EBH that would accept responsibility.

Commissioner O'Brien noted that in Section G(1) of the application, EBH had included information regarding joint venture agreements, and stated that she had some responsible gaming questions related to Caesars. She asked if she could reserve her questions related to joint ventures until the

review of Caesars' category three application. Chief Enforcement Counsel Hall confirmed that any questions regarding Caesars could be addressed during the category three application review.

Ms. Krum stated that conversations with Commission staff led EBH to include all tethered agreements in response to that section. Commissioner O'Brien noted that the agreement's inclusion made it difficult to draw the line between the two applications. She stated that she was comfortable holding questions until the Commission reviewed Caesar's application.

Chair Judd-Stein asked if any matter was flagged related to the applicant's financial stability. Mr. Loughlin stated that no issues were identified. Commissioner Skinner asked if statements from a WynnBET representative would be able to be discussed in the executive session. General counsel Grossman stated that the agenda only noticed an executive session for issues that arose under G.L. Chapter 23N, § 6(i). He stated that if there were issues that needed to be discussed in executive session that did not arise from G.L. Chapter 23N, § 6(i) that they would have to be considered as matters not reasonably anticipated at the time the agenda was posted.

Chair Judd-Stein expressed concern that the information Commissioner Skinner was seeking was outside the scope of review for EBH's application. She stated that she wanted to be cautious of the scope of review while striking a balance with the information the Commission was seeking. She asked if the executive session regarding the security issues related to the garage would be considered properly noticed.

General Counsel Grossman stated that notice regarding executive sessions should be included on meeting agendas in accordance with the open meeting law. He stated that the Commission had historically always identified issues being discussed on the agenda. He stated that if the Commission entered executive session it would have to be clear about what exactly would be discussed to ensure all open meeting law requirements are met. He stated that the security of kiosks in the garage could be considered the discussion of deployment of security personnel, devices, or strategy which is an exemption that allows for an executive session. He stated that the details would have to be discussed further to ensure the requirements for an executive session were met.

Commissioner Maynard asked if the Commission could hypothetically take a five-minute break to review Section G of WynnBET's application. General Counsel Grossman stated that the Commission could review WynnBET's application, but noted that EBH or WynnBET may not want to discuss the information publicly. Chair Judd-Stein stated that Commissioner Maynard's solution made sense.

Commissioner Hill asked why the Commission was not waiting until WynnBET's application review to deliberate as it had for the two previous applications. Chair Judd-Stein stated that each application had different legal issues, and that the applications should not be conflated.

Commissioner O'Brien stated that the executive sessions could be noticed for the day of WynnBET's application review. Commissioner Skinner noted that she had asked the same

questions of each category one applicant. She stated that she was comfortable with Commissioner Maynard's proposal of taking some time to review WynnBET's application. She stated that this differed from BetMGM where she wanted to review the whole application, whereas for WynnBET she only wanted to review a smaller section.

Chair Judd-Stein stated that she did not think the Commission could require an applicant to bring forward a vendor to answer questions related to the application. Commissioner Skinner stated that EBH had offered to bring a WynnBET representative on the call, and that it would not be forced. Ms. Krum stated that a colleague from WynnBET was willing to join the conversation. Chair Judd-Stein requested a fifteen-minute break to review WynnBET's application.

Transcriber's Note: The Commission took a fifteen-minute break and shared a screensaver. Commissioners returned to the public meeting after 15 minutes.

Commissioner Skinner stated that she did not believe it was necessary to go into executive session for her previous question. She stated that after reviewing WynnBET's application, her only concerns were relative to online sports wagering operations. She stated that she struggled to draw the line between these affiliated entities. General Counsel Grossman noted that the sections of WynnBET's application that were reviewed were marked as confidential by the applicant.

Chair Judd-Stein reiterated her belief that the review of WynnBET's application was outside the scope of the review of EBH's application. Commissioner O'Brien stated that WynnBET was performing dual functions, and it was difficult to parse where WynnBET was considered a vendor for the purpose of suitability, or as an entity qualifier for an applicant. She stated that she was comfortable with WynnBET as a vendor within the four corners of the application, but might have a different posture when it comes to WynnBET's category three application review.

Commissioner Skinner stated that based upon Ms. Krum's indications that EBH would ultimately be responsible for retail sports wagering operations, that she was comfortable with Section G of the application. Commissioner Maynard echoed Commissioner O'Brien's comments that it was difficult to divorce some of the tethered applications. He stated that he would have more questions for the category three applicants but that he was comfortable moving forward on EBH's application. Commissioner Hill stated that he viewed the category one applications as standalone. He stated that for the purpose of reviewing EBH's application, he viewed WynnBET as a vendor. He stated that he felt comfortable moving forward with EBH's application.

Commissioner Hill stated that vendors' suitability was reviewed by the IEB, not the Commission. He stated that if there was an issue with a vendor, the IEB would report it to the Commission. Chief Enforcement Counsel Hall stated that the IEB had not yet reviewed vendors attached to the licensees for sports wagering functions. She stated that the IEB had yet to perform a preliminary or full review of sports wagering vendors, unless they had been previously reviewed as gaming vendors.

Chair Judd-Stein stated that the other issue to discuss in executive session was the security issues for the kiosks located in the garage. Commissioner O'Brien stated that an executive session on this topic could be held when EBH submits a request to expand their gaming floor to include the garage area. She stated that this issue did not need to hold up the application process.

Chair Judd-Stein stated that she agreed with the proposed process. She stated that a condition could be attached to the license with the clear understanding that the discussion regarding security issues would occur at EBH's request to expand the gaming floor.

The Commission reached a consensus that EBH had met the Commission's expectations in regard to this section of the application.

22. [Encore Boston Harbor License Application Determination by the Commission in Accordance with 205 CMR 218.07](#) (5:47:19)

Chair Judd-Stein stated that the Commission's agenda reserved the right to make a determination on EBH's application. General Counsel Grossman stated that the Commission would have to have substantial evidence that all factors were satisfied before awarding the license. Chair Judd-Stein asked for clarification regarding the process.

General Counsel Grossman stated that the factors for awarding a license are found in 205 CMR 218.06(5), based upon the standard of whether the license being awarded would benefit the commonwealth. He stated that the criteria follow the substantial evidence standard, requiring such evidence as a reasonable mind might accept as adequate to support a conclusion. Commissioner O'Brien noted that the Commission had reached consensus on each criterion during the review, but asked General Counsel Grossman to list the criteria for the record.

General Counsel Grossman reiterated that the factors the Commission would evaluate would be: the applicant's experience and expertise related to sports wagering; the economic impact and benefits to the Commonwealth; the applicant's proposed measures related to responsible gaming; the description of the applicant's willingness to foster racial, ethnic, and gender DEI; the technology the applicant intends to use in operation; the suitability of the applicant and qualifiers; and any other appropriate factor in the Commission's discretion.

General Counsel Grossman stated that a series of automatic conditions were attached to licensure. He stated that whether preregistration could occur might be better addressed by regulation. He stated that the automatic conditions that attached to the license were that: the operator obtain an operations certificate before conducting sports wagering; the operator comply with all terms and conditions of the license and operations certificate; the operator comply with G.L. Chapter 23N and all rules and regulations of the Commission; the operator make all required payments to the Commission in a timely manner; the operator maintain its suitability to hold a sports wagering license; and the operator conduct sports wagering within its approved system of internal controls and in accordance with its approved house rules and G.L. c. 23N, § 10(a).

Chair Judd-Stein stated that a condition limiting pre-registration would be an exceptional measure for the Commission to take based upon GLI's explanation of industry norms. She stated that pre-registration should be explored in the regulatory context. Commissioner O'Brien opined that approval of a sports wagering license under 205 CMR 218 had no bearing on the Commission's adjudication on the request to expand EBH's gaming floor.

Chair Judd-Stein sought clarification regarding the different types of suitability findings. General Counsel Grossman stated that the two options were a durable finding of suitability or a preliminary finding of suitability. He stated that the durable finding of suitability required that the applicant and all qualifiers had been found suitable by clear and convincing evidence. He stated that if the Commission found a durable finding of suitability, a full sports wagering license could be awarded.

General Counsel Grossman explained that preliminary suitability was appropriate when more investigation was required. He stated that if an operator received a preliminary finding of suitability, it would make the operator eligible for a temporary sports wagering license while the background investigation was being completed. Chief Enforcement Counsel Hall stated that EBH and all of its qualifiers were found suitable after a full investigation and finding of suitability by the Commission. She stated that EBH and its qualifiers remained in good standing. Executive Director Karen Wells noted that a durable finding of suitability would require a \$5 million licensure fee as opposed to the \$1 million for the temporary licensure fee.

Commissioner O'Brien moved that the Commission find that the applicant EBH, through its application submitted and as discussed here today, had established by substantial evidence, and met the criteria set forth in 205 CMR 218.06(5) subsections (a) through (e) and (g) and further, that any awarding of a category one license to the applicant would be in the benefit of the Commonwealth. Commissioner Hill seconded the motion.

Chair Judd-Stein asked if conditions should be included in this motion, or whether they would be attached to the suitability motion. Commissioner O'Brien stated that a line about conditions could be added to the next motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Commissioner O'Brien moved that the Commission find that the applicant EBH be found to have established by its application filing, the review by the IEB, and discussion here today, had established by clear and convincing evidence its suitability consistent with 205 CMR 218.06(5)(f).

and that any conditions subject to a finding of suitability in this connection reference the obligations in 205 CMR 220.01. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

24. [Other Business](#) (6:10:59)

Commissioner Skinner thanked her fellow Commissioners for allowing each Commissioner to be fully heard and supported in this process. She thanked RSM, GLI, and the IEB for their presentations as well. Hearing no other business, Chair Judd-Stein requested a motion to adjourn.

Commissioner O'Brien moved to adjourn. The motion was seconded by Commissioner Skinner.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

List of Documents and Other Items Used

1. [Notice of Meeting and Agenda](#) dated November 30, 2022



Massachusetts Gaming Commission Meeting Minutes

Date/Time: December 13, 2022, 10:00 a.m.
Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 608 4976

The Commission conducted this public meeting remotely utilizing collaboration technology. The use of this technology was intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public.

Commissioners Present:

Chair Cathy Judd-Stein
Commissioner Eileen O'Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner
Commissioner Jordan Maynard

1. [Call to Order](#) (00:00)

Chair Judd-Stein called to order the 411th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

Chair Judd-Stein stated that the Commission's principal responsibility in reviewing the sports wagering applications was to ensure the integrity of the gaming industry in Massachusetts. She stated that the Commission would maintain strict oversight of gaming establishments and sports wagering operators. She noted that awarding a sports wagering license was a privilege and that operators would be held to the highest standards of compliance on a continuing basis. She stated that the Commission's mission permits the creation of a fair, transparent process that engenders the confidence of the public, and maximizes the benefits to the Commonwealth. She then briefly explained the agenda for today's public meeting.

2. [Legal Framework Relative to the Award of a Sports Wagering License](#) (06:17)

General Counsel Todd Grossman stated that this meeting was the Commission's opportunity to evaluate the application for a category three tethered sports wagering license submitted by WSI US, LLC, d/b/a WynnBET and from American Wagering Inc. affiliated Caesars Entertainment Inc.

General Counsel Grossman stated that Chapter 23N allowed the Commission to issue a category three sports wagering license to any entity that offered sports wagering through a mobile application or platform. He stated that there was a cap of seven category three licenses that could be awarded that were not connected to a category one or two sports wagering license. He stated that the applicant today was connected to Wynn MA, LLC, d/b/a Encore Boston Harbor ("EBH") which was awarded a license last week. He noted that only two tethered category three operators could be connected to a category one operator.

General Counsel Grossman stated that 205 CMR 218 set out the application requirements, standards, and procedures. He stated that the regulation sets out factors and considerations for the Commission to analyze in the evaluation process, but that the regulations did not set out a particular order to review factors in or assign particular weight to the factors. He stated that the Commission may require that the applicant provide additional information or documents the Commission deems appropriate.

General Counsel Grossman noted that the evaluation of this application was being conducted in public and that all deliberations made by the Commission must take place in public. He stated that G.L. Chapter 30A, § 21(a)(7) allowed the Commission to move into executive session to comply with or act under the authority of any general law, such as G.L. Chapter 23N, § 6(i) regarding competitively sensitive information submitted in the course of the application process. He stated that if the Commission requested competitively sensitive information, the applicant could request to move the meeting to executive session.

General Counsel Grossman stated that any finding the Commission made must be backed by substantial evidence, and that the heightened standard of clear and convincing evidence applied to suitability pursuant to 205 CMR 215.

General Counsel Grossman stated that the factors the Commission would evaluate would be: the applicant's experience and expertise related to sports wagering; the economic impact and benefits to the Commonwealth; the applicant's proposed measures related to responsible gaming; the description of the applicant's willingness to foster racial, ethnic, and gender diversity, equity, and inclusion ("DEI"); the technology the applicant intends to use in operation; the suitability of the applicant and qualifiers; and any other appropriate factor in the Commission's discretion.

General Counsel Grossman stated that the Commission could determine temporary or durable findings of suitability, but that no preliminary finding needed to be entered. He noted that the Commission could use any information received pursuant to G.L. Chapter 23K, G.L. Chapter 128A, G.L. Chapter 128C, or information from other jurisdictions where the operator was

authorized to operate. He stated that conditions could be placed on a license pursuant to 205 CMR 220.

General Counsel Grossman stated that the tethered category three sports wagering license did not permit untethered operation. He stated that after a decision was made on the license, a written decision would be prepared and issued to commemorate the Commission's decision. He noted that the operator would require an operations certificate before they could begin sports wagering operations.

[3. Presentation of Application for Category 3 Sports Wagering Operator License Submitted by WynnBet Including Demonstration of Technology and User Experience in Accordance with 205 CMR 218.06\(3\) \(21:47\)](#)

WynnBET's Vice President and General Counsel Jennifer Roberts explained that WynnBET entered the sports wagering market in July of 2022 and was live in nine states. She stated that WynnBET anticipated launching in Maryland, Ohio, Pennsylvania, and West Virginia in 2023. She stated that WynnBET worked closely with Wynn Resorts' ("Wynn") Vice President of Diversity and Inclusion Glenda Swain. She stated that WynnBET had representation on the Diversity and Inclusion Advisory Council.

Ms. Roberts stated that WynnBET trained all of its employees in responsible gaming upon their hire and that employees received additional ongoing training. She stated that WynnBET followed the American Gaming Association's ("AGA") responsible marketing code for sports wagering was familiar with Massachusetts' responsible gaming framework. She stated that WynnBET had active members in the National Council on Problem Gambling. She noted that WynnBET also engaged in responsible marketing and had greatly reduced its television and radio advertising and unsustainable bonus-ing practices. She stated that WynnBET primarily marketed through affiliate marketing utilizing social media, partnerships, and the Wynn Rewards program. She stated that all marketing materials used by affiliates were pre-approved and monitored by WynnBET.

Ms. Roberts explained that WynnBET used a shared loyalty program with Wynn Rewards. She stated that WynnBET was partnered with three NFL teams and NASCAR. She stated that WynnBET hoped to expand existing relationships to Massachusetts' professional sports teams. She stated that players could use the WynnBET platforms across iOS, Android, desktop, and mobile.

Ms. Roberts stated that the wagering catalog offered on WynnBET was tailored to what is permitted by regulators of each jurisdiction WynnBET operates in. She stated that WynnBET's sports wagering platform was provided by the vendor GAN, which was licensed in multiple states and familiar with U.S. based sports wagering markets.

WynnBET's Executive Director of Project Management, Adam Harmer provided a product demonstration of WynnBET's user experience. Chair Judd-Stein asked if the responsible gaming language listed on the terms and conditions page could be zoomed in on. Mr. Harmer stated that it could not be zoomed in on, but that it would be easy to adjust if Massachusetts' regulations required the language to be larger. Chair Judd-Stein asked how long the know-your-customer ("KYC") process would take. Mr. Harmer stated that KYC was almost instantaneous, once the customer uploaded their documents.

Commissioner Maynard asked what percentage of customers signing up did not make it through the KYC process. Ms. Roberts stated that WynnBET would prefer to discuss that information in an executive session. Commissioner Maynard asked if patrons could exit a cooling-off period once they had enrolled. Mr. Harmer stated that nothing in the product would allow a customer to exit a cooling-off period. Ms. Roberts stated that patrons could contact customer support and escalate the issue to the compliance team, but that the cooling-off period would typically remain.

Commissioner Hill asked how the free bets from Wynn Rewards interacted with responsible gaming. Ms. Roberts stated that WynnBET offers free bet promotions, but if there was any indication of a responsible gaming issue with a patron, WynnBET would not offer free play to that patron. Commissioner Hill asked how red flags would be identified. Ms. Roberts stated that any comment would alert WynnBET to an issue with problem gambling, such as indicating that the patron was stretched thin for paying bills. Commissioner Hill asked if WynnBET had the technology not to offer free play to those patrons. Ms. Roberts confirmed and stated that team members were advised to put a hold on any free play offered to these patrons. She noted that free play was not offered to any patrons during a cooling-off period.

Chair Judd-Stein asked how geolocation would be addressed to patrons outside of the boundaries of the Commonwealth. Ms. Roberts stated that a message would occur alerting the patron that they are outside of the boundaries of Massachusetts. Chair Judd-Stein asked if accounts could be established outside of the boundaries of the Commonwealth. Ms. Roberts stated that customers could set up accounts and place deposits elsewhere, but that no wagering could take place.

Chair Judd-Stein asked how WynnBET would address a patron alerting the platform that they are in distress. Ms. Roberts stated that there were multiple pages on the application that provided resources for problem gambling, and that communications indicating distress were immediately escalated to WynnBET's legal team, WynnBET's compliance team, or proper authorities.

[4. Presentations and Analysis Relevant to Review and Evaluation of Application for Category 3 Sports Wagering Operator License Submitted by WSI US, LLC \(1:33:54\)](#)

a. Technical Components

Chair Judd-Stein stated that Gaming Laboratories International ("GLI") was the first company to develop and set gaming technical standards which are now considered an industry benchmark.

She stated that GLI continues to innovate standards and regulators rely upon these standards to preserve the integrity of the industry.

GLI's Vice President of Government Relations, and General Counsel, Kevin Mullaly stated that GLI was familiar with the technical solution WynnBET had proposed, and that it had been approved in other jurisdictions with similar regulatory requirements. He stated that WynnBET's platform would be subject to additional testing for deployment in Massachusetts. He stated that there would be testing of the platform to global standards and then to local integration.

GLI's Director of Client Solutions, Joe Bunevith stated that before the test lab could make submittals the Commission would have to approve 205 CMR 138.00, 205 CMR 238.00, 205 CMR 247.00, and 205 CMR 248.00. He stated that after those regulations were approved, the operators would submit the code for their sports wagering system and hardware to GLI for testing.

Mr. Bunevith stated that WynnBET would submit their last submission for one or more U.S jurisdictions and then test any changes to the platform to comply with Massachusetts specific rules and regulations. He stated that if a potential operator's platform was new to GLI, it would undergo an architectural review that identified and documented critical files related to compliance. He stated that after the initial review was complete, the source code could be submitted for testing in a locked-down environment.

Mr. Bunevith stated that the lab would verify changes for Massachusetts specific deployments. And once those changes were validated, a certificate would be issued to the operator. He stated that once the certificate was issued, the Commission could approve the operator for operations. He stated that field verification would be finalized in the upcoming weeks, and that verification of the production server and verification of critical file signatures would commence. He added that GLI would also review internal controls and procedures.

b. [Report on Suitability of The Applicant](#) (1:44:25)

IEB Chief Enforcement Counsel, Heather Hall stated that WynnBET's category three sports wagering license was to be tethered to EBH's category one sports wagering license. She stated that the IEB performed a review for preliminary suitability according to the standards set forth in 205 CMR 2.15.01(2). She noted that a full suitability investigation had not been conducted at this time.

Chief Enforcement Counsel Hall stated that the Licensing Division did a scoping review of the applicant pursuant to G.L. Chapter 23N, § 5(b). She stated that four entities and two individuals were designated as qualifiers in connection with WynnBET's application. She stated that the IEB reviewed the submission and found no substantial deficiencies. She noted that the applicant was very responsive with requests related to the application.

Chief Enforcement Counsel Hall stated that the team conducting the review was comprised of contract investigators. She stated that the review for preliminary suitability included a summary of WynnBET's licensing status in other jurisdictions, compliance history in other jurisdictions, and pending litigation valued over \$100,000. She stated that there was an open-source review of the applicant and individual qualifiers, but not of the entity qualifiers.

Chief Enforcement Counsel Hall stated that RSM would provide a report on the applicant's financial suitability. She stated that RSM worked closely with the Commission's financial investigation team. She stated that RSM reviewed WynnBET's disclosed financial information and supplemental Securities and Exchange Commission ("SEC") filings from WynnBET's parent company Wynn Resorts ("Wynn"). She stated that RSM reviewed WynnBET's forecasting submissions and a summary of WynnBET's self-reported history of judgments.

Commissioner O'Brien noted that the Commission received this report the night before this meeting and expressed an interest in further discussion of the contents of the report related to conduct and consequences in other jurisdictions. Chair Judd-Stein inquired whether Chief Enforcement Counsel Hall would be available later in the meeting, and Chief Enforcement Counsel Hall stated that she would be available.

c. [Financial and Economic Impact Analysis](#) (1:49:20)

Partner from RSM US, LLP, ("RSM") Greg Naviloff stated that RSM reviewed sections of the application related to finance. He introduced RSM's Director of Financial Investigations and Disputes, Chuck Torrisi, RSM's National Gaming and Hospitality Leader, Theresa Merlino, RSM's strategic Finance Practice Leader, Jeff Katz.

Mr. Katz stated that much of the information in RSM's report was likely confidential and that details would have to be discussed in the executive session. Ms. Roberts stated that the specific numbers could not be discussed due to confidentiality, but that the financials of WynnBET were consolidated with Wynn and publicly available via SEC reports.

Ms. Merlino stated that a discussion could be had that did not reference specific numbers, but provided ranges so that the discussion could occur in a public forum. General Counsel Grossman stated that if any part of the report seems like it would enter into the territory of confidential information, that Attorney Roberts could raise the issue.

Mr. Katz stated that if all applicants were granted licenses, then Massachusetts would have an above average number of sportsbooks. He stated that having more sportsbooks was associated with lower hold percentages. He noted that there may be some consolidation in the sports wagering industry via merger or operators unable to sustain operations in this industry. He stated that the evolving nature of the industry made it difficult to predict the composition of the marketplace.

Mr. Katz stated that Wynn had been issued a determination of suitability by the Commission. He stated that the projections and estimates from WynnBET were in line with a successful launch. He stated that WynnBET's projections for Massachusetts anticipated their performance to be higher than in other markets due to EBH's significant market share in the state of Massachusetts. Ms. Merlino stated that the Commission may wish to understand the differences between the applicant's estimated market share in comparison to their performance in other jurisdictions.

Mr. Katz stated that WynnBET's gross gaming revenue estimates were in range of RSM's analysts' projections. He stated that it was difficult to calculate gross gaming revenue as the industry was dynamic. He stated that WynnBET's revenue estimates were based upon a conservative hold percentage.

Commissioner O'Brien asked how much of this topic could be discussed in the public session. General Counsel Grossman stated that this information appeared to be competitively sensitive information that could place the licensee at a competitive disadvantage. He stated that if the Commission came to that conclusion, this information could be discussed in the executive session.

Commissioner O'Brien asked if there was a redacted version of the report that could be queried in public. Ms. Roberts stated that WynnBET was still in the process of redactions, but that WynnBET staff would address any issues regarding confidential or sensitive information in executive session. General Counsel Grossman stated that this information likely fits into exceptions that would allow an executive session.

Mr. Katz stated that WynnBET had reduced marketing spend in other markets in 2022. He stated that the Commission might want to discuss the applicants marketing plan for Massachusetts. He stated that as of quarter three of 2022 Wynn had \$2 billion in cash and \$800 million available in credit lines. He stated that Wynn had \$546 million payable in the next twelve months on long-term debt. He stated that Wynn had the liquidity to fund Massachusetts operations based upon its filings.

General Counsel Grossman stated that there were three potential issues to be addressed, market share and revenue projections in comparison to historic revenue figures from other jurisdictions; information regarding a case in the State of New Jersey; and a matter Mr. Cohen was involved with in Turkey. He stated that the first issue fell within the confines of the public meeting exemption set out in G.L. Chapter 23N. Ms. Roberts stated that the New Jersey court filings were public documents and might satisfy any questions the Commission had.

General Counsel Grossman stated that he was unfamiliar with the law of Turkey and wanted to review whether that topic could be discussed in public. Ms. Roberts stated that WynnBET did not have confirmation as to whether the matter in Turkey was a public record. She stated that it was marked confidential, but that the legal team was uncertain whether it was considered a public record.

General Counsel Grossman stated that in the U.S. criminal matters were resolved in the public, but that he was unsure whether that was the case in Turkey. He stated that the matter could be addressed in executive session, and that if that was incorrect it would be remedied by discussing the information in a public session. Chair Judd-Stein noted that another topic for executive session was raised by Commissioner Maynard regarding the percentage of individuals who did not pass through the KYC process.

5. [Executive Session](#) (2:56:12)

Chair Judd-Stein sought clarity on the exemptions that allowed these topics to be discussed in executive session. General Counsel Grossman stated that the issues of the percentage of patrons who did not pass through the KYC process, and the discrepancies in market share and revenue projections relative to WynnBET's operations in other jurisdictions fell within G.L. Chapter 23N, § 6(i), as authorized by G.L. Chapter 30A, § 21(a)(7).

Executive Director Karen Wells asked if the criminal issue would fall under this exception allowing for an executive session. General Counsel Grossman stated that the criminal issues were appropriate for discussion when the Commission was evaluating suitability, but not at this point.

Chair Judd-Stein stated that the Commission anticipated that it may meet in executive session in conjunction with its review of the WSI US, LLC (d/b/a WynnBET) application in accordance with G.L. c. 30A, § 21(a)(7), and G.L. c. 23N, § 6(i), to consider information submitted by the applicant in the course of its application for an operator license that was a trade secret, competitively-sensitive or proprietary and which if disclosed publicly would place the applicant at a competitive disadvantage and/or G. L. c. 4, § 7(26)(c) (the privacy exemption) to consider information submitted in the application materials related to named individuals, the disclosure of which may constitute an unwarranted invasion of personal privacy, and/or G. L. c. 4, § 7(26)(n), (certain records for which the public disclosure is likely to jeopardize public safety or cyber security) to consider information submitted in the application materials related to the security or safety of persons or buildings, structures, facilities, utilities, transportation, cyber security or other infrastructure located within the Commonwealth, the disclosure of which is likely to jeopardize public safety or cyber security. She noted that the public session of the Commission meeting would reconvene at the conclusion of the executive session.

Commissioner O'Brien moved that the Commission enter executive session for the reasons stated by the Chair on the record, and more specifically under G.L. c. 23N, § 6(i). Commissioner Skinner seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.
Commissioner Maynard: Aye.
Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Transcriber's Note: The Commission entered executive session, and then returned to the public meeting at the close of the executive session.

6. Review and Evaluation of Application for Category 3 Sports Wagering Operator License Submitted by WSI US, LLC in Accordance with 205 CMR 218.00 (4:15:38)

a. Experience and Expertise related to Sports Wagering (205 CMR 218.06(5)(a))

Commissioner Skinner sought clarification regarding WynnBET's retail partners in other jurisdictions. Ms. Roberts stated that WynnBET was partnered with Caesars' Entertainment in New Jersey and Louisiana, Full House Resorts in Colorado, the Sault Ste Marie tribe in Michigan, NASCAR in Virginia, and the San Carlos Apache tribe in Arizona.

Commissioner Skinner asked if WynnBET had any partners in Tennessee and New York. Ms. Roberts stated that WynnBET received their license in New York through a bid process and that Tennessee was an open market with no retail sportsbooks. Commissioner Skinner noted that the application indicated that a new product feature was anticipated to roll out in the beginning of 2023 and asked for further details. Ms. Roberts stated that WynnBET was planning on moving all of their mobile operations to a single application.

Chair Judd-Stein stated that Massachusetts did not allow credit card deposits for sports wagering, and asked how secondary credit card use could be addressed. Ms. Roberts stated that WynnBET's payment processing and platform provider tailored the payment system to comply with each jurisdiction. Chair Judd-Stein asked if WynnBET allowed secondary credit card use in other jurisdictions. Ms. Roberts stated that WynnBET allows it in states where secondary card use is permitted.

Commissioner O'Brien asked for an example of another jurisdiction that prevented secondary use of credit card deposits, such as PayPal. Ms. Roberts stated that WynnBET worked with Tennessee regulators to ensure secondary credit card deposits did not take place. She noted that PayPal specifically required a bank account. She stated that WynnBET's payment provided could restrict funding methods.

Commissioner O'Brien sought clarification as to how the platform prevented patrons from having a negative balance. Ms. Roberts stated that WynnBET did not offer credit to patrons, and that if the patron did not have the requisite amount for a bet, they would be prevented from placing that bet. Commissioner O'Brien commended the 24/7 customer service that WynnBET provided.

Commissioner Maynard asked for an example of an emergency situation where the operator would move forward without contacting the Commission first. Ms. Roberts stated that technology changes going through the product compliance department, such as a new classification of prohibited patron designations, would be an emergency change. She stated that another example would be a geolocation provider update to enhance geolocation services. She stated that emergency changes would be to enhance customer protection and improve WynnBET's ability to be in compliance with Massachusetts' regulations.

Commissioner Maynard stated that Commission staff should be notified first whenever practical. Ms. Roberts stated that these changes would only occur without notice as necessitated by emergency. She stated that the product compliance team would be in constant communication with regulators to ensure any updates went through the approval process.

The Commission reached a consensus that WynnBET had met the Commission's expectations in regard to this section of the application.

b. [Economic Impact and Other Benefits to The Commonwealth if Applicant is Awarded a License \(205 CMR 218.06\(5\)\(b\)\)](#) (4:26:57)

Chair Judd-Stein noted that every response in this section of the application was marked confidential. Ms. Roberts stated that certain items related to this topic involved operational business intelligence. She stated that if there was a topic WynnBET was not comfortable discussing publicly she would flag it as a concern.

Commissioner O'Brien sought further clarification regarding field marketing partners. Ms. Roberts stated that field marketing was internal groups and groups through a licensed vendor that engaged in activities to help register patrons. She stated that these partners would go to certain events to help with brand recognition and registration. She stated that it was qualified as "if permitted" in the application as it would be a policy decision of the Commission whether those activities were restricted. Commissioner O'Brien asked if any jurisdictions prohibited field marketing partners. Ms. Roberts stated that no jurisdiction prohibited the practice, but that New York had restrictions on marketing within the field.

Chair Judd-Stein stated that the expectation of generating seventy jobs in Massachusetts with the launch of sports wagering was exciting. She stated that there might be ways to regulate the frequency and intensity of marketing to address the Commission's concerns. She asked if the field marketing representative provided any benefit to the venues and events they attend. Ms. Roberts stated that it would depend upon the field marketers' arrangement with the venue.

Chair Judd-Stein stated that there might be opportunities for partnerships with minority-owned business enterprises that would both bring in new patrons and enhance local establishments. Ms.

Roberts stated that Wynn was always considering vendor opportunities as part of their DEI initiatives.

Commissioner Hill sought clarification regarding WynnBET's experience engaging with communities. Ms. Roberts stated that WynnBET had partnerships with local sports teams. She stated that Wynn and EBH were involved significantly in community engagement, and that some of WynnBET's staff were also involved. Commissioner Hill asked if WynnBET had experience in the tourism field. Ms. Roberts stated that WynnBET's sister property, EBH, was involved in the tourism and hospitality industries. She stated that WynnBET used hospitality activities as a way to draw in players. She stated that rewards included tickets to sporting events. She stated that there were opportunities to increase tourism in the mobile space.

Commissioner O'Brien noted that Wynn had a nonprofit leadership program in Las Vegas and asked if a similar program would be considered in Everett. Ms. Roberts stated that EBH was working with the Wynn Foundation on offering a program. She stated that this program would be more closely connected with EBH. Commissioner O'Brien noted that the program was referenced in WynnBET's application. Ms. Roberts explained that EBH's staff may be more appropriate to answer questions regarding the rollout of this program.

The Commission reached a consensus that WynnBET had met the Commission's expectations in regard to this section of the application.

c. [Applicant's Willingness to Foster Racial, Ethnic, and Gender Diversity, Equity, and Inclusion \(205 CMR 218.06\(5\)\(d\)\)](#) (4:42:08)

Commissioner O'Brien noted that WynnBET's gender split looked good at the manager level, but not as good for the Director, Vice President, and C-Suite positions. She asked what WynnBET was doing to increase the number of women at those levels. Ms. Roberts stated that WynnBET was working on increasing diversity in the workforce at all levels. She stated that one area of focus was implementing a career development path for current employees to help elevate them into positions they show interest in.

Commissioner O'Brien noted that Penn Entertainment was a licensee that did a great job advancing women and stated it might be beneficial for WynnBET to look into what Penn does. Ms. Roberts stated that she was a Director of the Global Gaming Women Organization and was interested in seeing women advance their careers in the gaming industry.

Chair Judd-Stein commended WynnBET's number of veterans at the C-Suite level. Commissioner Maynard stated he was very impressed by the diversity numbers. Commissioner Skinner stated that she did not see the number of people of color at the C-Suite level in the submitted materials. Ms. Roberts stated that 27% of Wynn's executives were of a minority ethnicity. She stated that WynnBET was a newer company and was still working to establish diversity at all levels of the organization.

Commissioner Skinner asked what goals WynnBET had in regard to vendor spending at minority-owned business enterprises (“MBE”), women-owned business enterprises (“WBE”) and veteran-owned business enterprises (“VBE”). Ms. Roberts stated that WynnBET’s goals were to increase vendor representation, but that WynnBET did not mandate disclosure of these categories for its vendors. Commissioner Skinner asked if WynnBET had strategies for increasing these numbers or identifying goals. Ms. Roberts stated that WynnBET was working with Wynn’s DEI office to help identify vendors that would help meet WynnBET’s goals.

Commissioner Skinner asked if WynnBET had any current goals as to diverse vendor spending. Ms. Roberts stated that there were no established goals, as WynnBET wanted to identify opportunities before making commitments. She stated that WynnBET wanted to ensure commitments were achievable.

Commissioner Maynard noted that there did not seem to be many vendors’ information submitted. Ms. Roberts stated that WynnBET had a large number of vendors for technology, marketing affiliates, KYC, and payment processors. Commissioner Maynard asked approximately how many vendors would be used. Ms. Roberts stated that WynnBET used more than 200 vendors in the jurisdictions it had launched in.

Commissioner Hill stated that the application met his expectations for this section of the application. Commissioner O’Brien stated that the application met her expectations, but some areas were flagged that she would like to see progress in. Commissioner Skinner expressed that she was disappointed that WynnBET did not have clear diversity spending goals. She stated that the responses did not meet her expectations. Commissioner Maynard stated that the response met his expectations, but that he would like to see more data points.

The Commission reached a consensus that WynnBET had met the Commission’s expectations in regard to this section of the application.

d. [Proposed Measures Related to Responsible Gaming \(205 CMR 218.06\(5\)\(c\)\)](#) (4:57:50)

Chair Judd-Stein inquired as to how WynnBET tracked content distributed by third-party marketing affiliates. Ms. Roberts stated that the contractual obligations on affiliates required them to engage in responsible marketing activities. She stated that WynnBET’s marketing team provided the content to the marketing team. She stated that the internal marketing team performs reviews and audits of content posted by affiliates.

Commissioner O’Brien noted that in application section E, question 25 WynnBET stated that it would not advertise to children or minors. She noted that Massachusetts’ advertising regulations required that sports wagering operators only market to those aged twenty-one or older.

Commissioner O'Brien stated that she wanted more information related to the fine for geolocation services being lowered. Ms. Roberts stated that she could provide robust explanations for all actions but requested that the discussion occur in the executive session, as the scope and content of those incidents were not public knowledge. She confirmed that the language regarding minors would be changed to match the language within Massachusetts' statutes and regulations.

Commissioner O'Brien asked if WynnBET planned to partner with problem gambling councils in the Commonwealth. Ms. Roberts stated that WynnBET was figuring out opportunities and local partnerships they could enter into Massachusetts.

Commissioner Skinner asked for more details related to the discipline where WynnBET had directly marketed to persons on the voluntary self-exclusion ("VSE") list. Ms. Roberts stated that she would prefer to address this in the executive session as there was confidential non-public information related to the resolution of that issue.

Commissioner Maynard asked if there was empirical data that having a regulated operator in Massachusetts would bring patrons back to Massachusetts for gaming. Ms. Roberts stated that there was increased enrollment in legal regulated sports wagering when customers transitioned from illegal sites to legal sites.

Chair Judd-Stein expressed appreciation that WynnBET planned to use employees for customer service rather than artificial intelligence. She asked what alternatives to promotional play WynnBET planned to use to attract customers. Ms. Roberts stated that promotions were important to attract and sustain players. She stated that WynnBET offered a quality product with a rewards program. She stated that there were marketing accomplishments from third party affiliates and social media campaigns.

The Commission agreed to enter executive session before determining whether this section of the application met its expectations. Commissioner O'Brien noted that her concerns related to geofencing were also relevant to the review of the application's technology section.

e. [Technology that the Applicant Intends to Use \(205 CMR 218.06\(5\)\(e\)\)](#) (5:13:48)

Commissioner Maynard noted that he had questions similar to Commissioner O'Brien's about how the geolocation issue pertained to technology. Commissioner Hill agreed and noted that it would be beneficial to get more information in the executive session and return to this topic.

f. [Suitability of the Applicant and its Qualifiers \(205 CMR 218.06\(5\)\(f\)\)](#) (5:15:32)

Commissioner O'Brien stated that the complaint filed was a public document, and that there was no answer filed. Ms. Roberts stated that WynnBET was awaiting the court's decision on the motion to dismiss before deciding whether an answer was warranted. Commissioner O'Brien

noted that the allegations stemmed from the behavior of a member of the compliance team and stated that she would like assurances from WynnBET to ensure that the compliance team was comporting themselves appropriately. Ms. Roberts stated that WynnBET would prefer to address this in the executive session, as it was active litigation.

Commissioner O'Brien stated that she reviewed the documentation submitted by Mr. Cohen and she would like to address that matter in executive session. Ms. Roberts confirmed that Mr. Cohen would be available for questioning.

Chair Judd-Stein asked if each Commissioner had the opportunity to review the complaint regarding the compliance team referenced by Commissioner O'Brien. Commissioner Skinner stated that she had not reviewed that document, but that a summary of allegations could be read as the complaint was a public document.

Commissioner O'Brien stated that it was a wrongful termination lawsuit alleging a hostile work environment. She stated that the alleged perpetrator of the conduct had a position in compliance. She stated that a motion to dismiss had been filed. Ms. Roberts stated that this information was accurate.

Commissioner Skinner asked if it was appropriate to summarize the matter related to Mr. Cohen. Ms. Roberts stated that WynnBET would prefer to discuss any legal matters in the executive session. The Chair sought General Counsel Grossman's guidance as to whether these topics could be discussed in executive session.

General Counsel Grossman stated that the Commission could use the privacy exemption as it pertained to documentation to ensure there was no unwarranted violation of Mr. Cohen's privacy. He stated that the other litigation issues would fall under the exemption in G.L. c. 23N, § 6(i).

Chair Judd-Stein stated that the Commission anticipated that it may meet in executive session in conjunction with its review of the WSI US, LLC (d/b/a WynnBET) application in accordance with G.L. c. 30A, § 21(a)(7), and G.L. c. 23N, § 6(i) to consider information submitted by the applicant in the course of its application for an operator license that is a trade secret, competitively-sensitive or proprietary and which if disclosed publicly would place the applicant at a competitive disadvantage and/or G. L. c. 4, § 7(26)(c) (the privacy exemption) to consider information submitted in the application materials related to named individuals, the disclosure of which may constitute an unwarranted invasion of personal privacy.

Commissioner O'Brien moved that the Commission enter executive session on the matters just delineated by the Chair and for the reasons just stated on the record. Commissioner Skinner seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Maynard: Aye.
Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Transcriber's Note: The Commission entered executive session and returned to the public meeting at [6:19:32](#) in the recording.

The Commission reached a consensus that WynnBET had met the Commission's expectations in regard to the section of the application regarding responsible gaming. The Commission reached a consensus that WynnBET had met the Commission's expectations in regard to the section of the application regarding technology the applicant intended to use. The Commission reached a consensus that WynnBET had met the Commission's expectations in regard to the section of the application regarding suitability.

Commissioner O'Brien noted that she was comfortable regarding suitability, due to the applicant cooperating with the IEB during the preliminary suitability stage.

7. [WSI US, LLC license Application Determination by the Commission in Accordance with 205 CMR 218.07](#) (6:23:03)

Chair Judd-Stein asked for General Counsel Grossman to clarify the factors the Commission was to use to evaluate the application. General Counsel Grossman reiterated that the factors the Commission would evaluate would be: the applicant's experience and expertise related to sports wagering; the economic impact and benefits to the Commonwealth; the applicant's proposed measures related to responsible gaming; the description of the applicant's willingness to foster racial, ethnic, and gender DEI; the technology the applicant intends to use in operation; the suitability of the applicant and qualifiers; and any other appropriate factor in the Commission's discretion.

Commissioner Hill noted that the Commission may have to put a condition on the license and sought clarification as to how conditions would be placed. General Counsel Grossman recommended that the Commission discuss any potential conditions prior to voting. Chair Judd-Stein asked what the Commission proposed as conditions for the license.

Commissioner Maynard stated that he would like to receive a list of vendors from WynnBET, a percentage of diversity spend goals based upon those vendors, and information regarding potential vendors within the Commonwealth. Commissioner Skinner stated that she wanted WynnBET to identify their diversity spending goals for Massachusetts, and their approach to soliciting business from MBE, WBE, and VBE vendors.

Chair Judd-Stein asked if there would be a timeline for WynnBET in providing this information. Commissioner Skinner stated that she would like to see the vendor diversity goals before launch. General Counsel Grossman noted that the presumptive licensee must receive an operations certificate before operating. He stated that 205 CMR 251.01(3) required the licensee to provide a current list of sports wagering vendors, non-sports wagering vendors, and a list of employees as a prerequisite to receiving their operations certificate. Ms. Roberts stated that WynnBET would immediately submit a list of vendors and work on identifying diversity spending goals.

General Counsel Grossman asked if this information could be provided within a week. Ms. Roberts stated that she could provide a list of vendors from other jurisdictions and proposed vendors for Massachusetts. She stated that WynnBET would have to take measures to identify which vendors were MBE, WBE, and VBE to set future goals.

General Counsel Grossman stated that there might be two conditions. He stated that the first condition was to identify and provide a list of all MBE, WBE, and VBE to the Commission identifying the percentage of expenditures as a proportion of their entire vendor spend to the Commission as soon as possible. He stated that the second condition was that the licensee establish and provide to the Commission its goals during its operational phase to ensure its expenditures to diverse vendors meet the goals.

General Counsel Grossman stated that a series of automatic conditions were attached to licensure. He stated that whether preregistration could occur might be better addressed by regulation. He stated that the automatic conditions that attach to the license are that: the operator obtain an operations certificate before conducting sports wagering; the operator comply with all terms and conditions of the license and operations certificate; the operator comply with G.L. Chapter 23N and all rules and regulations of the Commission; the operator make all required payments to the Commission in a timely manner; the operator maintain its suitability to hold a sports wagering license; and the operator conduct sports wagering within its approved system of internal controls and in accordance with its approved house rules and G.L. c. 23N, § 10(a).

Commissioner O'Brien moved that based on the application, the hearing on this date, and what was discussed before the Commission on this date, that the Commission find that the applicant WSI US, LLC, d/b/a WynnBET has shown the Commission by substantial evidence that they have satisfied the criteria set forth in G.L. Chapter 23N as well as 205 CMR 218.06 and specifically as to subsection 7 that the approval of their application would benefit the Commonwealth and further that they have established by substantial evidence their qualifications for preliminary suitability in accordance with 205 CMR 215.01(2) and 205 CMR 218.07(2)(a) and that this approval be subject to the requirements of G.L. Chapter 23N and the requirements set forth in 205 CMR 220.01 in addition to the two additional conditions that were discussed here today. Commissioner Skinner seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Maynard: Aye.
Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

The Commission thanked WynnBET's representatives for their cooperation and responsiveness in the application process.

General Counsel Grossman stated that this vote made WynnBET eligible to apply for a temporary license pursuant to the process in 205 CMR 219. He stated that the Executive Director would have to make certain findings and bring the issue back before the Commission. Commissioner Skinner asked if the conditions applied to the temporary license or the full license. General Counsel Grossman replied that the conditions applied to both licenses. Chair Judd-Stein stated that she wanted to develop the Commission's agenda appropriately with the 205 CMR 219 timeline.

8. [Other Business](#) (6:53:50)

Hearing no other business, Chair Judd-Stein requested a motion to adjourn.

Commissioner Hill moved to adjourn. The motion was seconded by Commissioner O'Brien.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Maynard: Aye.
Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

List of Documents and Other Items Used

1. [Notice of Meeting and Agenda](#) dated December 8, 2022

WYNN RESORTS, LIMITED AND WYNN MA, LLC INDEPENDENT COMPLIANCE MONITOR PHASE V REPORT

May 31, 2024

Alejandra Montenegro Almonte

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LIST OF SELECTED TERMS

Advisory Council	Diversity and Inclusion Advisory Council.
Back of House	Restricted, behind-the-scenes property areas accessible to Company personnel only.
Baseline Assessment	Independent Compliance Monitor Baseline Assessment Report submitted on May 8, 2020.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.
CGCO	Chief Global Compliance Officer.
Commission or MGC	Massachusetts Gaming Commission.
Company or Wynn	Wynn Resorts, Limited and its affiliates Wynn MA, LLC and Wynn Las Vegas, LLC.
Compliance	Compliance Department.
COO	Chief Operating Officer.
D&I	Diversity and Inclusion.
Decision and Order	Massachusetts Gaming Commission’s April 30, 2019 Decision and Order, In the Matter of Wynn MA, LLC.
DOJ	Department of Justice.
EBH	Encore Boston Harbor and/or Wynn, MA LLC, unless Wynn, MA LLC is specifically noted.
EEOC	U.S. Equal Employment Opportunity Commission.
ER	Employee Relations Department.
ESL	English as a Second Language.
EVP	Executive Vice President.
GC	General Counsel.
HR	Human resources or the Human Resources Department.
Human Resources Compliance Program or HRCP	Human resources policies, procedures, and corporate governance structures.
IEB	Massachusetts Gaming Commission’s Investigations and Enforcement Bureau.
L&D	Learning and Development.
Legal	Legal Department.
MCAD	Massachusetts Commission Against Discrimination.
Monitor	The Independent Compliance Monitor for Wynn MA, LLC, Alejandra Montenegro Almonte of Miller & Chevalier.
Monitor Team	Alejandra Montenegro Almonte and other Miller & Chevalier attorneys with responsibility for the Monitorship include Ann K. Sultan, Katherine E. Pappas, Nicole D. Gökçebay, and Alexandra E. Beaulieu. Preston L. Pugh joined another law firm in 2020 but continues to work with the Monitor Team as a consultant on Internal Reporting and Investigation.

NERC	Nevada Equal Rights Commission.
NGC	Nevada Gaming Commission.
PAD	Public Area Department.
Patrons	An individual who visits a property in the Wynn Resorts family for various entertainment-related activities, including use of facilities or staying as an overnight guest.
Phase II Report	Wynn Resorts, Limited and Wynn MA, LLC Independent Compliance Monitor Phase II Report Submitted on January 29, 2021.
Phase III Report	Wynn Resorts, Limited and Wynn MA, LLC Independent Compliance Monitor Phase III Report Submitted on April 22, 2022.
Phase IV Report	Wynn Resorts, Limited and Wynn MA, LLC Independent Compliance Monitor Phase IV Report Submitted on May 8, 2023.
RFR	Request for Response for the Independent Monitor.
SPI	Suspension Pending an Investigation.
SVP	Senior Vice President.
VP	Vice President.
WLV	Wynn Las Vegas and Encore Las Vegas.
WSI	Wynn Sports Interactive.
Wynn Resorts or WRL	Wynn Resorts, Limited.

I. INTRODUCTION

Alejandra Montenegro Almonte of Miller & Chevalier Chartered, the Independent Compliance Monitor (the “Monitor”)¹ for Wynn MA, LLC (“Wynn MA”) and its parent Wynn Resorts, Limited (“Wynn Resorts” or “WRL”) (collectively, the “Company” or “Wynn”), submits this Phase V Report pursuant to the requirements of the Massachusetts Gaming Commission (the “Commission” or the “MGC”) as set forth in its April 30, 2019 Decision and Order, *In the Matter of Wynn MA, LLC* (the “Decision and Order”) and in the Request for Response for the Independent Monitor (the “RFR”).² The MGC appointed the Monitor for a period of five years as a condition of the Company’s licensing in Massachusetts in connection with the Company’s operation of Encore Boston Harbor (“EBH”).

The Monitor Team is now in the fifth year of the Monitorship. The Company has implemented a human resources (“HR”) compliance program (together, the “Human Resources Compliance Program” or “HRCP” or the “Program”) that satisfies the Monitor’s Recommendations and responds to the risks identified by the MGC and the Monitor Team. Therefore, subject to the MGC’s approval, this Phase V Report represents the final report of the term of the Monitorship.

As in prior assessments,³ this Phase V Report details the steps taken by the Monitor Team to review and evaluate the Company’s HR policies, procedures, and corporate governance structures and summarizes the Monitor Team’s observations and assessment of each component of the HRCP. As before, the primary goal of the Monitor Team is to assess whether the HRCP is designed to prevent, detect, and respond to allegations of actions that threaten the well-being, safety, and welfare of Company employees, as well as actions that violate applicable laws and breach public trust. An integral part of that exercise is an assessment of the Company’s control environment as it relates to matters identified in the Decision and Order. In this Phase V Report, the Monitor Team places specific emphasis on the changes that the Company has enacted since the Monitor’s Baseline Assessment in 2019–2020, in addition to any changes made in the time since the Phase IV Report was submitted on May 8, 2023.

II. EXECUTIVE SUMMARY

As summarized in this Report, the Company has designed and implemented an HRCP that addresses the risks identified in the MGC’s Decision and Order and complies with the Recommendations of the Monitor. Both by implementing the Monitor’s Recommendations and as a result of its own initiative, the Company has established a more formalized and risk-based framework for all components of its HRCP as it relates to sexual harassment and discrimination. In Phase V, the Monitor Team has observed the Company undertake ongoing efforts to embed HRCP components into the day-to-day

¹ Other Miller & Chevalier attorneys with responsibility for the Monitorship include Ann K. Sultan, Katherine E. Pappas, Nicole D. Gökçebay, and Alexandra Beaulieu (collectively, the “Monitor Team”). The Monitor Team receives significant support from paralegals, primarily Alexis C. Zhao and Sara El Hashem, and Miller & Chevalier attorneys Kathryn Cameron Atkinson and Mary Lou Soller act in an advisory capacity for the Monitor Team. Preston L. Pugh, who was previously at Miller & Chevalier, remains in a consultant capacity.

² RFR#MGC-2019-Wynn/COMMBUYS bid# BD-19-1068-1068C-1068L-39534.

³ Wynn Resorts, Limited and Wynn MA, LLC, Independent Compliance Monitor Baseline Assessment Report (May 8, 2020); Wynn Resorts, Limited and Wynn MA, LLC, Independent Compliance Monitor Phase II Report (Jan. 29, 2021); Wynn Resorts, Limited and Wynn MA, LLC, Independent Compliance Monitor Phase III Report (Apr. 22, 2022); Wynn Resorts, Limited and Wynn MA, LLC, Independent Compliance Monitor Phase IV Report (May 8, 2023).

cadence of its operations. Throughout our review, the Monitor Team has seen increasing “buy-in” across the Company for the HRCP, including more recently, for the values and principles that underlie the policies and procedures that define it. Indeed, many interviewees took pride in acknowledging to the Monitor Team the strides that the Company has taken over the last five years and its commitment to continue on its journey.

The Company now has in place appropriate and sustainable processes that are designed specifically to identify HR-related risks, like sexual harassment and discrimination, and bolster the Company’s capabilities to mitigate those risks. A significant indicator of sustainability is the Company’s implementation of cross-functional monitoring and testing efforts designed to help the Company to evaluate the effectiveness of its HRCP, both on a periodic and on-going basis. In this last Phase of our review, the Monitor Team has already seen evidence that those monitoring and testing efforts are working and that the Company has adjusted and enhanced certain components of the HRCP based on those monitoring efforts. This activity is emblematic of a maturing Program and of the Company’s commitment to not only maintain but continuously improve the HRCP through individual components.

In this final Phase V Report, the Monitor Team details the Company’s journey over the term of the Monitorship, highlighting the most critical Program component enhancements as well as those areas that the Monitor Team has seen continue to develop over the last year. A summary of the most notable developments follows here.

Culture of Compliance and Conduct at the Top. Throughout the last five years, the Company has intentionally focused on building and defining its culture to include compliance with the HRCP, to protect employee welfare alongside its brand and guest experience. The Company has messaged this culture throughout its organization, from senior leaders, through middle management, to front-line employees, and has done so via various messaging opportunities—both formal and informal. Leaders have encouraged employees to report any issues and reinforced their messages through actions, including by making themselves visibly accessible and available to employees throughout the Company, participating in events, and walking the floor and Back of House (or the “Heart of House,” as commonly referred to at the Company). Over the last five years, the Company has provided additional training to the Compliance Committee and developed a strategic communications plan designed to promulgate its commitment to the HRCP. Bigger picture, the Company has successfully transitioned from a founder-led organization to one where employees are encouraged to take ownership over their workplace and are empowered to speak up, and managers and supervisors are instructed to take swift action.

Proper Authority, Oversight, and Independence. During the course of the Monitorship, the Company has refined and defined a division of responsibilities over its HRCP so that leaders have proper authority, oversight, and independence to execute their roles. The Company has worked to ensure that the HRCP is led by respected individuals who are empowered to make difficult decisions, resourced effectively, and are experienced and able to oversee the design, implementation, and effectiveness of the Program. Specifically, the Company has further clarified the role of the Compliance Committee and bolstered the Committee with additional training and expertise. At the same time, the Company has elevated HR within WRL, increased HR leadership interaction with the Board, and the HR department has become more empowered in driving and managing the Company’s HRCP. The Company has satisfied the Monitor’s Recommendations over the course of the Monitorship and solidified the authority, oversight, and independence of key gatekeepers for its HRCP in a way that enhances the Program’s sustainability.

Policies and Procedures. The Company has revised pre-existing policies, developed and implemented additional risk-based policies, and created a plan for active and ongoing communication of policies to employees and third parties. The Company also developed mechanisms to periodically review and refresh policies to ensure that they remain relevant, effective, and front of mind for employees. The Monitor considers that the Company's efforts create a sound framework for an HRCP that is responsive to the risks identified by the MGC and in the early Phases of this Monitorship. Importantly, comments heard by the Monitor Team during interviews indicate that the enhancement to the Company's policy framework has been impactful and viewed by employees as superior to that of their prior employers.

Third Party Relationships. The Company has demonstrated a sincere commitment to employee safety and welfare, specifically in relation to sexual harassment and discrimination from Patrons and other third parties. Over the term of the Monitorship, the Company has enhanced specific policies and procedures related to third party risks. It has reinforced its policies by developing trainings and communications campaigns reminding employees and management of the Company's commitment to maintaining a workplace free from harassment and discrimination and empowering employees to speak up against misconduct. Importantly, the Company also strengthened its controls and monitoring mechanisms related to third parties. The Company's efforts have already strengthened employee and management understanding that the Company will not tolerate offending behavior from any Patron, including a VIP or high-value guest. During Phase V, interviewees emphasized examples of the Company barring misbehaving Patrons from the property (or "trespassing" them), without hesitation, even the highest value Patrons for engaging in misconduct. The Company's response and continued attention to third party risks identified by the Monitor Team is commendable and a notable strength of the HRCP.

Training and Guidance. Since the Baseline Assessment, the Company has enhanced its training program across a variety of topics relevant to the HRCP by revising existing trainings, developing function-specific trainings, and leveraging communication channels to reinforce messages from formal trainings. In addition, the Company has taken steps to develop and implement procedures to periodically test and measure the effectiveness of trainings and has incorporated that feedback. In Phase V, the Company demonstrated its commitment to continue to build upon these initiatives, signaling to the Monitor that the HRCP training program as designed during the Monitorship is now an established component of the Company's HRCP that will continue to evolve. The Monitor's view is reinforced by employees who displayed a sense of ownership and pride when discussing their impressions of the Company's training program. Indeed, several employees described the training program as emblematic of the Company's culture and values.

Internal Reporting and Investigation. The Monitor considers that the Company has designed and implemented appropriate reporting and investigating mechanisms and bolstered these efforts by investing in in-house communication campaigns and training programs. The Company has streamlined its phone and web-based reporting channel by designating one hotline for North America that provides anonymous and multilingual reporting options. In addition, the Company has integrated messaging into its annual HRCP Communication Plans to ensure that employees know how to raise issues and understand leadership's commitment to speak up culture. The Company has revised its investigation policies and practices, including to appropriately route complaints and to safeguard the investigative process from perceived or actual conflicts of interest. The Company has trained employees who conduct investigations to ensure consistent application of these policies and practices across the employee base at both EBH and WLW while also finding ways for Employee Relations Department ("ER") staff to proactively communicate expectations to front-line employees before misconduct occurs.

Incentives and Discipline. The Company has progressed its approach to incentives and discipline and demonstrated a sincere commitment to continuing to implement appropriate systems of incentives and discipline beyond the term of the Monitorship. In addition to updating its existing policies to provide additional guidance to promote compliant behavior and to determine appropriate discipline, the Company has piloted its first performance management program among its leadership and found opportunities for ER staff and Company leaders to speak with and educate employees about compliance. Through these efforts, the Company has signaled to the Monitor a commitment to design a performance management program that aligns with the Company’s business and operational objective while at the same time reinforcing the Company’s expectations with regard to leadership and culture.

Risk-Based Review. The Company has developed a process for conducting comprehensive HRCP risk assessments, which Internal Audit has faithfully implemented annually for the last four years, and formalized the Security Department’s physical risk assessment processes to identify and mitigate risks of sexual harassment and discrimination on the EBH and WLV properties. Through conversations with the employees who execute risk assessment procedures, it is clear to the Monitor that these risk assessment processes have become ingrained in the Company’s operations and now form a critical component of the Company’s HRCP effectiveness and sustainability.

Monitoring and Testing. In Phase V, the Monitor Team has observed the Company implement monitoring procedures through all HRCP-facing functions. Internal Audit plays a central role to assess the effectiveness of the overall HRCP and of specific program components. Central to these efforts is the annual HRCP Risk Assessment conducted by Internal Audit as part of its annual reporting, also discussed in Section IV.H., Risk-Based Review, above. The Company has undertaken various other efforts to monitor program components on an ongoing basis. In this way, the Company has demonstrated to the Monitor its commitment to continue to invest in the sustainability and continuous improvement of the HRCP and its components.

Controls Environment. The Company has significantly strengthened its control environment related specifically to the issues and risks identified in the MGC’s Decision and Order: the use of confidentiality clauses, conflicts of interest, and approval of employee settlements. Prior to the Monitorship, the Company had already taken steps to prohibit the use of overly restrictive confidentiality clauses in settlement agreements. During the Monitorship, the Company enhanced its separation and settlement agreements, the review and approval of those agreements, and adopted practices to minimize conflicts of interest arising specifically from the engagement of external counsel. Most recently, the Company has gone beyond the Monitor’s Recommendations and implemented three additional controls related to settlements with employees: creating a template “Settlement Approval” form that requires a summary of the dispute and financial terms for all approvers, adding a third signatory in the approval chain, and expanding the definition of “Material Settlements” that the Compliance Officer should review.

* * * * *

At the outset of this Monitorship, the Monitor Team identified six goals:

- ▶ Ensure that the Company has HR policies, procedures, and corporate governance structures designed to prevent, detect, and respond to violations of sexual harassment and discrimination;
- ▶ Ensure that the HRCP effectively mitigates the risk of sexual harassment and other misconduct that could compromise the welfare, safety, and security of employees;

- ▶ Ensure that the Company maintains a controls environment with respect to the engagement of and payment to third parties;
- ▶ Ensure that the Company has an ethical business culture that:
 - Encourages speaking up and transparency across all levels of the organization;
 - Ensures the uncompromised implementation of the HRCP;
- ▶ Ensure that the HRCP and business culture endure beyond the term of the Monitorship; and
- ▶ Safeguard the public trust.

For the reasons set forth below, the Monitor considers that the Company has achieved each of these goals and is well-positioned not only to sustain the HRCP beyond the term of this Monitorship but to expand it. The Monitor commends the Company for its efforts and cooperation over the last five years.

III. BACKGROUND

A. Procedural History

On September 17, 2014, the MGC awarded the resort-casino license for Eastern Massachusetts (Region A) to Wynn.⁴ On January 26, 2018, the Wall Street Journal published an article⁵ detailing allegations of workplace sexual misconduct and sexual harassment by a senior executive (the Company's then-Chief Executive Officer ("CEO") and Chairman of the Board). Shortly after, the MGC launched an investigation, which was conducted by its Investigations and Enforcement Bureau (the "IEB").

The IEB's investigation culminated in a March 2019 Investigative Report Regarding Ongoing Suitability of Wynn, MA LLC, which the IEB submitted to the MGC on March 15, 2019. Thereafter, the MGC held an adjudicatory hearing and, on April 30, 2019, the MGC entered its Decision and Order confirming the suitability of Wynn MA and its license qualifiers.⁶ The Decision and Order imposed upon the Company a number of conditions, including the appointment of an independent compliance monitor for the Company. In May 2019, the Commission initiated the competitive bidding process to select an independent monitor. The Monitor Team submitted a response to the MGC's RFR in June 2019. After a

⁴ MGC Commc'ns, *VIDEO: MassGaming takes final vote to designate Wynn MA, LLC as the designee for the Region A resort-casino license*, MGC (Sept. 17, 2014), <https://massgaming.com/blog-post/video-massgaming-takes-final-vote-to-designate-wynn-ma-llc-as-the-designee-for-the-region-a-resort-casino-license-new/>.

⁵ Alexandra Berzon, Chris Kirkham, Elizabeth Bernstein & Kate O'Keeffe, *Dozens of People Recount Pattern of Sexual Misconduct by Las Vegas Mogul Steve Wynn*, Wall Street J. (Jan. 27, 2018), <https://www.wsj.com/articles/dozens-of-people-recount-pattern-of-sexual-misconduct-by-las-vegas-mogul-steve-wynn-1516985953>.

⁶ MGC Commc'ns, *MGC Issues Decision and Order Regarding Suitability of Wynn Resorts and Wynn MA, LLC*, MGC (Apr. 30, 2019), <https://massgaming.com/blog-post/mgc-issues-decision-and-order-regarding-suitability-of-wynn-resorts-and-wynn-ma-llc/#:~:text=After%20lengthy%20deliberations%20and%20for,set%20forth%20in%20the%20decision.>

formal interview and hearing, it was appointed by unanimous vote of the Commission on August 15, 2019.⁷

Pursuant to the Decision and Order, the Monitor Team conducted a Baseline Assessment which “include[d], *without limitation*, a full review and evaluation of all policies and organizational changes adopted by the Company, as described by the Company, to the Commission as part of the Adjudicatory Record and the following business practices”:

- (a) Implementation of and compliance with all human resource or “HR” policies that reflect current best practices;
- (b) Use of retractions, mandatory arbitration provisions, gag orders, confidentiality clauses, and non-disparagement provisions of all employees, with particular attention to the use of such measures and their impact on non-executive employees;
- (c) Adequacy of internal reporting and communication channels throughout the Company and their alignment with up-to-date organizational charts and reporting structures; and
- (d) Use of outside counsel and maintenance of and adherence to deconflicting policies and procedures.

Decision and Order at 50–51. The Decision and Order further states that the Monitor shall “recommend to the Company such measures and other changes necessary to correct any deficiencies identified through [the] baseline assessment” and requires the Company to comply with the recommendations, unless otherwise determined by the Commission. *Id.* at 51. The Decision and Order sets out the metrics for the success of the Monitorship as: “the overall wellbeing, safety, and welfare of the employees” and “the importance of compliance and communication with the regulator.” *Id.* at 50.

The Monitor Team submitted its Baseline Assessment to the MGC on May 8, 2020. The Monitor Team continued its testing activities over the next four years and submitted the following additional assessments: the Phase II Report (January 9, 2021), the Phase III Interim Presentation (September 22, 2021), the Phase III Report (April 22, 2022), the Phase IV Interim Status Report (February 6, 2023), and the Phase IV Report (May 8, 2023).

B. Overview of Company Business

Wynn “is a designer, developer, and operator of integrated resorts featuring luxury hotel rooms, high-end retail space, an array of dining and entertainment options, meeting and convention facilities, and gaming.”⁸ The Company operates resorts in Massachusetts, Nevada, and Macau.⁹ Wynn is also

⁷ MGC Commc’ns, *The MGC Announces Appointment of Independent Monitor*, MGC (Aug. 15, 2019), <https://massgaming.com/blog-post/the-mgc-announces-appointment-of-independent-monitor/>.

⁸ Wynn Resorts, Limited, Quarterly Report at 8 (Form 10-Q) (Mar. 31, 2024), <https://wynnresortslimited.gcs-web.com/static-files/378f4862-abab-4baf-9141-04e1c4216348>.

⁹ Wynn operates multiple properties in Macau, including Wynn Macau (opened in 2006), Encore (opened in 2010), and Wynn Palace (opened in 2016). For purposes of this Monitorship, the Monitor Team focuses on Wynn’s

Footnote continued on next page.

expanding in the United Arab Emirates through a project to develop the Wynn Al Marjan, which is expected to open in 2027.¹⁰ Wynn Resorts is the parent company of Wynn MA, LLC, which operates EBH, and is also the parent company of two properties in Las Vegas: Wynn Las Vegas and Encore at Wynn Las Vegas. Wynn trades on the Nasdaq Global Select Market under the ticker “WYNN.”

1. Massachusetts

EBH opened in 2019 and currently occupies 3.1 million total square feet; it includes slot machines, gaming tables, poker tables, over 600 rooms and suites, a spa and salon, dining options and stores, and business and special event facilities. EBH is headed by an executive team consisting of Jenny Holaday (President), John Stanton (Chief Financial Officer (“CFO")), Jacqui Krum (Senior Vice President (“SVP”) and General Counsel (“GC")), and Lori Yeager (Vice President, Human Resources).

2. Las Vegas

Wynn operates in Las Vegas through two physical properties, Wynn Las Vegas and Encore, opened in 2005 and 2008, respectively. The properties occupy approximately 215 acres of land, including 194,000 square feet of casino space, two luxury hotel towers with a total of 4,748 guest accommodations, swimming pools, two full-service spas and salons, dining outlets, nightclubs, beach club, theater, and other amenities. WLV is headed by an executive team consisting of Brian Gullbrants (interim President), Dean Lawrence (SVP and CFO), and Thomas Reich (SVP and GC).

3. Wynn Resorts, Limited

Wynn Resorts, headed by CEO Craig Billings, operates the hotel and gaming operations at EBH and WLV. In 2023, WRL created two new positions: Chief Operating Officer (“COO”) – North America, and Executive Vice President (“EVP”) HR – North America, and elevated Brian Gullbrants and Susie McDaniel, respectively, into the roles. Julie Cameron-Doe (CFO) and Ellen Whitemore (EVP, GC, and Secretary) round out the leadership team as it relates to HRCP.

C. Risk Profile

As the Monitor Team explained at the time of the Baseline Assessment, the Company operates in an industry that presents a high risk for harassment and discrimination. In the Baseline Assessment, the Monitor Team highlighted as particularly relevant to Wynn six of twelve harassment risk factors identified by the Equal Employment Opportunity Commission (“EEOC”):

- ▶ Workplaces that Rely on Customer Service or Client Satisfaction
- ▶ Coarsened Social Discourse Outside the Workplace
- ▶ Workplaces with Significant Power Disparities

operations in North America. In August 2023, Wynn announced its decision to close WynnBET, which is Wynn’s digital sports betting and casino gaming business, in jurisdictions other than New York, Michigan (where it subsequently sold market access rights in February 2024), and Massachusetts (in which it subsequently decided to close in January 2024). Separately, Wynn entered into an equity purchase agreement for the sale of WSI US, LLC, Wynn Interactive’s domestic operating subsidiary (which includes the Company’s gaming license in New York).

¹⁰ Wynn Resorts, Limited, *supra* note 8, at 8.

- ▶ Workplace Cultures that Tolerate or Encourage Alcohol Consumption
- ▶ Cultural and Language Differences in the Workplace
- ▶ Isolated Workplaces

The Company's ongoing risk profile may be impacted by a variety of factors, including economic and social factors, as well as factors related to the Company's expansion into new markets. The Company has incorporated consideration of the EEOC's risk factors into its Annual HRCR Risk Assessment process. The long-term effectiveness of the HRCR rests in large part on the Company continuing to monitor its changing risk profile and calibrating all HRCR components to mitigate changing risks.

D. Summary of Review and Testing Activities

1. *Review and Testing Activities over the Course of the Monitorship*

The Monitor Team has taken a holistic approach to the review, monitoring, and testing of the Company's HRCR. The Monitor Team's activities included: (1) review of documents and other materials pertaining to the HRCR; (2) interviews of current and former Company personnel, Board members, and Compliance Committee members; and (3) periodic surveys and focus groups with front line employees, supervisors, and management. These activities are discussed in greater detail below.

Documents and Other Materials Reviewed. The Monitor Team reviewed approximately 1,300 files produced by the Company. Categories of documents reviewed included but were not limited to:

- ▶ The Company's HRCR-related policies and procedures, including the Code of Business Conduct and Ethics, Company's Compliance Plan, and other documentation describing the Compliance Committee function and mandate;
- ▶ Information on the Company's channels for reporting suspected compliance violations and documentation on the Company's internal investigations of reported issues;
- ▶ HR training materials;
- ▶ Policies, procedures, guidance, templates, and communications governing the use of retractions, mandatory arbitration provisions, gag orders, confidentiality clauses, and non-disparagement provisions; and
- ▶ HRCR Risk Assessment documentation.

In addition, the Monitor Team reviewed training videos and other multi-media produced for employees by the Company. During site visits, the Monitor Team observed signage directed at both employees and Patrons.

Interviews Conducted. Over the course of the Monitorship, the Monitor Team interviewed 128 current and former Company employees onsite and virtually (in some instances multiple times). The Monitor Team interviewed Board and Compliance Committee members, and personnel across the Company, including in functions with HRCR oversight or implementation responsibilities, including Legal Department ("Legal"), Compliance Department ("Compliance"), HR, Internal Audit, Security and Crisis Management, and Diversity and Inclusion ("D&I").

Focus Groups. The Monitor Team conducted focus groups with over 400 employees from thirteen departments covering all shifts in Boston and Las Vegas. Participating departments included: Stewarding, Food & Beverage, Public Area Department (“PAD”), Table Games, Slots, In-Room Dining, Housekeeping, Horticulture, Security and Surveillance, ER, Valet, Marketing, and Spa and Salon. In conjunction with focus groups, participants completed an anonymous survey to test their perceptions and understanding of the Company’s HRCP.

Observation of Meetings. During the Monitorship, the Monitor Team observed HRCP-focused portions of seven Compliance Committee meetings. In Phase IV, the Monitor Team met with the Board of Directors to provide an update on the Monitorship during Executive Session. Beginning in Phase III, the Monitor Team observed a total of twenty-three cross-functional Case Review meetings conducted at both properties. In addition, during site visits, the Monitor Team observed portions of new hire orientation, other trainings, and management meetings.

Audit Function Testing. In Phase III, the Monitor Team observed eleven interviews conducted by Internal Audit as part of its HRCP Risk Assessment, which focused on testing each element of the Company’s HRCP.

Other Testing Activities. The Monitor Team participated in periodic calls with WRL, EBH, and WLV personnel with HRCP- or Monitorship-related roles to keep apprised of relevant Company and HRCP developments. In addition, in the Baseline Assessment and Phase V, the Monitor lodged fictitious anonymous sexual harassment complaints in multiple languages through the Company’s external reporting channel to test the Company’s response.

2. Phase V Review and Testing Activities

Phase V review and testing activities focused on observing the Company’s operation of the HRCP components enhanced and implemented throughout the prior Phases. Consistent with prior Phases, in Phase V, the Monitor Team reviewed relevant documents, interviewed Company personnel, and engaged in other testing activities as outlined above. Specifically, in this Phase, the Monitor Team reviewed documents produced by the Company and interviewed fifty-three Company employees across functions and seniority levels, onsite and virtually, including three members of the Board of Directors and five of the six members of the Compliance Committee. As noted above, the Monitor Team also attended two Compliance Committee meetings. Moreover, the Monitor Team observed seven ER Case Review meetings and lodged two fictitious anonymous sexual harassment complaints in multiple languages through the Company’s external reporting channel to test the Company’s response. Lastly, the Monitor continued her practice of participating in monthly calls with the WRL GC and EBH GC.

IV. OBSERVATIONS

For each area covered by this review, this Report summarizes (1) key compliance guidance, and (2) the Monitor Team’s assessment.

A. Culture of Compliance and Conduct at the Top

A culture that values and promotes the principles underpinning the HRCP is a key ingredient in the sustainability, further development, and ultimately, long-term success of the Program overall. In the Baseline Assessment, the Monitor Team observed a sincere commitment by many individual Company leaders to protecting employees against harassment and discrimination but noted that while “the Company is overall motivated by the right reasons, . . . the Company’s commitment needs to be more

visible to employees and Patrons.” Baseline Assessment at 12. The Monitor Team issued five Recommendations during the Monitorship related to the Company’s cultural development.

The Company has taken significant steps to define a culture that protects employee welfare alongside its brand and guest experience and message that desired culture from senior leadership, through middle management, to front-line employees. In particular, more recently, the Monitorship Team has observed the Company’s efforts to achieve such a culture take shape in very intentional ways. The Company has leveraged various messaging opportunities to encourage employees to speak up about any issues that concern them, and leaders have reinforced that message through actions, including by making themselves visibly accessible and available to employees throughout the Company. Through these efforts, the Company has transformed its culture away from that of a founder-led organization to one where employees are encouraged not only to speak up but also to feel proprietorship and pride in their workplace and to bring their best selves to work in keeping with the Company’s value of “excellence.”

1. Compliance Guidance

An effective compliance program requires a values-driven culture that permeates the whole of an organization. This requires active commitment and support from the organization’s most senior leaders, as well as from management throughout all levels of the organization. Indeed, the EEOC¹¹ states that “effective harassment prevention efforts, and workplace culture in which harassment is not tolerated, must start with and involve the highest level of management of the company,” and emphasizes that “the importance of leadership cannot be overstated.” EEOC 2016 Report at *preface v.*

Leadership commitment to compliance can be demonstrated through active communication on harassment and discrimination issues, as well as through the following broad categories:

- ▶ “Leadership has allocated sufficient resources for a harassment prevention effort”;
- ▶ “Leadership has allocated sufficient staff time for a harassment prevention effort”; and
- ▶ “Leadership has assessed harassment risk factors and has taken steps to minimize those risks.”

Id. at 79.

The U.S. Department of Justice (“DOJ”) has also issued relevant guidance in its March 2023 guidance document entitled “Evaluation of Corporate Compliance Programs.” According to the DOJ, “[t]he effectiveness of a compliance program requires a high-level commitment by company leadership to implement a culture of compliance from the middle and the top. The company’s top leaders—the board of directors and executives—set the tone for the rest of the company.”¹² When evaluating compliance programs, the DOJ will “examine the extent to which senior management have clearly articulated the company’s ethical standards, conveyed and disseminated them in clear and

¹¹ Chai R. Feldblum & Victoria A. Lipnic, Select Task Force on the Study of Harassment in the Workplace, EEOC at 28 (June 2016),

https://www.eeoc.gov/sites/default/files/migrated_files/eeoc/task_force/harassment/report.pdf (“EEOC 2016 Report”).

¹² U.S. Dep’t of Justice, Criminal Div., *Evaluation of Corporate Compliance Programs* at 9 (Mar. 2023), <https://www.justice.gov/criminal/criminal-fraud/page/file/937501/dl>.

unambiguous terms, and demonstrated rigorous adherence by example. . . .” Evaluation of Corporate Compliance Programs at 9; *see also* U.S. Sent’g Guidelines Manual (“U.S.S.G.”) § 8B2.1(b)(2)(A)–(C) (U.S. Sent’g Comm’n 2023) (The company’s “governing authority shall be knowledgeable about the content and operation of the compliance and ethics program and shall exercise reasonable oversight” of it; “[h]igh-level personnel . . . shall ensure that the organization has an effective compliance and ethics program.” (emphasis added)). The DOJ will also examine how middle management, in turn, reinforced those standards and encouraged employees to abide by them. Among the questions that the DOJ will ask are:

- ▶ “What types of information have the board of directors and senior management examined in their exercise of oversight?”
- ▶ “What compliance expertise has been available on the board of directors?”

Evaluation of Corporate Compliance Programs at 10.

In keeping with these compliance expectations, the Decision and Order requires the Monitor to conduct “a full review and evaluation of all policies and organizational changes adopted by the Company,” including significant leadership changes in the positions of the CEO/Chairman of the Board, other Board members, and the GC. Decision and Order at 50. As the Company wrote in its February 12, 2019 submission on suitability,¹³

[t]he . . . changes have not been made solely to separate the Company of the future from the past, but also to ensure that the Company is governed by independent thought leaders, each with a proven and diverse track record, to help in the continued transformation of Wynn Resorts, particularly in regard to its corporate governance.

Encore Report at 10.

Notably, the Decision and Order specifically draws attention to the importance of the Board of Directors and requires the Monitor to “assess the structure and effectiveness of the Compliance Committee (and related Compliance Program and Plan), the Audit Committee, and training programs for new and current members.” Decision and Order at 51.

Nevada statute and case law, as well as case law from other jurisdictions in the United States, requires Directors to exercise a fiduciary duty to their companies. The relevant Nevada statute states: “The fiduciary duties of directors and officers are to exercise their respective powers in good faith and with a view to the interests of the corporation.” Nev. Rev. Stat. § 78.138(1). The Nevada statute includes a presumption that Directors act “in good faith, on an informed basis and with a view to the interests of the corporation.” *Id.* § 78.138(3).

¹³ EBH, *Wynn Resorts and Encore Boston Harbor: Continuous Suitability and Commitment to the Commonwealth* at 10, MGC

(Feb. 12, 2019), <https://massgaming.com/wp-content/uploads/Wynn-Resorts-White-Paper-2.12.19.pdf> (the “Encore Report”).

2. Assessment

The Monitor considers that the Company has taken meaningful steps, including through intentional and focused communication as well as concrete action, to promote a culture of compliance from the top of the organization that is designed to embed the HRCP within the Company and has demonstrated a commitment to sustaining these efforts beyond the term of the Monitorship.

Since the start of this Monitorship, the Company has continued on the path it set for itself just prior to the Monitorship: an intentional path towards transformation away from founder-led governance. The Company's success in this regard is best captured by an employee who said to the Monitor Team: "The difference in the last five years is that it is no longer about one person, it is about the collective. And I think that is the dynamic. Whether it is BG or Betty Boop a year from now, we have shifted from us having a single messenger to us being a company and that is a part of our culture. It's about the collective, and I think that is what has changed."

Along this path, the Monitor Team has observed the Company make significant changes in its senior leadership and Board, including both in the individuals filling certain positions, and in the structure of the positions themselves. For example, the Company has transitioned the WRL CEOs and CFOs, Presidents at WLV and EBH, two Board members, and created the roles of WRL EVP, HR and WRL COO in 2023. Over the five Phases of this Monitorship, the Monitor Team has spoken to all of the individuals occupying these senior roles and heard from them both an understanding of and a commitment to the importance of a strong HRCP.

In the Baseline Assessment, the Monitor Team observed a tension between the Company's desire to ensure employee safety and its messaging on ensuring a premier experience for Patrons. Many employees who spoke with the Monitor Team in the Baseline Assessment phase explained that they perceived the Company's service- and brand-focused message as the paramount value to the exclusion of any HRCP-focused values. However, as discussed throughout this Report, the Company has made a meaningful course-correction through the development and implementation of policies, trainings, and communication initiatives to embed anti-harassment and anti-discrimination messaging into its Core Values and Core Behaviors¹⁴ and promote a culture of HRCP compliance. In conjunction, the Company has been honing both its external and internal messaging regarding its culture. In 2018, prior to the Monitorship, the Company established new Core Values and Core Behaviors and in 2024, the Company launched a revamped Code of Business Conduct and Ethics. Internally, as noted, the Company has engaged in extensive training and messaging campaigns. The Company has also shared its message externally with Patrons to inform them of the Company's behavioral expectations for customers, including by installing signage at locations across properties and noting expectations on multiple pages of its website. For example, the Spa menu now notes:

Code of Conduct

Wynn Resorts requires appropriate and respectful interactions between our guests and employees in our resorts. The Company reserves the right to trespass anyone exhibiting behavior, language, or clothing that, at our

¹⁴ The Company's Core Values are: "Service-Driven"; "Excellence"; "Artistry"; and "Progressive. Core Behaviors are: "Care about everyone and everything"; "Treat everyone with dignity and respect"; "Take personal responsibility for every detail"; "Approach everything we do as if it's a work of art"; "Create unforgettable experiences"; and "Always strive to be better."

discretion, is inconsistent with the Company's behavior standards, which can be found on our website.¹⁵

Leadership effectively echoes these values through interactions with employees and through its actions in response to Patron misconduct, as discussed further below.

a. Corporate Values

As discussed in our Baseline Assessment, in 2018, the Company introduced revised Core Values and Core Behaviors. The Company has used these values and behaviors to message expectations to employees starting during the hiring process and continuing throughout an employee's time with Wynn. In the Baseline Assessment, the Monitor Team expressed concern that employees perceived the Company's paramount Core Value to be "Service-Driven" and that other values—and their own concerns—were secondary. However, in recent years, senior leaders have put particular emphasis on the commitment to protect employees from sexual harassment and discrimination regardless of source and on empowering employees to feel a sense of "proprietaryship" over the Company and embedding with employees a commitment to positive behavior through that very sense of ownership. As CEO Craig Billings put it: "when you can strike the balance so that it's a duty of care rather than 'compliance,' then people feel esteem, and they do great work, even when you're not there."

Importantly, that messaging accompanies significant action, notably from senior leadership. Two examples of where the message is particularly noticeable in Phase V is with regard to the way the Company treats Patrons who misbehave and the way it has handled recent investigations against senior leadership. In this Phase, the Monitor Team observed the Company investigate two incidents involving senior leaders. The Company resourced those investigations appropriately and implemented tailored corrective measures. Furthermore, the Company has made decisions to trespass very wealthy Patrons who misbehaved on property and has shared pertinent examples with employees. It is through these actions that the Company demonstrates the sincerity of its commitment to employee safety from harassment and discrimination of any kind.

Overall, the Company's focus on empowering employees appears to have been heard by employees and has produced a palpable shift in the culture at Wynn. For example, anonymous surveys conducted by the Monitor Team during the Baseline Assessment asked: "Do current [Wynn/Encore/Encore Boston Harbor] senior executives support a culture of compliance, which includes a culture of speaking up against harassment and discrimination?" Only 67% of respondents in Las Vegas and 54% of respondents from EBH indicated "yes." In 2023, the HR team at Wynn undertook similar focus group and survey exercises as had been completed by the Monitor Team. During that exercise, the Wynn HR team asked: "Do you feel our leadership supports the company's culture of 'Speaking Up' against harassment and discrimination?" Las Vegas employees indicated "yes" at a rate of 92% and EBH employees indicated "yes" at a rate of 97%.

In the Baseline Assessment, the Monitor Team likewise asked focus group participants: "Are there current employees or categories of people at [Wynn/Encore/Encore Boston Harbor] (for example: guests, managers, senior executives) who could get away with harassment or discrimination?" At that time, only 34% of respondents at EBH and 59% of respondents in Las Vegas indicated "No." When the HR team asked in 2023 "Do you feel there are any category of people at Wynn (e.g., Guests, Managers or Executives) who could (or do) get away with harassment or discrimination?" In responding, 70% of

¹⁵ *The Spa*, Wynn Las Vegas, https://www.visitwynn.com/documents/spa_at_wynn.pdf (last visited May 13, 2024).

surveyed employees at EBH, and 78% of surveyed employees at WLV indicated “no.” This is a remarkable improvement that further signals the Company’s success in driving culture.

Among the steps that the Company has taken on this issue are to exclude or “trespass” offending guests, including “high rollers,” from its property—and, equally importantly, to message to employees its commitment to doing so. For example, the COO has described situations where the Company has trespassed high spending individuals both at orientations for new hires (which he joins on a regular basis) and during trainings.

The Monitor considers that the Company’s efforts to reinforce its culture and values are taking root and credits the Company’s stated commitment to sustaining these efforts.

b. Board of Directors

The Monitor Team’s focus over the last year with respect to the Board has been two-fold: (1) the onboarding of a new member of the Board; and (2) the engagement of the Board on HRCP matters and its effective oversight with respect to that topic.

i. *Composition and Selection*

In 2020 and 2023, the Wynn Resorts Board onboarded two new members. The Monitor Team was able to interview each of the new members and observe their selection and onboarding process. With the onboarding of the most recent Board member, the Company carried out a robust process. The Company provided the new Board member with the ability to interact with senior leadership at the Company responsible for various aspects of the HRCP program, including from HR (which provided a substantive training session on the Company’s HRCP that included real-time quizzing on some of the Company’s policies), Compliance, Legal, Internal Audit, and the Compliance Committee. The new Board member took it upon himself to attend a meeting of the Compliance Committee to become more familiar with the work of that Committee.

ii. *Governance*

There have been no significant changes in the Board’s governance of HRCP since the Monitor Team’s previous report. As a reminder, the Board in 2022 passed a resolution that memorialized Compliance Committee oversight responsibility with respect to the HRCP, including specific responsibility for reviewing HR Complaints, periodic review of HRCP policies and procedures and “the appropriateness of Company resources to fulfill HRCP responsibilities,” and updating and making recommendations to the full Board “on issues requiring the attention of the full Board.” In February 2023, the Board issued another resolution that clarified that although responsibility to “review and analyze issues as they arise related to the Company’s HRCP” is delegated to the Compliance Committee, the Board retains overall responsibility for the Company’s risk oversight. The February 2023 resolution also codified that an *ex officio* member of the Compliance Committee shall report to the Board on a quarterly basis (a process which had previously been ongoing) and clarified that the referenced delegation does not alter the responsibilities of key HRCP gatekeepers, such as executive management, from having to report issues to the Audit Committee or Board, as appropriate.

As in prior Phases of this Monitorship, in Phase V, the Monitor Team continued to attend meetings of the Compliance Committee. The Monitor Team observed active engagement by and valuable input from the *ex officio* members of the Compliance Committee. The Monitor Team has also

observed the *ex officio* Member's report on Compliance Committee discussions to the Board. Further discussion of the Compliance Committee is contained below in Section IV.A.2.c.

The Monitor Team also observed active Board engagement on the HRCP during presentations to the Board by senior leadership, including an August 2023 update from WRL EVP, HR on the Company's approach to the HRCP. The presentation by the WRL EVP, HR was comprehensive, appropriately detailed for the Board, and led to fruitful discussion. The Monitor Team also observed the Board engage with other senior leadership, specifically the CEO and COO, on HRCP-relevant topics such as the Company's culture and staffing. The Board conducts at least one annual meeting at EBH, enabling Board members to interact more easily with leadership at EBH on a variety of topics.

In individual interviews, Board members continued to express to the Monitor Team their commitment to a robust HRCP at the Company. One Board member also noted to the Monitor a specific appreciation for analysis undertaken by the Company and discussed at the Compliance Committee related to minimizing misconduct and recognizing that the Company should continue to look at trends of issues in order to identify where best to focus its resources.

c. Compliance Committee

Over the course of the Monitorship, and particularly during this Phase, the Monitor Team focused on the Compliance Committee's engagement on and oversight of HRCP issues. The precise role of the Compliance Committee is discussed in Section IV.B., Proper Authority, Oversight, and Independence. This Section focuses on the Monitor Team's observations on the tone and culture set by the Compliance Committee.

i. Composition

Since the appointment of a fourth member to the Compliance Committee in 2021, the composition of the Compliance Committee has not changed. However, during this past year, leadership of the Committee changed from Thomas Peterman to Edward F. Davis III. Both Mr. Peterman and Mr. Davis have served on the Compliance Committee since its inception in 2019. Two *ex officio* members (Philip G. Satre and Patricia Mulroy) remain actively engaged with the Compliance Committee and are joined at Compliance Committee meetings by Winifred (Wendy) Webb, Chair of the Board's Audit Committee.

ii. Governance

The Compliance Committee operates under the Compliance Plan, which was last updated in February 2023. Changes adopted in February include the addition of: (1) review of "Material Settlements" by the Compliance Committee; (2) the GC's consultation with the Compliance Committee regarding the Chief Global Compliance Officer ("CGCO")'s evaluation and bonus or stock award; and (3) an annual meeting between the Compliance Committee and the CEO.

As has been the case since the start of the Monitorship, the Compliance Committee meets at least quarterly to discuss information subject to its review. That information includes HR complaints—both substantiated and unsubstantiated. The Monitor Team has observed the HRCP portions of meetings of the Compliance Committee annually for the last four years and has seen a substantial deepening of the discussion at the Compliance Committee related to HRCP. Compliance Committee members are prepared for and engaged in meetings and have been increasingly asking probative questions of HRCP-facing personnel at the Company. Questions range from those concerned with the

outcomes of individual cases to, more recently, analysis of trends and root causes. In turn, the Monitor Team has observed thoughtful discussions that seek a deeper understanding of those trends and how to address them. Compliance Committee members and *ex officio* members question Company employees about issues in meaningful ways, including with respect to investigations to test whether remediation is consistent and preventative actions that are being taken to prevent recurrences. The Monitor applauds the Compliance Committee.

Over the last year, the Monitor Team has observed the Compliance Committee and the Company make a concerted effort to ensure that the Compliance Committee is familiar with the Company's operations—which will provide the Committee operational context for a more effective oversight of HRCP issues. All members of the Compliance Committee recently attended at least one day of the Company's New Hire Orientation in order to familiarize themselves with the Company's onboarding process and hear first-hand the messages shared with new employees. Compliance Committee members have also engaged with various members of leadership across the Company's North America properties, and in discussions with the CEO and COO as to their views of the Company's culture and HRCP. Importantly, by its initiative, the Company has codified an annual meeting between the CEO and the Compliance Committee. The Monitor considers that this direct interaction between the CEO and the Compliance Committee will provide opportunities that in the long-term will further embed the HRCP into the cadence of the Company's operations: each party is able to share their valuable views with the other, relationships are strengthened, and the Compliance Committee can gain valuable insight into the approach of the CEO, with whom the Committee might not otherwise substantially interact.

d. Senior Leadership

In Phase IV of the Monitorship, the Monitor Team noted that leadership missed certain opportunities to demonstrate their understanding of the broader principles underlying the HRCP policies promulgated by the Company. In this Phase, the Monitor Team has seen evidence that the leadership has internalized those principles. For example, whereas in Phase IV, there appear to have been irregularities in the investigation process in an investigation into allegations raised against a leader, in the past year, when faced with allegations against another leader, the Company promptly engaged external counsel to conduct a thorough investigation of the allegation and the Monitor Team noted no irregularities in the process.

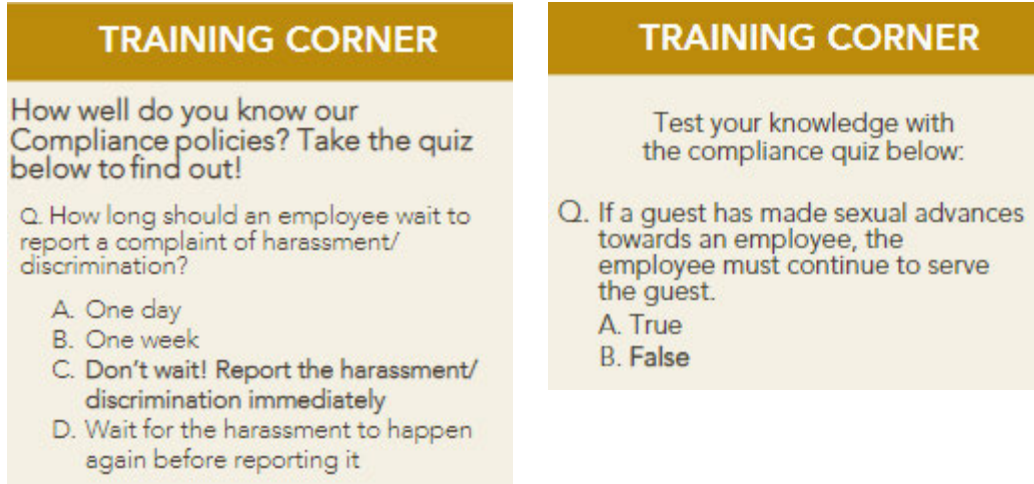
Significantly, multiple senior leaders expressed to the Monitor Team their appreciation for other leaders who are not afraid to express their views. As one individual put it: "You want someone to tell you that they think something is a bad idea. It's our job to speak what we feel and how we truly believe and fight for what we believe when we think it's worth fighting for." This attitude towards dissent is critical in protecting the Company from abuses of power and is a crucial sign of the Company's transition from a founder-led culture.

i. *Communications From and Conduct of Senior Leadership at WRL, WLV, and EBH*

Senior leaders throughout the Company have made a concerted and focused effort to engage in meaningful messaging regarding expected standards of behavior for employees—drawing on the Company's values—including as related specifically to the Company's HRCP. Select examples include:

- ▶ A series of "Conversations with Leaders"—virtual conversations with select WRL, WLV, and EBH senior leaders covering a variety of topics, including culture and values.

- ▶ A values- and behavior-focused “Message from Brian Gullbrants” included in the Company’s WeShift periodical that is circulated each day.
- ▶ Daily WeShift messages also incorporate a “Training Corner,” which often highlights a substantive piece of information from an HRCP policy. Two examples are below:



- ▶ Remarks by senior leaders, including the CGCO and COO at New Hire Orientation.

Messages from the Chair of the Board, CEO, and CGCO in the newly updated Code of Business Conduct and Ethics. The Chair of the Board and CEO wrote a joint statement: “In striving to be the best, therefore, we are defined not just by our commitment to excellence, but also by our commitment to honesty, integrity, and the highest ethical standards. . . . The Code applies to each of us—to the members of our board of directors, to our executives and to each of our employees.” The CGCO wrote: “The conduct of all of us should reflect the Company’s values, demonstrate ethical leadership, and promote a work environment that upholds the Company’s well-earned reputation for integrity, ethics, and trust. We must all be committed to doing the right things, every time, every day” and encouraged individuals to report issues, while reminding readers that the Company will not tolerate retaliation.

The Monitor Team has observed that these values-based communications are backed by actions. For example, senior leaders have recently made decisions to exclude certain high-profile guests from the property because of problematic behavior, a recent allegation into a leader was referred to outside counsel for thorough and independent investigation, and senior leaders continue to make extensive efforts to be present among employees, including through townhall-style meetings run by the EBH President, participation in the aforementioned Conversations with Leaders initiative, participation in “Pop Up” events related to HRCP, and a general approach of circulating among employees on the floor and in Back of House to make themselves available for any concerns. In addition, the Company has specifically invested in Learning and Development (“L&D”) programming for emerging leaders that seeks to train individuals in the skills necessary for successful leadership. One senior executive explained to the Monitor Team that the L&D program was seen as a way to extend Wynn’s culture throughout the growing organization and ensure that employees feel “supported, safe, cared for, and appreciated.”

The Monitor Team has seen evidence suggesting that the messages from senior leaders are being received and internalized by employees. As one employee told the Monitor Team, “Every employee has a responsibility for the HRCP.” This sentiment was echoed by a Department Head who

said, “We are the individuals that are responsible for making it right and at the end of the day we are responsible for everyone’s well-being.”

Importantly, and reflecting a maturing organization, the Company is attuned to the risk that certain communications can become “stale” over time and the need to keep reinventing messaging. The HR department has developed an “HRCP Communications Plan” that focuses on a different policy quarterly and employs a variety of communications methods to distribute the message to employees, including messages from leaders, surveys, articles, links to policies via QR codes and digital displays, in person “pop up” events, printed signs, and WeShift messages.

e. Support for Relevant Functions, Including ER, Compliance, and Legal

During this Phase of the Monitorship, the Monitor Team spoke with employees from all of the Company’s support functions related to HRCP. All functions represented to the Monitor Team that they felt supported and appropriately staffed to carry on the implementation of all aspects of the HRCP. In addition, the Monitor Team understands that the Company has recently made significant investments to support the L&D program run out of the HR department and that the Compensation Committee approved a recent request from the WLV VP, HR for an additional ER Counsel headcount at WLV. The Monitor Team continued to hear statements affirming the Company’s support for HRCP support functions from the highest levels at the Company.

B. Proper Authority, Oversight, and Independence

A division of responsibilities, with proper authority, oversight, and independence over a compliance program is essential to its success. As noted in the Decision and Order, “Wynn Resorts was a founder-led company. In addition to some benefits, there are often complications implicit in that operating model, notably the concentration of power, as there were here. The reticence of those in positions of authority to push back against the founder is one such example.” Decision and Order at 23. It is precisely to mitigate that risk—“reticence of those in positions of authority to push back”—that the Monitor Team closely assessed the role of compliance-facing positions to ensure that the HRCP is led by individuals who command respect and are empowered to make difficult decisions, who are experienced and able to oversee the design, implementation, and effectiveness of the Program, and who are independent (to the extent possible) from business pressures and biases.

1. Compliance Guidance

The EEOC requires that “leadership [] ensure that any team or coalition leading the effort to create a workplace free of harassment is vested with enough power and authority to make such change happen.” EEOC 2016 Report at 34. This requirement aligns with the DOJ’s guidance on the Evaluation of Corporate Compliance Programs, which states that an effective compliance structure requires “those charged with a compliance program’s day-to-day oversight to act with adequate authority and stature.” Evaluation of Corporate Compliance Programs at 10. Specifically, a successful compliance program requires structure and that personnel within the compliance function have:

- ▶ “[S]ufficient seniority within the organization;”
- ▶ “[S]ufficient resources, namely, staff to effectively undertake the requisite auditing, documentation, and analysis;” and
- ▶ “[S]ufficient autonomy from management, such as direct access to the board of directors or the board’s audit committee.”

Id. With respect to compliance officers and department functions, the DOJ asks, among other questions: “How does the compliance function compare with other strategic functions in the company in terms of stature, compensation levels, rank/title, reporting line, resources, and access to key decision-makers?” *Id.* at 11. Likewise important for a company’s compliance program is “the availability of compliance expertise to the board.” *Id.* at 10. Notably, with approximately 16,500 employees in Nevada and Massachusetts, the DOJ would hold the Company’s program to higher standards than programs of smaller companies. As stated in the commentary to U.S.S.G. § 8B2.1 note 2(C), “A large organization generally shall devote more formal operations and greater resources . . . than shall a small organization.” *Id.*

As noted in Section IV.A., Culture of Compliance and Conduct at the Top, the Nevada statute includes the principle that Boards of Directors have a duty to be reasonably informed about the matters on which they are making decisions. In the present case, the Monitor Team is of the view that the Company’s Directors should be reasonably informed regarding the Company’s compliance program, given their responsibility in ensuring that the Company maintains an effective compliance program.

In keeping with these obligations, and in light of the issues identified through the MGC’s investigation, the MGC required the Monitor to “assess the structure and effectiveness of the Compliance Committee (and related Compliance Program and Plan), the Audit Committee, and training programs for new and current members.” Decision and Order at 51.

2. Assessment

The Company’s HRCP continues to be designed and implemented by the HR, Legal, and Compliance Departments and overseen by the Compliance Committee pursuant to the Company’s Compliance Plan, and, ultimately, by the Board of Directors. In this Section, the Monitor Team discusses the effectiveness of each of the aforementioned groups, and the Compliance Plan. Since the Baseline Assessment, the Monitor Team has observed, in particular, a further formalization of the Compliance Committee’s role and greater ownership by the HR department of the Company’s HRCP.

a. Compliance Plan

As noted above in Section IV.A., Culture of Compliance and Conduct at the Top, the Company last updated the Compliance Plan in February 2023. The main framework of the Compliance Plan, unchanged since November 2019, is designed to:

- ▶ Ensure the Company’s compliance with applicable federal, state, local, and gaming laws;
- ▶ Ensure the Company is performing background investigations on employees, directors, vendors, and others;
- ▶ Ensure the Company is performing background investigations for proposed transactions and associations;
- ▶ Protect “against unethical or unlawful behavior by employees”; and
- ▶ “[I]dentify and evaluate situations arising in the course of the business of the Company that may have a negative effect upon the objectives of gaming control.”

As noted in our Baseline Assessment, revisions to the Compliance Plan led by the Company’s GC in 2018 reconstituted the Compliance Committee as a body of independent members and expanded the

Compliance Committee's remit to include issues related to the HRCP. Most recent revisions to the Compliance Plan further expanded the authority of the Compliance Committee to review "Material Settlements";¹⁶ formally involved the Compliance Committee in the evaluation and compensation process of the CGCO and provided for an annual meeting between the Compliance Committee and the Company's CEO.

b. Board of Directors

In the early stages of the Monitorship, the Monitor Team observed that HRCP oversight responsibility was not clearly delineated between the Board of Directors and the Compliance Committee creating an appearance that the Board unofficially delegated its responsibility for HRCP oversight to the Compliance Committee. In subsequent Phases of the Monitorship, the Board of Directors memorialized its expectations for the Compliance Committee's role in overseeing HRCP matters, officially acknowledged its own responsibilities, and took a more active role in engaging with the EVP, HR, WRL on HRCP.

The Board of Directors adopted resolutions in August 2022 and February 2023 to formally delegate to the Compliance Committee *certain* oversight responsibility for the HRCP and clarified in its February 2023 resolution that this delegation did not supplant the Board's ultimate responsibility for the Company's risk. Since the Baseline Assessment, the Monitor Team has had two opportunities to observe the Board engage on HRCP issues: in August 2023 and in February 2024. In August 2023, the Monitor Team observed the WRL EVP HR's presentation to the Board of Directors on the Company's HRCP and a discussion between the Board and the CEO and COO regarding the Company's culture and commitment thereto. Board members engaged actively—through questions and commentary—on key aspects of the Company's HRCP. Separately, in February 2024, the Monitor Team had the opportunity to observe the *ex officio* member of the Compliance Committee report to the Board on the Compliance Committee's discussions.

c. Compliance Committee

The role and authority of the Compliance Committee has been refined since the Baseline Assessment. Most notably, the Board's August 2022 resolution memorialized the Compliance Committee's oversight responsibility with respect to the HRCP. That resolution noted specific responsibility for the Compliance Committee for review of HR complaints, periodic review of HRCP policies and procedures, and review of "the appropriateness of Company resources to fulfill HRCP responsibilities." The resolution also stated that the Compliance Committee was responsible for updating and making recommendations to the full Board of Directors "on issues requiring the attention of the full Board." In response to confusion among some members of the Compliance Committee and the Company's then-CGCO, the Board issued a new resolution in February 2023 that clarified that although the Board was delegating responsibility to "review and analyze issues as they arise related to the Company's HRCP," the Board retained overall responsibility for the Company's "risk oversight." The revised resolution also codified that an *ex officio* member of the Compliance Committee was responsible for reporting to the Board on a quarterly basis and clarified that the referenced delegation of authority

¹⁶ Material Settlements include settlements of HR Complaints "to which the Company is either a party to, or responsible for the payments, either directly or indirectly, thereunder," and "any employment separation agreement that requires a payment to an employee in excess of the Company's policies and procedures or the employee's written employment agreement."

did not alter the responsibilities of key HRCP gatekeepers at the Company, such as executive management, in reporting issues to the Audit Committee or Board.

Together, the Board resolutions help to formalize further the role of the Compliance Committee as part of the Company's HRCP oversight and establish the independent authority of the Compliance Committee.

Membership. The Compliance Committee is comprised of four members.¹⁷ In addition, two Board members join as *ex officio* members of the Compliance Committee and one additional Board member, the Chair of the Company's Audit Committee, attends Committee meetings. Since the Compliance Committee was reconstituted in 2018, Thomas Peterman, Michelle Chatigny, and Edward F. Davis III have been members. In the Baseline Assessment, the Monitor Team noted that two Compliance Committee members had a long-standing relationship with the WRL GC. In light of the former "apparent accumulation of influence and loyalty at the Company by senior leadership," the Monitor Team was sensitive to the risk of an actual or perceived lack of independence. Baseline Assessment at 27. Having observed the members' engagement on various issues that required diligence and independence, the Monitor Team's concerns are alleviated. In 2021, the Board appointed a fourth member, Alison Quirk, to the Compliance Committee in response to the Monitor Team's Recommendation in the Baseline Assessment that the Compliance Committee include a member with significant HR expertise. This addition is particularly important in light of the Commission's observations of HRCP governance and oversight failures in its Decision and Order. Indeed, other members of the Compliance Committee have stated to the Monitor Team their view that having a Compliance Committee member with substantial and substantive HR experience has strengthened their individual and the Committee's effectiveness in HRCP oversight.

In the second quarter of 2023, after approximately five years as Chair of the Compliance Committee, Mr. Peterman stepped down as Chair and Mr. Davis assumed the role. Mr. Peterman remains an active member of the Committee. The Monitor Team understands that Committee members felt it important to rotate leadership of the Committee to someone particularly with a Boston-based background and that there is an intention to rotate the Committee Chair position among people with backgrounds in different geographic regions where the Company has operations.

Overall, the Monitor Team has observed several meetings of the Compliance Committee since 2019 and has seen all members of the Compliance Committee seriously engaged in their oversight roles. Company employees who participate in Compliance Committee meetings have also noted to the Monitor Team their perception of the seriousness with which the Compliance Committee members take their responsibilities and the valuable contribution of the Compliance Committee to the Company's HRCP.

Oversight. Since 2018, the Compliance Committee has been the Company's primary oversight body for the HRCP. The 2022–2023 Board resolutions and 2023 Compliance Plan revisions help to hone the focus and authority of the Compliance Committee to oversee important aspects of the HRCP, without compromising the Board's authority and responsibilities or the Compliance Committee's independence.

¹⁷ The Compliance Plan provides that the Compliance Committee shall be comprised of between three and five members, all of whom shall be independent and appointed by the Board of Directors of the Company.

The Compliance Committee meets on a quarterly basis, with Committee members and *ex officio* members required to attend. The Chair of the Audit Committee also attends. In addition, the following Company employees generally attend at least portions of Compliance Committee meetings: CGCO; WRL GC (who is currently also serving as the Interim CGCO, but attended meetings in her capacity as the GC as well); GCs for EBH, WLV, Wynn Macau, and Wynn Sports Interactive (“WSI”); SVP and Chief Audit Executive; EVP of HR, WRL; VP of HR for WLV; Executive Director-Labor and Employment, EBH; Executive Director – Global Compliance Investigations; VP – Security, Crisis Management, and Investigations; Chief Labor and Employment Counsel, WLV; and Director, ER, WLV.

As noted in the Baseline Assessment, the Compliance Plan requires the Head of HR to provide to the CGCO with information related to HR complaints for consideration by the Compliance Committee. For substantiated claims, the report should have “a narrative of the underlying incident or incidents and the remedial action taken.” For unsubstantiated claims, the report should have “a narrative of the underlying claimed incident or incidents and reason it was not substantiated.” The CGCO then provides this report to the Compliance Committee.¹⁸

During the course of the Monitorship, HR, in conjunction with Legal and Compliance, has prepared such reports for all harassment and discrimination cases and the CGCO has provided them to the Compliance Committee in advance of every meeting. Based on the depth of the discussions observed by the Monitor Team, it is evident that Compliance Committee members review the summaries provided to them in advance and attend Committee meetings prepared to discuss the cases. HR personnel respond to questions raised during the Compliance Committee meeting or in follow-up. In the Baseline Assessment, the Monitor Team expressed concern about the sustainability of the Compliance Committee members reviewing summaries of every sexual harassment and discrimination complaint and encouraged the Company to develop more specific criteria to guide which cases management should specifically highlight for the attention of the Compliance Committee and aggregate data into trends for Compliance Committee analysis. During the Monitorship, the Compliance Committee members demonstrated a keen ability and sincere interest in continuing the practice of reviewing every case. One member of the Compliance Committee reflected that the amount of detail provided to the Committee is “pretty exceptional” and noted that they consider the detail valuable. The Compliance Committee’s active involvement in the HRCP sends a positive message to Company personnel (and the Monitor Team) regarding the Compliance Committee’s dedication and the seriousness with which the Company treats claims of sexual harassment and discrimination.

As the Company grows to new jurisdictions and needs to scale the Compliance Committee, the Monitor Team believes that it would be reasonable and appropriate for the Company to continue to evaluate this practice and consider developing the review guidelines contemplated in the Baseline Assessment. The Monitor Team understands that it is the Compliance Committee’s intention to do so.

Over the past couple of years, the Monitor Team has been pleased to see the Company integrate trends analysis into Compliance Committee materials and meetings. The Compliance Committee and Company are continuing to develop various types of trends analysis, in a sign of the maturation of the Committee’s approach to HRCP oversight. The HR department is currently developing a dashboard for the Compliance Committee to provide additional visibility to the Compliance Committee regarding HRCP matters. Compliance Committee members have been consistent in articulating the value that trends analyses hold for their oversight. As one individual put it: “To me, at the beginning, it was

¹⁸ Compliance Plan, section 7.3.

very frustrating to see the numbers and descriptions, but not understand the things that were permitting this or causing that. Our data analysis [now] is better.”

The Compliance Committee has taken additional steps over the last few years to increase its visibility into the Company’s HR compliance risks and trends with a goal of enhancing its oversight capability. Among these steps are:

- ▶ Members of the Compliance Committee, in particular the Compliance Committee Chair, have met with the CGCO in between official Compliance Committee meetings. The Monitor Team understands that various Committee-related topics were discussed at these meetings, and they were also opportunities for the Company to follow up with Compliance Committee members regarding items that had been outstanding from Committee meetings.
- ▶ The Compliance Committee has met with senior leaders of operations at EBH and in Las Vegas with the aim of becoming more familiar with the daily workings of the Company, developing relationships with leaders at the Company, and familiarizing themselves with potential risk areas, particular to each property.
- ▶ Members of the Compliance Committee, by their own accord, have attended portions of the Company’s New Hire Orientation to see, first-hand, the messaging received by employees regarding various compliance-related topics.

The Monitor Team views these initiatives as indicative of the Compliance Committee’s dedication to proper oversight. All members of the Compliance Committee, as well as members of the Board with whom the Monitor Team spoke in this Phase of the Monitorship, credibly assured the Monitor Team that the robust activities of the Compliance Committee would continue past the duration of the Monitorship.

d. Audit Committee

The Audit Committee has various lines of sight into the Company’s HRCP. As noted, the Chair of the Audit Committee regularly attends Compliance Committee meetings, where HRCP investigations, as well as Material Settlements, are reviewed. In addition, Mr. Satre and Ms. Mulroy, who are both *ex officio* members of the Compliance Committee, are also members of the Audit Committee. Finally, the Audit Committee’s standing quarterly agenda includes a discussion with the SVP & Chief Audit Executive regarding HRCP matters, including hotline reports and Internal Audit’s annual HRCP Risk Assessment.

In the Baseline Assessment, the Monitor Team noted that although the Company’s GC and CGCO are both generally invited to participate in Audit Committee meetings, the lead for HR had not been invited to present to the Audit Committee. In light of Internal Audit’s work on the yearly HRCP Risk Assessment and reporting to the Audit Committee on the same, as well as the Chair of the Audit Committee’s attendance at Compliance Committee meetings, the Monitor Team does not view the lack of direct Audit Committee engagement with the WRL EVP, HR as a concern.

e. Human Resources Department

During the term of the Monitorship, the role of HR within the Company’s corporate structure has shifted, and, ultimately, been elevated. In 2018, the Company created and filled the position of SVP of HR – North America, with new responsibility to oversee the HR teams at both EBH and Wynn Las Vegas. In 2021, the VP of HR at EBH was promoted into that role. However, the role was restructured into that of SVP of HR for WLV, reporting to the President of Wynn Las Vegas, despite being designed to

have oversight of both properties. Finally, in January 2023, the Company created the role of EVP of HR for WRL, reporting to the WRL COO. The SVP of HR for WLV was promoted into that role and her position at WLV was backfilled by the then-Executive Director of Human Resources, WLV. In its current formulation, HR has access to the executive team for WRL. HR departments at EBH and WLV are staffed with various HR specialists, reporting to the local Vice President (“VP”) for HR at each property who ultimately report by dotted line to the EVP HR, WRL. Property HR VPs also regularly interact with and have access to property Presidents.

On paper, the responsibilities of the HR department remain unchanged from what the Monitor Team observed in the Baseline Assessment: (1) policies; (2) complaint reporting channels and intake; (3) investigations; and (4) discipline. However, over the course of this Monitorship, the Monitor Team has observed the HR function come into a position of greater ownership over the HRCP—a welcome development. HR has independently developed initiatives to strengthen the HRCP, including Pop Up Events, strengthening trainings, and, most recently, working to develop a dashboard to track trends in cases. These and other initiatives are discussed throughout this Report.

Critically, HR has also become the face of the HRCP to the Board and the Compliance Committee. For example, the EVP HR, WRL presented to the Board regarding the Company’s HRCP in August 2023, providing a comprehensive overview of the various components of the Company’s HRCP. She provided the same presentation to the Compliance Committee in October 2023. The Monitor Team has also observed in HRCP-related discussions at the Compliance Committee, that the HR team has taken the lead in responding to questions on investigations and the HRCP more broadly. The Monitor Team commends the HR department for taking this leading role and executing it well.

f. Legal Department

The senior leadership of Legal has remained steady since the beginning of this Monitorship and has been led by the Company’s GC, EVP, and Secretary, Ellen Whittemore at WRL, Jacqui Krum at EBH, and Thomas Reich at WLV.

The legal departments at EBH and WLV each include an attorney responsible for employment-related matters who serves as the primary day-to-day contact for HR on HRCP investigations and litigation. At the time of the Baseline Assessment, Legal had informally assumed a *de facto* role as the Company’s main advisor on HR issues generally, including HRCP design and implementation. It was the Monitor Team’s expectation that this role would decrease over time as HR’s role increased, and that has been the case. Legal continues to officially oversee all investigations into allegations of sexual harassment or discrimination, with HR personnel working at the direction of counsel and oversees external counsel representing the Company in proceedings of the Massachusetts Commission Against Discrimination (“MCAD”), Nevada Equal Rights Commission (“NERC”), and the EEOC, as well as litigation filed in state or federal court. As it relates to the development and implementation of HRCP policies and program initiatives, however, Legal has stepped back to an advisory role with HR driving HRCP programmatic design and execution, consulting with Legal as needed.

As part of Legal’s oversight of sexual harassment-related complaints, the appropriate attorneys in Legal receive automatic notifications from Wynn’s hotline system when sexual harassment complaints come in. In particular, the WRL GC is notified of all sexual harassment complaints, and each property GC and labor and employment counsel is notified of such complaints that come in related to their

respective properties.¹⁹ Members of Legal, including the WRL GC (currently also serving as interim CGCO), property GCs, EBH Executive Director – Labor & Employment, WLV VP, Chief Labor and Employment Counsel, and WRL Chief Litigation Counsel also regularly attend Compliance Committee meetings.

g. Compliance Department

Since the Baseline Assessment, the Company has had two senior Compliance Officers, with the most recent CGCO departing the Company earlier this year. Currently, the WRL GC is serving as the Interim CGCO while the Company searches for a permanent replacement. The WRL GC has a strong regulatory background and has been involved in aspects of the CGCO’s role, including being a regular attendee at Compliance Committee meetings. For purposes of this report, the Monitor Team evaluates the formal role of the CGCO as structured and not how the role was implemented by its prior occupants, understanding that a future hire will necessarily approach responsibilities in his or her own way.

In 2019, with the opening of EBH, the Company elevated the role and stature of the most senior compliance officer, giving it oversight responsibilities for the regulatory compliance of both EBH and Wynn Las Vegas and changing the title of the role to CGCO – North America to reflect the expanded nature of the role. The Company has further boosted the authority and stature of the CGCO role through revisions to the Compliance Plan in 2023, which provides for at least quarterly meetings between the Compliance Officer and the CEO.

As noted in the Baseline Assessment, the Compliance Plan provides that the Compliance Officer shall have day-to-day responsibility over administration of the Compliance Plan and “[t]he Company will make available to the Compliance Officer the resources of the Company and appropriate outside resources to enable the Compliance Officer to administer the Plan.”

The Compliance Plan further provides that the Compliance Committee selects the Compliance Officer, who reports to the Compliance Committee, and, at the discretion of the Company, to the GC “for administrative purposes.” In the Monitor Team’s observations, the CGCO’s reporting to the WRL GC has been more than “for administrative purposes” because the GC had in prior years been the primary decision-maker, as a standard supervisor would be, with respect to the CGCO’s annual review and bonus. In 2023, the Company codified an increased oversight role for the Compliance Committee and the 2023 revisions to the Compliance Plan incorporate the following new language: “[t]he General Counsel will, on an annual basis, review any bonus or stock award to be provided to the Compliance Officer with the Compliance Committee. In addition, the Compliance Committee shall review the Compliance Officer’s annual performance evaluation, as prepared by the General Counsel, and provide consultation to the General Counsel with respect thereto.” It is the Monitor Team’s understanding that in the most recent review period, the Compliance Committee did receive information from the GC as to her estimation of the performance of the CGCO and that members of the Compliance Committee individually provided their feedback to her.

In the Baseline Assessment, the Monitor Team noted that, based on the then-reporting obligations and delineation of responsibilities among HR, Legal, and Compliance with respect to the HRCF, the CGCO might effectively be in a position of passing on HRCF information received from Legal and HR to the Compliance Committee without personal responsibility. However, based on interviews and observations of Compliance Committee meetings, the Monitor Team observed in the last couple of

¹⁹ The system is designed to exclude any individual named in a complaint.

years that the CGCO had taken ownership of managing Compliance Committee meetings, met with the Committee Chair and other members in between formal meetings, preparing for the meetings, and assisted with follow up. The Monitor Team previously remarked that there was an opportunity for the CGCO to more actively participate in the HRCF process, specifically with an eye towards evaluating the programmatic aspects of the HRCF from a compliance perspective. This continues to be the case and the Monitor Team encourages the Company to make this an aspect of the responsibilities of the next CGCO.

h. Security Department

The Security Department oversees physical security at Company properties and assists with HRCF-related investigations when an allegation or incident concerns physical security. In addition, Security facilitates trespassing of misbehaving individuals from the premises, in accordance with the Escalated Guest Resolution Guidelines, discussed further in Section IV.D., Third Party Relationships. As noted in the Baseline Assessment, Security is particularly key to the Company's response to harassment and discrimination in the evenings and on weekends, when representatives of Legal and HR are not scheduled to be on property. The Security Department works closely with HR and Legal as needed for investigations.

i. HRCF Leadership Access to and Relationship with the Compliance Committee, Audit Committee, and Board

Since the Baseline Assessment, HRCF leadership, in particular the EVP of HR, and the CGCO have had increasing access to and relationships with the Compliance Committee, Audit Committee, and the Board. The GC has had consistent, and appropriate, access that predates the Baseline Assessment. Access of key HRCF management to senior Company leadership is essential both for the independence of Company personnel in these roles and for the Company's effective oversight of the HRCF program.

EVP of HR. The EVP of HR attends and actively participates in quarterly Compliance Committee meetings. During Phase V, the EVP of HR has also had the opportunity to provide the Board and Compliance Committee with overarching briefings on the Company's HRCF, including initiatives, objectives, and trends. The presentation was comprehensive and provided the Board and Compliance Committee, which are mostly otherwise concerned with allegations and investigations, with greater insight into the various components of the HRCF.

CGCO. In accordance with the Compliance Plan, the CGCO has reported to the Compliance Committee on a quarterly basis. Significantly, the CGCO also met periodically with the Chair of the Compliance Committee between meetings to discuss Compliance matters. Similarly, the CGCO had access to the Board through the *ex officio* members of the Compliance Committee, and the Audit Committee Chair, attending the quarterly Compliance Committee meetings. The Monitor Team understands that the CGCO also met periodically with the Chair of the Board and had calls with the Chair of the Audit Committee.

General Counsel. Throughout the Monitorship, the GC has had consistent and appropriate access to and participation in the Compliance Committee, Audit Committee, and Board meetings (all of which she regularly attends). Overall, members of HRCF leadership have appropriate access to the Company's Compliance Committee, Audit Committee, and Board.

j. Proper Resources

Over the course of the Monitorship, the Monitor Team has spoken with Legal, HR, Compliance, Security, and Internal Audit regarding their HRCP resourcing to assess whether those functions have adequate staffing and budgetary resources; and whether the teams in each department have the proper experience and expertise to carry out their mandates in support of the Company's HRCP.

As the Monitor Team has noted in prior reports, the Company has experienced significant turnover in HRCP-related roles from senior management to front-line employees. The CGCO role is currently vacant (with the WRL GC filling the role on an interim basis). Over the course of the Monitorship, there has been particular turnover in the HR department at EBH. The Monitor Team is pleased to see that the foundation of the HR function at EBH today has been strengthened by hiring staff with key relevant experience, including the VP of HR, who has led the department with great skill since joining in December 2022.

The Company reviews staffing levels in all departments on an ongoing basis and reviewed staffing from a programmatic HRCP perspective in 2021. The Monitor Team encourages the Company to continue to periodically evaluate staffing from a programmatic perspective to ensure not just that each department is functioning on a day-to-day level, but that the various components of the HRCP company-wide are appropriately resourced and considered.

k. Overall Accountability for HRCP Matters

The Company has made tremendous strides in defining the roles and responsibilities of the various functions involved in steering the Company's HRCP, specifically HR, Legal, and Compliance, and the roles and responsibilities of the supervisory bodies at the Company, including the Compliance Committee, Audit Committee, and the Board. At the same time, it has worked to ensure that these functions work together, exchanging information and coordinating on initiatives.

At the outset of the Monitorship, the Monitor Team noted that the delineation of responsibility for the Company's HRCP was not always clear—the proverbial “too many cooks in the kitchen,” especially in the absence of an executive chef. Over the last few years, the Company's HRCP has evolved to the point where the EVP of HR, a new position created in 2023, serves as the executive chef in charge of the Company's HRCP, relying on other functions, including Legal and Compliance. The functions gather on an as-needed basis, as well as in an HRCP Monthly Meeting to, among other things, discuss trends across the properties and review the Compliance Plan to ensure consistency and execution.

For its part, the Board has delineated responsibility among itself, the Compliance Committee, and the Audit Committee, with the Compliance Committee having first-line oversight of the Company's HRCP, the Audit Committee reviewing HRCP through Internal Audit and directly from the CGCO, and the Board having ultimate responsibility.

C. Policies and Procedures

Policies and procedures lay the foundation for a corporate compliance program. Prior to the Monitorship, the Company had already made several policy and organizational changes to the HRCP, including changes to the Company's Preventing Harassment and Discrimination policy, Codes of Conduct, Personal Relationships and Potential Conflicts of Interest policy (“Personal Relationships policy”), Personal Presentation policy, and Employee Patronization policy. In the Baseline Assessment, the Monitor Team made Recommendations for additional enhancements to the Company's policy

environment. Since the Baseline Assessment, the Company has not only satisfied all twenty Recommendations, but through its ownership and initiative, has also demonstrated a commitment to ensuring that policies are sustained and do not grow stale.

1. Compliance Guidance

A well-designed compliance program includes policies and procedures that establish ethical and behavioral norms within a company to mitigate compliance risk. Policies and procedures provide employees with an understanding of workplace expectations and ensure that an organization is compliant with federal, state, local, and company requirements. The EEOC 2016 Report states:

Policies, reporting procedures, investigations, and corrective actions are essential components of the holistic effort that employers must engage in to prevent harassment. . . . An organization needs a stated policy against harassment that sets forth the behaviors that will not be accepted in the workplace and the procedures to follow in reporting and responding to harassment. . . . [E]mployers should adopt a robust anti-harassment policy, regularly train each employee on its contents, and vigorously follow and enforce the policy.

EEOC 2016 Report at 37–38. The EEOC 2016 Report suggests that anti-harassment policies should be easy for all to understand and be available in all languages used in the workplace. Generally, the content of an anti-harassment policy should include: (1) a clear explanation of prohibited conduct, including examples; (2) a description of a complaint process with multiple avenues to report misconduct; (3) assurances that there will be no retaliation against employees for reporting misconduct or cooperating in an investigation; (4) assurances that complaints will be treated confidentially to the extent possible; (5) a description of a clear impartial investigations process; and (6) assurances that the employer will quickly respond to behavior that may lead to harassment and will take immediate action where harassment occurs. *Id.* at 38. The EEOC emphasizes that an anti-harassment policy “should make clear that harassment on the basis of any protected characteristic will not be tolerated.” *Id.*

The MCAD similarly requires:

[(i)] a statement that sexual harassment in the workplace is unlawful; [(ii)] a statement that it is unlawful to retaliate against an employee for filing a complaint of sexual harassment, or for cooperating in an investigation of a complaint for sexual harassment; [(iii)] a description and examples of sexual harassment[;] [(iv)] a statement of the potential consequences for employees who are found to have committed sexual harassment; [(v)] a description of the process for filing internal complaints about sexual harassment and the work addresses and telephone numbers of the person or persons to whom complaints should be made; and [(vi)] the identity of the appropriate state and federal employment discrimination enforcement agencies instructions as to how to contact such agencies.²⁰

²⁰ Mass. Gen. Laws ch. 151B, § 3A; *Guidelines on 151B: Sexual Harassment in the Workplace* at 8, MCAD (Sept. 1, 2017), <https://www.mass.gov/files/documents/2017/09/06/2112%20Guideline%20Sexual%20Harassment.pdf> (“Guidelines on 151B”); see also *Model Sexual Harassment Policy*, MCAD (Sept. 16, 2017),

Footnote continued on next page.

The MCAD strongly encourages employers to supplement their sexual harassment policies with equivalent policies covering harassment more broadly. The MCAD also suggests that, like the sexual harassment policy, general harassment policies should provide examples of prohibited behavior and generally parallel the structure of the company's sexual harassment policy. Model Sexual Harassment Policy at 3.

Other federal compliance experts also emphasize the importance of policies and procedures to a compliance program. For example, according to the DOJ, "Any well-designed compliance program entails policies and procedures that give both content and effect to ethical norms and that address and aim to reduce risks." Evaluation of Corporate Compliance Programs at 3. In evaluating a company's compliance program, the DOJ examines whether the company communicates its commitment to full compliance in its code of conduct and whether its policies and procedures incorporate a culture of compliance into its day-to-day operations. To that end, the DOJ evaluates a company's process for designing policies and procedures; the comprehensiveness of the procedures in dealing with the types of risks the business faces, including changes to the legal and regulatory landscape; the accessibility of the procedures to employees and relevant third parties; integration of the policies and procedures throughout the company; and training of gatekeepers.

The Decision and Order charged the Monitor Team to evaluate the Company's policy changes, by considering the:

- ▶ "Implementation of and compliance with all human resource or 'HR' policies that reflect current best practices;"
- ▶ "Use of outside counsel and maintenance of and adherence to de-conflicting policies and procedures;" and
- ▶ "[T]he effectiveness of the Company's policies, practices and programs under the purview of the independent monitor."

Decision and Order at 50–51.

2. Assessment

In the Baseline Assessment, the Monitor Team identified areas for improvement of the Company's HRCP policy landscape, including: (1) enhancements to specific HRCP policies; (2) strengthening of the Company's policy creation, review, and integration processes; (3) the development of additional HRCP policies; and (4) the implementation of protocols to effectively communicate its policies and procedures. Based on these observations, the Monitor Team issued twenty Recommendations across the first four Phases of review.

The Company has satisfied the Monitor Team's Recommendations. The Company has made structural and substantive changes to existing policies, developed and implemented additional policies based on its risk profile, and strengthened the promulgation, accessibility, and communication of policies. In addition, the Company has developed mechanisms to periodically review and refresh policies to ensure that they remain relevant, effective, and front of mind for employees.

<https://www.mass.gov/files/documents/2017/09/06/2112%20Model%20Sexual%20Harassment%20Policy.pdf>
("Model Sexual Harassment Policy").

The Company's efforts have not gone unnoticed by employees. Indeed, during the Monitor Team's Phase V testing activities, several employees with professional experience at other gaming and hospitality companies favorably distinguished Wynn's HRCF policy landscape. Moreover, over the five Phases of review, the Monitor Team has observed greater awareness of and appreciation by employees and management of core HRCF policies. The Monitor Team commends the Company for these efforts and views the Company's HRCF policy landscape as a positive reflection of its culture and commitment to the HRCF.

a. Design of Policies

Since the Baseline Assessment, the Company has enhanced the following HRCF policies: (1) Preventing Harassment and Discrimination; (2) Code of Business Conduct and Ethics ("Code" or "the Code of Conduct"); (3) Code of Personal Conduct; (4) Personal Relationships; (5) Personal Presentation; (6) Employee Patronization; (7) Company Policy Review; (8) Job Accommodations Requests; (9) Investigations; and (10) Progressive Discipline/Performance.

The Company also developed and implemented the following new HRCF-relevant policies and strategy documents: (1) Employee Interaction with Guests and Third Parties; (2) Use of Spa and Salon Services; (3) Diversity, Inclusion and Equity Statement and Policy; (4) Anti-Human Trafficking and (5) Human Rights Statement and Policy. Below, the Monitor Team highlights revisions to key HRCF policies. Enhancements made to the Company's Employee Interaction with Guests and Third Parties Policy, Investigations Policy, and Progressive Discipline/Performance Policy are discussed in Sections IV.D., Third Party Relationships, IV.F., Internal Reporting and Investigations, and IV.G., Incentives and Discipline

i. *Preventing Harassment and Discrimination Policy*

The Company's Preventing Harassment and Discrimination Policy is one of the bedrocks of the HRCF. In the Baseline Assessment, the Monitor Team recommended that the Company make substantive revisions to the Policy to align it with MCAD and EEOC guidance and to more directly address the risks identified by the MGC in its Decision and Order. Over the course of Phases II and III, the Company revised the Policy, in line with the Monitor Team's Recommendations, namely by explicitly stating that the Policy applies to management and senior executives; expanding the definition of "Protected Characteristic" consistent with MCAD guidance; including additional relevant examples of sexual harassment and harassment and discrimination based on other protected characteristics; instructing employees regarding the ability to submit anonymous complaints; including additional information on reporting channels; and adding a cross-reference to the Company's Social Media Policy. The latter enhancement was intended to help employees understand that certain conduct outside the workplace may constitute sexual harassment and violate Company policy.

The Preventing Harassment and Discrimination Policy is a comprehensive and instructive document that sets forth the Company's "commitment to creating a workplace free from harassment and discrimination." It provides a clear explanation of prohibited conduct and includes examples to help employees "know [harassment] when [they] see it." The policy plainly articulates the consequences of engaging in misconduct, defines and prohibits retaliation, and outlines the Company's internal reporting and investigations process. It also helpfully cross-references other policies that address harassment and discrimination, such as the Employee Interaction with Guests and Other Third Parties. By doing this, the Company ensures that employees have access to all policies that may be applicable to their conduct. Consistent with regulatory guidance, the Company has continued to re-evaluate enhancements to the

Policy, most recently in September 2023, by updating the Policy to “reflect the current positions held by individuals in the company to whom employees may report claims of harassment, discrimination, and retaliation.” That change, even if technical or administrative, demonstrates to the Monitor that the Company remains vigilant of operational changes that may impact the HRCP, specifically, in this case, an employee’s ability to report concerns. This is a simple example of the HRCP being embedded with the day-to-day cadence of the business.

ii. Code of Business Conduct and Ethics

As noted above, prior to the Baseline Assessment, the Company had a Code in place. In the Baseline Assessment, the Monitor Team observed that the Code appropriately communicated the Company’s expectations that employees uphold the highest standards for honesty and ethical conduct and included guidance to help drive such behavior—including guidance on conflicts of interest, personal relationships, and harassment and discrimination. Since the Baseline Assessment, the Company revised the Code in line with the Monitor Team’s Recommendations to (1) explicitly emphasize throughout the document that no person is above the Code, and covered persons should report incidents regardless of who is involved and (2) include a personal relationship as a potential conflict of interest.

Most recently, the Company finalized its redesign of the Code to encourage employee engagement and awareness, including by improving visual design and readability. The enhanced Code, which was ratified by the Company’s Audit Committee in August 2022, embodies the Company’s value of artistry while providing a roadmap for compliance by officers, members of the Board of Directors and Compliance Committees, employees, and “certain vendors, tenants, consultants, and joint venture partners” who work on behalf of the Company. The revised Code utilizes fonts, colors, and text boxes to help orient readers and drive focus to key provisions. In addition, the revised Code is organized by principle-based sections specific to the Company’s values, such as “treating everyone with dignity and respect” and integrity in and outside of the workplace. Notably, the Code contains two introductory messages from the Company’s CEO, Chair of the Board of Directors, and the now former CGCO that emphasize the Company’s commitment to compliance and a workplace defined by honesty, integrity, and excellence in a way that is emblematic of the Company’s culture and core values. The revised Code is commensurate with the overall maturity of the Program. Importantly, these changes directly address concerns underlying the MGC’s Decision and Order in a manner that is direct and accessible to all employees. The Monitor Team encourages the Company to periodically re-evaluate the Code against emerging business and jurisdictional risks, particularly as the Company grows into new regions.

iii. Personal Relationships Policy

Prior to the Monitorship, the Company already had in place a Personal Relationship Policy that discouraged personal relationships between employees and explained the implications of personal relationships between managers and subordinates. In the Baseline Assessment, the Monitor Team noted that the existing Policy did not address the nuances of personal relationships, such as coercion, abuse of authority, harassment, conflict of interest, unfair treatment, and favoritism in the workplace, some of which were at the root of the issues underlying the MGC’s Decision and Order. Since the Baseline Assessment, the Company has made several enhancements to the Personal Relationships Policy, including enhancements that address the specific risks identified by the MGC.

During Phase III, the Company revised the Personal Relationship Policy to include a straightforward statement that addresses the risks that personal relationships pose to the Company and highlights the importance of proper governance surrounding these relationships. Importantly, the

revised Policy also discusses consent and the heightened power dynamics that may exist in relationships between supervisors and subordinates, including that subordinates “may not believe they have a choice as to whether to maintain such a relationship.” The revised Policy also addresses head on the issue of consent, instructing that consent is fluid and can be revoked by either party at any time. These revisions address core themes highlighted by the MGC’s Decision and Order. In addition, the Company amended the scope of the Policy to include third parties.

The Personal Relationship Policy is accompanied by a process that requires employees who enter into a personal relationship to report that relationship “to their manager within seven working days of the change in relationship or employment status.” Reports are entered on a Personal Relationship Affirmation Form, available on the Wire. Front-line employee disclosures are subject to review and approval by the applicable department head after which they are submitted to HR for review and approval. Relationships involving employees at the level of director and above require approval by Legal and relationships involving SVPs and above require additional approval by the CGCO. In this vein, since September 2023, the Company has applied a higher standard of review to relationships with employees in gatekeeper functions, specifically HR, Legal, Compliance, Surveillance, Finance, and Security, “because of the sensitivity of their positions.” This enhancement reflects that the Company has internalized the importance of ensuring appropriate governance across all areas of the Company and of ensuring that its HRCP policies and procedures reflect a risk-based approach. Both signal to the Monitor an intentional maturation of the HRCP and a deepening understanding of the principles underlying the HRCP.

iv. Job Accommodations Request Policy

At the time of the Baseline Assessment, the Company did not have a stand-alone policy covering accommodations pertaining to disability, religion, or pregnancy. Although the Company included disability (or perceived disability) as a protected ground in the Preventing Harassment and Discrimination Policy, it did not list pregnancy or a condition related to pregnancy (such as lactation) as a protected characteristic or provide adequate guidance with respect to religious accommodations. Accordingly, the Monitor Team recommended that the Company develop and issue policies on disability accommodations, religious accommodations, and pregnancy discrimination, harassment, and accommodation. In Phase III, the Company developed a Job Accommodations Request Policy.

The Job Accommodations Request Policy provides a comprehensive framework for medical, religious, and pregnancy, including pregnancy-related, accommodations. At the outset, the Policy states Wynn’s commitment to “providing reasonable accommodations to employees” experiencing “limiting physical or mental impairments, . . . pregnant employees, or employees with pregnancy-related conditions, that may not qualify as disabled,” and “employees with sincerely held religious beliefs and practices.” The introduction also includes a statement of adherence to federal and applicable state laws, including Massachusetts laws pertaining to “Equal Opportunities for Employment.” The Policy is organized by accommodation type, with each section containing a summary of the generally applicable rules and the Company’s procedures for requesting an accommodation as well as ER’s review process for evaluating such requests.

Notably, the Policy also articulates the responsibility of managers/supervisors to “immediately notify” ER upon receiving a request and clarifies that an “employee does not have to mention the ADA or use any ‘trigger’ words like ‘reasonable accommodation’ to initiate the process” but rather only has to provide sufficient information to alert the Company that there is a need for a “modification or adjustment” due to medical, pregnancy, or religious reasons. In September 2023, the Company updated

the Policy to “provide employees with detailed procedures for requesting medical, religious, or pregnancy-related work accommodations.” The Policy is a thorough and instructive guide that clearly outlines the Company’s accommodation evaluation process and explains how employees can request accommodations.

v. *Other HRCP Policies*

As noted above, since the Baseline Assessment, the Company has also revised other HRCP policies, specifically the Code of Personal Conduct, Employee Patronization, and Personal Presentation Policy. The Monitor Team credits the Company for its efforts and encourages the Company to continue to socialize updates to these policies. To that end, the Company’s HRCP Communications Plan is discussed in greater detail below.

Since the Baseline Assessment, the Company has also developed two additional HRCP policies and strategy documents that address its risk profile, specifically the D&I Strategy and Anti-Human Trafficking Policy.

(a) *Diversity and Inclusion Strategy*

In 2022, the Company onboarded an SVP, D&I for Wynn North America to develop and lead the implementation of a D&I program. Over the course of 2022 and 2023, the Company developed and implemented a three-year D&I strategy informed by its employee base and cultural profile. The Strategy is organized into three pillars: workplace, marketplace, and community. The Company formed a D&I Advisory Council (“Advisory Council”) that consists of ten employees at the level of at least VP across both properties, as well as other strategic representatives, including from L&D. The Advisory Council meets monthly and provides “departmental perspective[s] regarding activation and engagement of D&I initiatives” and supports “in stewarding diversity messaging throughout their respective organizations.”

Each of the Strategy’s three pillars is grounded by goals and specific action items. For example, goals under the Workplace pillar include becoming an “Employer of Choice for diverse candidates and to identify and recruit diverse candidates” and the creation of a “pipeline of diverse, high-potential internal employees” to develop into leaders.

The Strategy is a thoughtful framework that formalizes the Company’s commitment to D&I in the workplace, marketplace, and community. Though the strategy does not directly relate to matters of sexual harassment and discrimination, it is relevant to the Monitor Team’s review as it reflects an overall commitment to D&I that directly impacts culture and promotes tolerance, respect, and dignity of all employees.

(b) *Anti-Human Trafficking Policy*

In 2021, the Company developed and implemented a policy to address human trafficking risks in the gaming and hospitality industry. The Anti-Human Trafficking Policy reflects the Company’s “commitment to acting ethically and with integrity in all of [the Company’s] business relationships and implementing and enforcing effective systems and controls” to mitigate the risk of human trafficking across the Company. Like the D&I Strategy, the Company’s efforts against human trafficking do not fit squarely within our review. However, the Monitor Team includes this initiative here as it reflects a commitment to employee and Patron safety and helps reinforce values central to the issues with the Monitorship’s scope.

b. Accessibility, Promulgation, and Integration of HRCP Policies

In the Baseline Assessment, the Monitor Team observed that policies and procedures were accessible to employees in English via the Company's online web portal, *The Wire*. At the time, many focus group participants told the Monitor Team that they did not review the policies on *The Wire* in full, but instead clicked through the policies to acknowledge receipt. The Monitor Team observed in the Baseline Assessment that, although *The Wire* served well as a central repository for personnel policies and procedures, it should only be one component of a larger and more proactive dissemination strategy for policies and procedures, particularly core HRCP policies. The Monitor Team also observed a significant number of employees for whom English is a second language and many of whom have limited English proficiency. Indeed, many employees who participated in focus groups during Phase III indicated that they could not fully understand policies and related trainings. The Monitor Team recommended that the Company adopt a comprehensive communications strategy to disseminate core HRCP policies and evaluate the employee base at EBH and WLV to identify policies and trainings that may warrant translation into languages other than English.

Since the Baseline Assessment, the Company has taken meaningful steps to make policies more accessible and to more effectively communicate core policy changes, as discussed further in this Section.

i. Accessibility of HRCP Policies

HRCP policies continue to be accessible to employees on *The Wire*. Print versions of policies are also available to employees via their department managers. The Company's Employee Engagement function utilizes QR codes containing links to underlying policies in printed signage in Back of House, which has amplified the platforms through which employees can access policies. These channels have been embedded into the Company's HRCP Communication Plan (discussed in greater detail below), which helps to reinforce core themes from policies.

New employees must acknowledge that they have reviewed Company policies, including policies central to the prevention of harassment and discrimination, at onboarding. For active employees, when the Company updates policies or publishes new policies, employees receive alerts to review, and acknowledge that they have reviewed, the policies. Since the Baseline Assessment, the Company has taken an increasingly proactive and engaging approach to notifying employees about updates to policies. For example, in September 2023, the VP, HR, WLV issued a memorandum regarding policy updates and acknowledgement requirements to all employees at WLV. Among other things, that memorandum also provided an overview of updates made to each policy.

In addition, during Phase V, the Company translated the following six HRCP policies into Spanish and Chinese: (1) Preventing Harassment and Discrimination, (2) Personal Relationships, (3) Code of Personal Conduct, (4) Anti-Human Trafficking, (5) Employee Interaction with Guests and Other Third Parties, and (6) Code of Business Conduct and Ethics. The first four of these translated policies were posted to *The Wire* at each property on July 24, 2023 and the Monitor Team understands that, since then, the Employee Interaction with Guests and Other Third Parties and the Code of Business Conduct and Ethics have been uploaded to *The Wire*. In interviews, HR personnel noted that the Company issued communications informing employees of the translations.

The Company also offers eligible employees an English as a Second Language ("ESL") program. The ESL program, available at both WLV and EBH, offers courses at multiple skill levels throughout the year. Upon completion, employees are celebrated through graduations and graduate commemorations. Department managers expressed support for the ESL program and reported observing increased levels

of enrollment at EBH. One interviewee commented that the increase in enrollment represented a change in culture, and a sincere desire by employees to become more integrated in the Company. An interviewee at WLV also spoke favorably about the ESL program and recalled employees from their department who graduated the program. The Company's efforts demonstrate a sincere commitment towards making policies more accessible to employees and are indicative of Wynn's long-term dedication to the professional development of its employees.

ii. *Company Policy Communication Strategy*

Although the Company's primary communication platform for rolling out policies remains *The Wire*, the Company has taken an intentional and structured approach towards the communication and dissemination of key HRCP policies. Specifically, the Company has designed year-long communication campaigns focused on reinforcing themes from core policies. The communication campaign is formalized in the annual Company's HRCP Communications Plan. For 2023–2024, the Communications Plan consists of quarterly policy spotlights and related communication initiatives, such as WeShift messages from property and senior management highlighting key policy provisions. WeShifts have also incorporated "Training Corners," which include a short quiz on a particular policy.

Core policies are also made available year-round through QR codes placed in frequently visited areas of Back of House, such as napkin holders in the employee café, and other signage. The Company also reinforces HRCP policies through direct messaging from Management, including WRL executive leadership. Senior leaders, including the CEO, the WRL GC, and the Chair of the Board have been featured in short videos speaking to employees about a specific policy and affirming the Company's support of the relevant policy. HR personnel responsible for implementing the Compliance Plan have continued to enhance and refine the content of initiatives to keep policy spotlights fresh and relevant. The Company has also demonstrated a responsiveness to its shifting risk profile in using the Compliance Plan to highlight certain policies during seasons and events that make risks more acute. Examples of the Company's implementation efforts include:

- ▶ In February 2024, and in anticipation of Valentine's Day, EBH spotlighted the Personal Relationship Policy. The Employee Engagement department updated the printed and digital displays from 2023's spotlight to address L&D's observation that the previous signage focused too much on romantic relationships and not others—like-cohabitation—that could pose a conflict of interest.
- ▶ Also in February 2024, WLV spotlighted its Anti-Human Trafficking Policy a few months earlier than scheduled in the Compliance Plan, in light of risks presented by Superbowl weekend, which was held in Las Vegas.
- ▶ WeShifts during the Company's annual compliance training (described in greater detail in Section IV.E., Training and Guidance) in the fourth quarter of 2023 featured a message from the GC of WRL in which she explained that training was a component of "cultivating a culture where every employee feels empowered to speak up against harassment, discrimination, and illegal or unethical behaviors" and instructed employees to complete annual training on core policies, including the Code and Preventing Harassment and Discrimination Policy.
- ▶ During the re-launch of the Code in the Spring of 2023, the Company posted signage reminding employees to review the Code, highlighting the topics covered by the Code,

including how to report violations, and a QR code leading to a video message from the now former CGCO. The Company spotlighted the Code again in August 2023.

- ▶ In May 2023, the Company spotlighted its Preventing Harassment and Discrimination Policy, which included printed and digital signage throughout Back of House, featuring a short video from the CEO which ends with text prompting employees to report “suspected violations” to ER, provides ER’s email address, and reminds employees that they can view the Preventing Harassment and Discrimination Policy on *The Wire*.

As discussed in greater detail in Section IV.E., Training and Guidance, the Company also promulgates HRCP policies through communications promoting its annual training. In December 2023, the Company issued its annual training reminder, which provided instructions on how to access the training on the Company’s training platform WeLearn and included a QR code to a video in which the SVP, GC highlighted the importance of compliance training. To incentivize early completion of training, the Company offered prizes for employees who completed the training early.

iii. Compliance Pop Up Events

As reported in prior Monitorship Phases, the Company initiated Compliance Pop Up Events to showcase and incentivize awareness of core policies in 2021. Events include short quizzes and prizes to attract participation. Senior leadership, including the GC, property Presidents, and others have attended. In Phase III, during the initiative’s inauguration, the Monitor Team found that employees surveyed were generally not aware of the event. However, the Company continued to implement these events on an annual basis and has broadened the scope of policies included in Pop Ups. For example, during the third quarter of 2023, the Company spotlighted the Responsible Gaming Policy and HR hosted a Pop Up Event focused on topics related to problematic gaming. Photos from WLV’s Pop Up show that the event was well attended by employees and leadership. For employees who could not attend in person, quizzes were posted to *The Wire*. Participant data shared with the Monitor Team showed that hundreds of employees participated in the online quiz. Winners were entered into a prize drawing for dining credits.

By continuing to implement and enhance the initiative, including by adding online options, the Company has demonstrated a commitment to making Pop Ups more visible to employees. HR personnel interviewed during Phase V expressed sincere dedication to the Pop Up Events. For example, one interviewee highlighted that the initiative provides a productive platform for ER to engage in positive interactions with employees, facilitates connections to be formed, and gives employees the opportunity to ask questions. Another interviewee shared that employees have appreciated these events and displayed a genuine curiosity towards learning. The Company plans to continue this initiative and per the 2024 HRCP Communications Plan, will host an in-person Pop Up Event in the third quarter of 2024 as part of the Company’s spotlight on the Employee Interactions with Guests and Third Parties Policy.

iv. ER Attendance at Department Pre-shifts

In Phase IV, the Monitor Team reported that ER counselors routinely reinforced policies at departmental pre-shifts following specific incidents. In Phase V, ER counselors have continued to attend department pre-shifts to speak on policy updates, reinforce policy provisions, issue reminders of risks associated with upcoming events, or otherwise check in and build a rapport with employees. Importantly, in Phase V, the Monitor Team has seen examples of ER counselors leveraging pre-shifts to address risks identified through the Company’s monitoring efforts. For example, in the March 2024 Compliance Committee meeting a Compliance Committee member noted an increase in F&B

complaints. In response, the Director, ER, WLV highlighted that the ER counselor responsible for overseeing F&B began participating in pre-shifts with employees in the F&B department to discuss issues underlying the complaints and reinforce the Company's behavioral expectations. Similarly, in anticipation of summer pool operations, ER counselors at WLV have attended pre-shifts to remind employees of the heightened risk of guest misconduct.

Department managers with whom the Monitor Team spoke uniformly reported positive and productive relationships with ER counselors, including regular collaboration with ER on pre-shifts, disciplinary matters, training, and investigations. ER counselors echoed the sentiment, noting that attending pre-shifts allowed them to connect with employees in organic ways. These efforts have contributed towards making ER more visible to the broader employee base and directly respond to the Monitor's observation in the Baseline Assessment that employees did not consistently perceive ER as accessible.

v. Employee and Middle Management Awareness and Ownership of Policies

Through the initiatives discussed above, the Company has improved the accessibility, promulgation, and integration of its HRCP policy landscape. The Company's monitoring and testing activities, which the Monitor Team credits, show that the Company's efforts have been impactful. Data from focus groups conducted by the Company in 2023 shows that employees are aware of policies: in response to a question about whether the Company has made employees aware of policies, 100% of the 340 participants answered "yes." Importantly, the Company's 2023 focus group data also indicates that managers are reinforcing HRCP policies: when asked how the Company has made employees aware of policies, 100% of EBH and 70% of employees at WLV identified to pre-shift messaging and related memoranda from management.

The Company's data is commensurate with feedback from employees with whom the Monitor spoke in Phase V. For example, one department manager described that employees will often ask specific questions about policies that have been updated. Other department managers explained having implemented departmental policy reminders, particularly to address departmental issues in real time. Interviews with managers also indicate an increase in their engagement and roles and responsibilities with respect to the implementation of certain policies. For example, one department manager at EBH described his role in the review of Personal Relationship Affirmation Forms, recalling receiving, reviewing forms, and collaborating with HR to identify mitigation measures for potential conflicts of interest affecting his department.

Importantly, statements by multiple interviewees reflect that employees and managers have personally bought into and adopted the Company values and culture. One interviewee stated, "[w]e are compliant because we want to be, not just because we have to be." Another interviewee spoke about Wynn's policy landscape in the context of how the Company encourages community and an "inviting space" where employees feel they can voice their opinions. A newer member of the ER team observed that employees at the Company go above and beyond the implementation of policies by acting as "stewards of policies." In this respect, the new ER member highlighted the level of professionalism at the Company and the sincere accountability with which employees hold themselves. Furthermore, these comments signal a culture of compliance that is defined by more than adherence to policies and has evolved into a culture that has become part of the Company's DNA.

c. Periodic Review and Updates to Policies

Since the Baseline Assessment, the Company has improved its process for the review and approval of policies by enhancing its Policy Review Policy and forming a cross-functional committee to periodically review policies. The Company has also engaged in an annual review of policies through Internal Audit's HRCP Risk Assessment. Through these initiatives, the Company has established additional discipline to the governance of its HRCP policy landscape, thereby ensuring that policies are subject to periodic review and updates. The Monitor Team discusses the Company's enhancements below. The Monitor Team encourages the Company to periodically re-evaluate the Code against emerging business and jurisdictional risks, particularly as the Company grows into new regions.

i. *Company Policy Review*

At the time of the Baseline Assessment, the Company had developed a Policy Review Policy to govern the Company's review and approval of policies. This was an important step in formalizing and creating a foundation for the Program to expand and mature. However, the Company had not established a process to develop new policies or leverage relevant departments to develop and review policies and the Monitor Team recommended specific enhancements to address those omissions. Since the Baseline Assessment, the Company has implemented the Monitor Team's Recommendations. In particular, the Company established a Policy Review Committee, comprised of the CGCO, EVP HR, property GCs, the property VPs of HR, and the property Labor and Employment Counsels, charged with reviewing and revising policies.

The Policy tasks ER with collecting monthly feedback from departments with a focus on "specific departments with the most operational knowledge of the policies to be reviewed." As noted in the Phase III Report, this step enables the Company to leverage department personnel and subject matter experts when developing and reviewing policies. The Company also enhanced the Committee's membership with the addition of the property directors of ER, which allows for additional subject matter expertise on the Committee. Interviews with HR and Legal personnel in Phase V indicate that the Committee has continued to meet monthly, as required by the Policy.

D. Third Party Relationships

Third party relationships—particularly with Patrons—present significant harassment and discrimination risks to Company employees. Over the course of the Monitorship, the Company implemented a number of HRCP enhancements designed to mitigate these third-party risks and establish a strong culture against misconduct. The Company's efforts have significantly improved employees' perceptions of the Company's stance towards offending Patron behavior. The Monitor Team commends the Company for its continued dedication to addressing this significant HRCP-related risk factor. In the Monitor Team's view, the Company has implemented the policies, processes, and practices necessary to ensure the sustainable management of third-party risks.

1. Compliance Guidance

EEOC enforcement guidance has long instructed that employers must provide a harassment-free environment for their employees, "regardless of who the perpetrators of the harassment are"²¹ and encourages employers to take "proactive action" and "to be vigilant about addressing complaints of

²¹ Press Release, EEOC, Charleston Temp Firm and Construction Company Sued by EEOC for Sexual Harassment (Aug. 7, 2009), <https://www.eeoc.gov/eeoc/newsroom/release/archive/8-10-09.html>.

harassment by third parties as well as employees.”²² Expected steps include providing employees the ability to report harassment and discrimination by third parties, *id.*, and ensuring that policies explicitly prohibit harassment by third parties. 29 C.F.R. § 1604.11(e).

In addition, the DOJ guidance instructs companies to take a risk-based approach to managing their third party risks. Evaluation of Corporate Compliance Programs at 7. This means policies and procedures related to third parties should be designed to correspond to the nature and extent of the risks posed by the third parties with whom a company engages. Companies must also identify effective ways to communicate their compliance standards to third parties and to incentivize compliant behavior among their third parties. Thus, the Monitor Team closely evaluated the risk involved in employee interactions with third parties, including Patrons.

2. Assessment

Based on the Monitor Team’s review of documentation and participation in interviews throughout Monitorship, the Monitor considers that the Company has designed and is implementing measures for mitigating harassment and discrimination risks presented by third parties, including Patrons, independent contractors, and law firms, and is committed to maintaining these efforts after the conclusion of the Monitorship.

a. Patrons

In the Baseline Assessment, the Monitor Team identified Patron misconduct as the highest risk factor for sexual harassment and discrimination at Wynn. As noted by the Monitor Team at the time, the risks presented by Patrons pose a unique challenge in the gaming and hospitality industry and may be especially acute for a company that strives for top-level service to Patrons. Indeed, during the Baseline Assessment, some employees shared with the Monitor Team that they felt disempowered to push back on misconduct, particularly from VIPs and other high-value Patrons.

Over the years that followed, the Company significantly strengthened its response to Patron misconduct through the implementation of clearer policies, targeted and enhanced trainings, communications to employees and third parties, and expanded use of safety buttons for certain guest-facing positions. The Company also implemented initiatives designed to drive engagement with employees and assess employee perceptions of the HRCP, including as it relates to the risks presented by Patrons. Now in Phase V, interviewees have more consistently articulated an understanding that the Company does not tolerate inappropriate conduct from Patrons, regardless of the value of their business—a commitment that the Company has demonstrated through its own conduct. One department head at EBH shared, as an example, that the Company has “thrown out” members of the Chairman’s Club, the Company’s highest, by invitation-only, tier of Patron. Other interviewees also emphasized that the Company has explicitly stated there is no tolerance for Patron misconduct and noted that employees know how to report such issues when they occur. The Monitor Team is pleased to see that the Company’s efforts have been impactful and well-received by employees. The Company was able to achieve this essential shift through its continued attention to the issue of Patron misconduct. The Monitor considers the Company’s strict approach to managing offending Patrons to be a defining element of its culture.

²² Press Release, EEOC, American Laser Centers to Pay \$125,000 to Settle Sexual Harassment and Retaliation Suit by EEOC (Oct. 11, 2011), <https://www.eeoc.gov/eeoc/newsroom/release/10-11-11.cfm>.

The Company also developed methods to monitor investigations of guest misconduct and identify trends in the investigations data, including in data shared in quarterly reports to the Compliance Committee, as discussed in Section IV.B., Proper Authority, Oversight, and Independence, and through analysis of iTrack reports generated by Security and Investigations, as referenced in Section IV.H., Risk-Based Review. These monitoring practices help the Company to identify trends in Patron misconduct, evaluate the Company's practices, and take mitigating action through an efficient and more tailored approach.

i. Employee Interaction with Guests and Other Third Parties Policy

Throughout the Monitorship, the Company undertook meaningful efforts to implement guidance for employees on how to manage Patron misconduct. These efforts largely focused on enhancing and rolling out the Company's Employee Interaction with Guests and Other Third Parties Policy. When the Monitorship began, the Company had three different, but similarly named, policies related to employee interactions with third parties, with each policy directed to a different audience.

Through subsequent Phases of review, the Company combined its existing policies into one Employee Interaction with Guests and Other Third Parties Policy and enhanced the policy's provisions to provide clearer guidance to employees, managers, and supervisors on how to mitigate the risks arising from Patron misconduct. The current Employee Interaction with Guests and Other Third Parties Policy makes clear that the Company values the protection of its employees above all else by stating that "Wynn Resorts will not tolerate any guest that harasses or offends our employees, regardless of wealth or status." The policy also directly addresses the perceived tension between guest service and pushing back: "we strive to provide a guest experience unlike any other . . . having a great time whether it's in our casino, visiting one of our dining outlets, visiting our spas or enjoying our nightlife venues, comes with the expectation that our employees are treated respectfully." The policy then provides guidelines for addressing and reporting guest misconduct and outlines management responsibilities for responding to guest misconduct. The section regarding management responsibilities is key to the policy's efficacy because managers are often among the first responders to incidents. Ensuring consistency in how the Company, through management, responds to Patrons who engage in offending behavior is critical to developing and maintaining an environment in which employees feel empowered to speak out against guest misconduct.

The Employee Interaction with Guests and Third Parties is one of the policies that the Company has translated, as discussed in more detail in Section IV.C., Policies and Procedures. The Monitor Team understands the Company has made the translated version of the Policy available to employees at both properties on *The Wire*.

To reinforce the guidance and expectations articulated in the Employee Interaction with Guests and Other Third Parties Policy, the Company developed and implemented a training specific to managers and supervisors. In 2021, the Company rolled out the training at both EBH and WLV to all guest-facing employees. Since that time, the topic of Patron misconduct has been incorporated into the Company's annual compliance training program for all employees. The Company has also continued to provide targeted guidance on offending Patron behavior to managers and supervisors by incorporating this topic into its Performance Management 102 training, which is discussed in more detail in Section IV.E., Training and Guidance. The Performance Management 102 training acknowledges the harassment and discrimination risks presented by Patrons and outlines clear guidance for how managers and supervisors should address misconduct when it occurs. Training programs for managers to learn how to handle Patron misconduct and protect employees are critical to the Company's efforts to mitigate the

harassment and discrimination risks presented by Patrons and equip managers and supervisors to address offending Patron behavior in a consistent and reliable manner.

In Phases IV and V, the Company developed ways to monitor the effectiveness of, and to continually improve upon, its training on the Employee Interaction with Guests and Other Third Parties Policy. In particular, the Company conducted post-training surveys, employee focus groups, and engagement surveys, which are discussed in Section IV.E., Training and Guidance, and Section IV.I., Monitoring and Testing. With respect to these initiatives, HR personnel explained that employee responses to surveys and focus group questions have allowed the Company to identify themes and gaps. HR then uses that information to enhance various trainings, including those related to the Employee Interaction with Guests and Other Third Parties Policy. The Monitor Team is pleased to see the Company utilizing various data sources to improve the effectiveness of its trainings. These efforts are important to ensure that training courses remain relevant and engaging. By continuously evaluating data sources and using that data to revise training content, the Company is positioned to maintain an effective training program that addresses current trends in misconduct risks.

Complementary to the Employee Interaction with Guests and Other Third Parties Policy, the Security Department also has Escalated Guest Resolution Guidelines, which provide guidance on the desired response to various types of Patron misconduct, ranging from “Last and Final” warnings, to area restrictions, to trespassing/eviction. In Phase IV, the Company standardized its Escalated Guest Resolution Guidelines across EBH and WLV, to the extent possible. The current version of the Escalated Guest Resolution Guidelines requires Patrons to be trespassed when they [REDACTED]

[REDACTED] As recommended by the Monitor Team, this trespass guidance is aligned with the provisions of the Employee Interaction with Guests and Other Third Parties Policy, which provides for the removal of Patrons who [REDACTED]

[REDACTED] This guidance is essential to ensuring that the Company’s Security personnel respond to Patron misconduct consistently and in a manner that aligns with the Company’s policy guidance.

As a newer initiative, the Company is coordinating across properties to ensure that individuals who are trespassed at one property are similarly trespassed at the other. For example, if an individual is trespassed for engaging in inappropriate conduct at EBH and then later travels to Las Vegas, that individual would also be blocked from accessing the WLV property. The Monitor Team understands this process was recently implemented in 2024 [REDACTED]. However, the Company is working to find a way to automate this process in the future. This initiative is reflective of the Company’s active monitoring of trespass trends and further mitigates the risk of an offending Patron engaging in repeated misconduct at a Wynn property. The Monitor Team commends the Company for its efforts to identify and mitigate gaps in its HRCP-related procedures.

ii. Spa and Salon Policies

At the start of the Monitorship, the Monitor Team noted that while all employees who interact with guests face certain harassment and discrimination risks, those who work in the Spa and Salon are particularly vulnerable due to the private nature of those spaces. In the Baseline Assessment, the

Monitor Team observed that the Company had developed a version of the Employee Interaction with Guests and Other Third Parties Policy that was specifically applicable to the Spa and Salon. Since that time, however, the Company has both enhanced the overarching Employee Interaction with Guests and Other Third Parties Policy, as noted above, and developed key policies and procedures aimed at addressing concerns specific to the Spa and Salon.

Of particular note are two initiatives the Company designed to help mitigate harassment and discrimination risks in the Spa and Salon and improve the Company's response processes when misconduct is reported. First, the Company has committed to paying Spa personnel their expected gratuity if the personnel would otherwise miss out on a gratuity because they stopped a service for a misbehaving Patron. Because gratuities can form a substantial portion of each Spa employee's compensation, the Company helps encourage Spa employees to report misconduct. One HR interviewee explained that the Company has received "consistent feedback from the [Spa] team that they are all very aware of that [policy]." Second, in Phase V, the Company implemented new procedures that protect Spa and Salon employees from having to interface with a misbehaving Patron after a report is filed. Previously, at EBH, if misconduct was reported after the Patron left the vicinity, the Spa management team would have to contact the Patron. Now, however, as one EBH Spa and Salon interviewee noted, "Security handles it from the beginning." The interviewee explained that this new procedure is "better" and promotes consistency in responses because Security has "the bigger picture." At WLV, if an incident is minor, the Spa management may still advise an offending Patron regarding the Company's behavior standards. For more serious incidents that could result in a trespass, however, the WLV Hotel Manager, Security Department, and Corporate Investigations personnel investigate the situation and contact the Patron in question. The Monitor Team commends the Company for implementing measures targeted at the specific risks faced by Spa and Salon employees. These initiatives evidence the Company's commitment to continuously evaluating and adjusting its HRCP-related processes in response to the specific risks presented by its operations.

iii. Guest Standards of Behavior

While educating employees on the Company's HRCP-related policies and procedures is essential, it is also important to communicate behavioral standards to Patrons. In the Baseline Assessment, the Monitor Team observed that while the Company's senior leadership and middle management were aware of harassment and discrimination risks presented by Patrons, the Company had not yet developed a strategy for addressing the misconduct concerns with guests directly. As a result, the Monitor Team recommended that the Company develop and implement strategies to communicate behavior standards to guests at EBH and WLV. Over the next Phases of review, the Company articulated Patron behavior standards on both the EBH and WLV websites and included additional references to those standards in the terms and conditions of the Wynn Rewards Card, hotel reservation confirmations, nightclub websites, nightclub signage, the Spa and Salon menus, and the Spa and Fitness Center waiver of liability.

The Patron behavior standards broadly prohibit offending conduct, in line with the Company's Employee Interaction with Guests and Other Third Parties Policy. The EBH website includes the "Guest Conduct Policy" on the resort information webpage. The Guest Conduct Policy states that "Wynn Resorts requires appropriate and respectful interactions between our guests and employees in our resorts." The Company further asserts that "inappropriate and disrespectful [behavior] is prohibited." The Company outlines examples of prohibited conduct, including "[u]nruly behavior, threatening or obscene gestures, fighting or violence"; "[d]erogatory and threatening language including offensive remarks about race, ethnicity, gender, religion, disability, age, sexual orientation, national origin,

pregnancy, or other legal protected classifications;” and “[a]ny other inappropriate conduct as determined by Wynn Resorts.” Similar language is included on the WLV website. The Monitor Team is pleased to see the Company undertaking these efforts to communicate with Patrons directly. These communications are an important component of mitigating third-party harassment and discrimination risks.

iv. Safety Buttons

During the Monitorship, the Company implemented the use of safety buttons in the departments determined to be most vulnerable to harassment and discrimination. As of Phase V, the primary departments utilizing safety buttons include [REDACTED]. In Las Vegas, one vendor that provides [REDACTED] has also been issued safety buttons. In addition, stationary safety buttons are maintained in various locations, [REDACTED]. In Phase V, interviewees [REDACTED] confirmed that employees in those departments are required to take safety buttons when they sign in each day. One interviewee also noted that when a safety button is pushed, Security responds promptly. Safety buttons are a crucial aspect to monitoring Patron misconduct and keeping employees safe. The Monitor Team commends the Company for its broad roll-out of safety buttons to the highest-risk employees.

v. Speak Up Campaign

To accompany these efforts, the Company has engaged in a communications campaign designed to socialize reporting channels and encourage employees to report misconduct when it occurs—regardless of whether it is perpetrated by a Patron or otherwise. These communication initiatives have been critical to the Company’s development of a speak up culture. This year, Patron misconduct is scheduled to be highlighted in August 2024. The communications initiative will involve displays in Back of House, pop-up quizzes with accompanying prizes hosted in employee dining areas, and video messages featuring senior leadership. Going forward, these initiatives will continue to support the Company’s ability to identify and mitigate Patron misconduct when it occurs. The Company’s general communications campaign is discussed in greater detail in Section IV.A., Culture of Compliance and Conduct at the Top, and Section IV.F., Internal Reporting and Investigations.

b. Independent Contractors

Independent contractors, including vendors and consultants, interact with Wynn employees across the Company’s operations and have the potential to expose those employees to harassment and discrimination. In the Baseline Assessment, the Monitor Team noted that the Company had already implemented measures for managing the harassment and discrimination risks presented by independent contractors, such as screening mechanisms, written policies, and standard contractual language. Since that time, the Company has maintained those practices and developed monitoring and testing activities to verify that those practices are being executed as planned.

i. Background Standards and Procedures

When the Monitorship began, the Company conducted risk-based background screenings of all vendors, consultants, lobbyists, independent hosts, independent agents, gaming promoters, and key gaming employees the Company intended to engage. The background screenings were conducted in line with the Company’s Compliance Plan and the Background Standards and Procedures, which established a strong risk-based approach to screening. At the time, the Monitor Team noted that these procedures

included consideration of sexual harassment-related information, such as relevant media reports and litigation.

During the Phase II review, the Company implemented updates to the Background Standards and Procedures that satisfied the Monitor Team's Recommendations. The updated Background Standards and Procedures now specifically require a review of "Allegations of Sexual Discrimination and Sexual Harassment" for all third parties subject to background screening that would interact with employees or Patrons. The revised Background Standards and Procedures also require that in conducting a "Public Records Review," the Investigations Division will review "[r]ecords of litigation or charges involving allegations of sexual discrimination and sexual harassment," among other items, if appropriate based on the third party's status. Should the background screening identify accusations of sexual harassment or discrimination, even if those accusations are unable to be substantiated, the Background Standards and Procedures notes that "caution may be indicated when there is a heightened risk that the party to the proposed transaction or relationship will be interfacing with the Company's employees, agents, vendors, and/or guests." Further, when the Monitor Team sampled background screening files during Phase II, the files reviewed evidenced that the Investigations Division appropriately designed its background screenings to identify information relevant to any sexual harassment or discrimination-related issues.

Since Phase II, the Monitor Team has continued to monitor the Company's background screening practices through interviews with key personnel and a review of relevant documentation, including the more recently updated Compliance Plan, which addresses the background screening process. Specifically, the Compliance Plan provides for the "perform[ance] of background investigations with respect to . . . vendors and others providing services to the Company." It also specifies that in the event:

the Compliance Officer, or Investigations Division as authorized, does not approve a relationship or transaction, and the Company, with the approval of the General Counsel, desires to pursue the relationship or transaction, the Compliance Officer shall provide the results of the background investigation to the [Compliance] Committee for its review and recommendation.

This procedure helps to ensure third parties with potentially problematic background screening results are properly considered before an engagement is finalized. During Phase V, one interviewee who is responsible for conducting background screenings confirmed that the Company continues to adhere to this procedure.

Starting in 2020, the Company's Internal Audit function implemented monitoring and testing measures designed to ensure third parties subject to screening are in fact screened as outlined in the Compliance Plan and Background Standards and Procedures. Each year, as part of the annual HRCP Program Assessment, Internal Audit tests a sample of both EBH and WLV vendors to verify that each vendor, if required by the Company's guidance documents, "completed / passed [a] background check" that includes the consideration of "'materially derogatory information,' which may include information on past sexual harassment and discrimination claims." In the 2023 HRCP Program Assessment, out of a sample of twenty-five new vendors that were onboarded in 2023, only one vendor was required to complete a background screening because it exceeded the spend threshold. Internal Audit both confirmed that vendor's background screening was completed as required and that the remaining twenty-four vendors were properly exempted from the process.

By implementing its updated Background Standards and Procedures, the Company has formalized a key control for identifying third parties presenting increased sexual harassment and discrimination risks and ultimately mitigating those risks. The Background Standards and Procedures not only ensure that background screenings take account of sexual harassment and discrimination history, but it also helps guarantee consistency across screenings. Further, Internal Audit's monitoring and testing efforts provide critical insight into whether the established background screening processes continue to be performed as planned. The Monitor Team is pleased to see the Company continuing to execute these background screening procedures and commends the Company for its efforts in this area of the Program.

ii. Third Party Form Agreements

By the time the Monitorship started, the Company had already revised its standard third party agreements to incorporate a requirement that vendors and contractors comply with the Company's Preventing Harassment and Discrimination Policy. Following the Baseline Assessment, the Company also developed a form independent host agreement that now similarly requires the host company "and its principals and employees" to "comply with [the] Company's Preventing Harassment and Discrimination Policy." That agreement further notes that a violation of the Preventing Harassment and Discrimination Policy "may result in the termination of [the] Agreement." In the event the host, or its personnel, is subject to conduct that runs afoul of the policy provisions, the agreement also encourages the host or its personnel to report the incident in line with the Company's reporting procedures. By including these requirements in the standard form agreements, the Company is setting expectations with third parties from the outset of the relationship.

Not only has the Company implemented strong requirements regarding compliance with the Preventing Harassment and Discrimination Policy, but since 2020, the Company has also been monitoring and testing related vendor processes. Similar to the review of vendor background screenings noted above, as part of the HRCP Program Assessment, Internal Audit also reviews a statistical sample of new vendors for their acknowledgement of the Company's Preventing Harassment and Discrimination Policy. For example, in the 2023 review, Internal Audit confirmed that all of the sampled vendors were required to acknowledge the Company's Preventing Harassment and Discrimination Policy.

iii. Law Firms

At the time the Monitorship began, the Company maintained the Legal Department Policy for Avoiding Conflicts of Interest ("Deconflicting Policy"), which was intended to manage the risk of conflicts of interest in situations where external counsel represents both the Company and an individual employee of the Company. However, at the time of the Baseline Assessment, the Deconflicting Policy did not adequately mitigate the risk of employees engaging the Company's outside counsel for personal matters. In particular, the Monitor Team noted that the Deconflicting Policy entirely relied on the external counsel to avoid conflicts of interest and did not make clear that, as a matter of policy, it is generally prohibited for external counsel to represent both the Company and Company personnel in their personal capacity. The Company's then-current Billing Guidelines similarly did not contain any language guarding against conflicts of interest in these situations.

The Monitor Team recommended that the Company revise the Deconflicting Policy to prohibit external counsel from representing its personnel, including executives and Board members unless the representation is explicitly approved by the Company. The Monitor Team also recommended that the Company develop procedures for reviewing requests for individual representations by the Company's

outside counsel and communicating those procedures internally and externally. Finally, the Monitor Team recommended that the Company draft a policy and procedure to govern the Company's engagement of external counsel to ensure that Legal is aware of the substance of all representations and to further minimize the risk of conflicts arising.

The Company has since adopted the Policy for Avoiding Conflicts of Interest with the Retention of Outside Counsel and Settlement Agreements ("Policy for Avoiding Conflicts of Interest") and revised its Billing Guidelines, both of which now include a requirement that the representation of Wynn personnel by external counsel be approved in writing. The Policy for Avoiding Conflicts of Interest, which was adopted in April 2021 and updated as recently as April 2024, acknowledges that "Wynn Resorts retains outside counsel to represent the Company, its affiliates, and/or employees, officers or directors thereof . . ." and "[i]n some instances, that outside counsel may also perform legal services for other affiliates or persons affiliated with Wynn Resorts, which could cause a conflict of interest between clients . . ." To address this potential issue, in line with the Monitor Team's Recommendations, the Policy for Avoiding Conflicts of Interest requires that "[a]ny retention of outside counsel to represent Wynn Resorts or an affiliate, employee, director, or agent thereof, in a Wynn-related matter must be approved in writing by the General Counsel of Wynn Resorts or the affiliate retaining the outside counsel." Updated Billing Guidelines contain similar language.

After adopting the Policy for Avoiding Conflicts of Interest and updating its Billing Guidelines in 2021, the Company provided both documents to outside counsel and the Policy to Wynn executives and Board members. This updated policy guidance and the review structure it puts in place helps minimize the risk of conflicts arising when external counsel dually represents the Company and Wynn personnel. The Monitor Team commends the Company for its efforts to formalize these processes.

E. Training and Guidance

While policies and procedures are a bedrock of a Company's compliance program, as the MGC aptly observed, those policies and procedures are "only meaningful, if [they are] properly implemented and communicated by management." Decision and Order at 28. Even before the start of the Monitorship, the Company devoted considerable resources to its training program, including in a refreshed training program that covered anti-harassment, anti-discrimination, and D&I. During the Baseline Assessment, the Monitor observed the need for additional training to address function-specific responsibilities of individuals tasked with implementing or enforcing key aspects of the HRCP and the need for the Company to monitor and test the effectiveness of its training program. Based on these observations, the Monitor issued fifteen Recommendations across the first four Phases of review.

Since the Baseline Assessment, the Company has satisfied the Monitor's Recommendations and has continued to build upon those Recommendations to enhance and mature its training program. The Company has revised existing trainings, developed function-specific trainings informed by other monitoring and testing activities, and leveraged communication channels, like pre-shifts, compliance Pop Up Events, WeShifts, and policy spotlights to reinforce messages from formal trainings. Notably, management at all levels, including members of senior leadership, routinely communicate themes from trainings and emphasize the importance of the Company's training program. In addition, the Company developed and implemented procedures to periodically test and measure the effectiveness of trainings primarily through annual surveys and on-line quizzes and has incorporated that feedback into applicable trainings.

In Phase V, the Company demonstrated momentum in the implementation of these initiatives, signaling that the training program has matured and is an integral component of the HRCP. Employees with whom the Monitor Team spoke displayed ownership and pride when discussing their impressions of the Company's training program. Several employees described the training program as emblematic of the Company's culture and values. As with other elements of the Company's HRCP, multiple employees noted to the Monitor Team the greater breadth and depth of the Company's trainings and related communication strategies, as compared to other companies at which they had worked.

1. Compliance Guidance

The EEOC's 2016 Report advises that "training is an essential component of an anti-harassment effort" but that "to be effective in stopping harassment, such training cannot stand alone but rather must be part of a holistic effort undertaken by the employer to prevent harassment that includes the elements of leadership and accountability." EEOC 2016 Report at 45. The EEOC outlines the following principles to guide the structure of successful compliance training, providing that trainings should be:

- ▶ Supported at the highest levels;
- ▶ Conducted and reinforced on a regular basis for all employees;
- ▶ Conducted by qualified, live, and interactive trainers; and
- ▶ Routinely evaluated.

Id. at 52–53.

The MCAD mirrors the EEOC's recommendations that employers should implement training programs on sexual harassment for all employees on a regular basis and conduct additional training for supervisory and managerial employees. Guidelines on 151B at 8.

The DOJ similarly highlights the importance of training and guidance to corporate compliance programs. It instructs prosecutors evaluating compliance programs to "assess the steps taken by the company to ensure that policies and procedures have been integrated into the organization, including through periodic training and certification" of personnel. Evaluation of Corporate Compliance Programs at 4. In addition, the DOJ examines whether the company has "relayed information in a manner tailored to the audience's size, sophistication, or subject matter expertise." *Id.* It also evaluates "whether the training adequately covers prior compliance incidents and how the company measures the effectiveness of its training curriculum." *Id.* at 5. The DOJ notes that to determine whether a compliance program is "truly effective," it will look to whether the training is "disseminated to, and understood by, employees in practice." *Id.*

2. Assessment

The Company has grown its training program significantly since the Baseline Assessment. The Company has taken a holistic and tailored approach towards ensuring that general training addresses the specific harassment and discrimination risks faced by EBH and WLV employees and developed training for management and supervisors that incorporates guidance on how to respond to and escalate reports of discrimination and harassment. The Company has also developed a training strategy for ER Counselors comprised of annual and quarterly training initiatives. Finally, the Company's Compliance and HR functions provide harassment and discrimination training to the Board of Directors and the Compliance Committee, including as to Board and Compliance Committee oversight responsibilities.

The Monitor Team evaluated the Company's progress in (1) the design and content of HRCP training targeted to particular employee roles; (2) the implementation of HRCP trainings and ongoing guidance provided; and (3) how it measures the effectiveness of its HRCP trainings.

a. Design and Content of HRCP Training by Employee Population

In addition to the annual compliance training required for all employees, the Company also targets HRCP trainings to the Board of Directors and Compliance Committee and to particular employee populations based on the seniority and function of employees.

i. Board of Directors Training

As noted in prior Phases, the Board receives training on a variety of topics, including anti-harassment and anti-discrimination, the Company's Personal Relationships Policy, management's responsibility to report allegations, and its HRCP oversight responsibilities. In the Baseline Assessment however, the Monitor Team observed that the personal relationships component of the Board's training did not adequately address issues related to consent—an important dynamic underpinning the historical conduct that gave rise to the Monitorship, as highlighted by the Decision and Order. Further to the Monitor's Recommendation, the Company revised the Board's training to include a discussion of issues surrounding consent and how power imbalances can affect consent. In addition, on its own initiative, the Company developed and implemented training specific to the Company's HRCP as it relates to sexual harassment and discrimination, specifically the Company's various reporting channels, its process for investigating claims of harassment or discrimination, and other workplace-related items.

The Company has continued to provide annual training to the Board on anti-harassment and anti-discrimination laws as well as on the HRCP. The Board typically receives training on these and other compliance-related topics at its annual August meeting. In Phase V, the Board invited the EVP, HR, WRL to present to the Board on the Company's HRCP Plan, including programmatic updates on various elements of the Company's HRCP, including policy developments, training, ongoing communication, efficacy review, risk assessments, data analysis, and periodic evaluation of components of the Compliance Plan. The presentation was a thoughtful and substantive compilation of the Company's activities across the HRCP. The training slide, for example, highlighted new or revised initiatives by function, including for managers/supervisors and ER, and outlined the ways in which individual leaders set the tone with respect to training. As an overview of the implementation of the HRCP, the presentation provided the Board with direct visibility into developments across each programmatic hallmark.

The Company has integrated HRCP training for new Board members as a component of their onboarding, as described in greater detail in Section IV.A., Culture of Compliance and Conduct at the Top and Section IV.B., Proper Authority, Oversight, and Independence.

By continuing to strengthen its Board of Directors training program and the Board's visibility into the Company's HRCP and initiatives, the Company has displayed a sincere commitment to ensuring the effectiveness of its governance structures.

ii. Compliance Committee Training

At the time of the Baseline Assessment, the Compliance Committee did not receive formalized training on the Company's anti-harassment and anti-discrimination HRCP processes. Further to the

Monitor’s Recommendation, the Company designed an annual HRCP training for Compliance Committee members, which, importantly, includes guidance on Massachusetts-specific laws.

The Monitor Team has seen evidence that, since Phase II, the Company has continued to provide annual training on these topics to the Compliance Committee. For example, according to a June 2022 memorandum, the WRL Compliance team and property employment counsel provided a three-part training that covered, in relevant part, anti-harassment, anti-discrimination, reporting, and investigation processes. The corresponding training presentation articulated the Company’s commitment to “creating a workplace free of discrimination and harassment,” provided an overview of each of the applicable standards (including Massachusetts-specific standards) with respect to discrimination and harassment, and provided an overview of the Company’s specific reporting and investigation processes. In October 2023, the Compliance Committee also received the presentation provided to the Board of Directors on the Company’s HRCP Plan. The Monitor understands that the Company will continue to provide periodic training to the Compliance Committee, which will be essential to the Committee’s ongoing responsibilities overseeing the HRCP.

iii. Management and Supervisors Training

At the time of the Baseline Assessment, managers and supervisors received anti-harassment and anti-discrimination training that covered the main substantive aspects of discrimination, harassment, and retaliation as part of the Company’s training for all employees. However, the training did not provide tailored guidance regarding supervisor and manager responsibility in responding to reports of harassment and discrimination. The training also did not address reporting requirements under the Company’s Personal Relationships Policy, the use of social media as a potential platform for harassment, the risks of alcohol in the workplace, and the risks of off-duty conduct that has a nexus to the Company.

Since the Baseline Assessment, the Company has developed and implemented a core set of leadership trainings for managers and supervisors that now include clear guidance on management responsibilities related to HRCP processes, including on how to respond to and escalate reports of sexual harassment and discrimination. Discussions with department management in Phase V showed a sincere appreciation and awareness of those responsibilities. Indeed, one interviewee observed that it is management’s responsibility to “make sure that everyone is comfortable” and “make it right” if there is an issue. Interviews with senior management in Phase V show that the Company has also begun to take a more strategic and risk-based approach towards leadership development.

(a) Performance Management 101 and 102

During Phase IV and Phase V, the Company formalized Performance Management 101 and 102—a two-part performance management training for managers and supervisors. Performance Management 101, titled “Performance Management and Coaching Conversations,” covers three topics: the progressive discipline process, related Company policies, and pre-shifts. The first two of these subjects are most relevant to the gaps identified during testing.

First, the training materials reviewed by the Monitor Team comprehensively address each element of the Company’s progressive disciplinary process in the context of a manager’s role in the process. Helpfully, the training provides multiple examples of “common mistakes” with respect to imposing discipline to help managers document and communicate employee performance issues and related discipline. The training also provides guidance on a manager’s role in the Suspension Pending an Investigation process (“SPI”), including on the types of offenses that may warrant SPI, ER’s role in leading investigations regarding “sensitive issues with high liability” such as harassment and

discrimination, and a manager's role in the investigative process with respect to non-sensitive issues. The Performance Management 101 training materials reviewed are clear, appropriately detailed, and include several illustrative examples to reinforce understanding and retention of content. The Monitor Team understands that the Company recently made the training mandatory for all managers.

Second, Performance Management 102—"Managing an Addressing Employee Behavior"—outlines a manager's responsibility for helping to "create a courteous and respectful workplace environment that is free from harassment and discrimination." Delivered online by the VP, HR, WLV, Performance Management 102 is a concise nine-minute training that addresses the "key requirements of supervisors and managers when reporting harassment and discrimination," the intake and escalation process for employee complaints, personal relationships and reporting obligations, the appropriate use of social media, dealing with intoxicated Patrons, and the potential implications of an employee's off-duty conduct. In doing so, Performance Management 102 addresses the specific topics outlined by the Monitor in the Baseline Assessment.

The training is engaging and mixes vignettes with instructor-led content. The training includes examples of conduct the Company does not tolerate and provides an overview of the specific role of managers to report harassment and discrimination. The training advises that not only must supervisors "report any harassment that they observe or know of, even if no one has come forward with a complaint" to ER, "without exception, even if the complaining individual asks for it not to be reported or if the individual does not work in [that manager's] department" but also that failing to report allegations of harassment and discrimination could subject supervisors to discipline themselves. The training then outlines the intake and escalation process for employee complaints that do not relate to harassment and discrimination, which managers and supervisors are required to resolve.

The training also provides a summary of the Company's Personal Relationship Policy, including prohibitions on certain relationships and an employee's reporting obligations if they enter such a relationship. The training also explicitly tasks supervisors and above with "notifying their employee that they must complete and submit the Restricted Relationship form to their divisional VP for review and approval."

The last three sections of the training provide guidance on the use of social media, dealing with intoxicated guests, and off-duty conduct. Importantly, the training connects the use of social media to the Company's Preventing Harassment and Discrimination Policy by cautioning that "[p]osting discriminatory or harassing comments on social media accounts directed at [Wynn] employees, customers or other third parties" constitutes a violation of the Policy. The training instructs managers who become aware of inappropriate posts to report the conduct to ER. Next, the training breaks out to a bar scene scenario in which a group of male patrons harass a female cocktail server. The training aptly acknowledges prevalent risks in the hospitality industry and instructs managers to be "observant while in guest-facing areas," check in with an employee if they observe inappropriate behavior from a guest, speak to the guest to address their behavior, and "immediately contact Security if warranted." The training concludes by guiding managers on the potential implication of off-duty conduct by clarifying that the Company's Preventing Harassment and Discrimination policy is "applicable to employee behavior even while off-duty or off-property, while engaging with other Wynn employees" and instructing managers that they, too, are "responsible for conducting themselves appropriately." The training concludes by reminding managers of their reporting obligations.

By providing tailored guidance regarding the heightened responsibilities of supervisors and managers to report and escalate complaints of harassment and discrimination, Performance Management 102 addresses the heart of the Monitor’s observations in the Baseline Assessment.

Managers with whom the Monitor Team spoke displayed an appreciation and understanding of their heightened responsibilities as managers and noted a close collaboration with ER on issues related to sexual harassment and discrimination. Interviews conducted by the Monitor Team during Phase V signaled a solid awareness and understanding of the topics covered by Performance Management 102.

(b) Leading at Wynn

Since 2022, the COO, North America has provided the foundational Leading at Wynn training to new managers across the North America properties. Leading at Wynn is centered on the Company’s culture and values and covers the various elements of successful leadership at Wynn, including a clear statement on the Company’s expectations that its leaders will live by Wynn’s culture, proclaiming that “[o]ur culture is the foundation on which everything else is built.” The training emphasizes the importance of leaders building trust with their employees and articulates the various skills that make a successful leader at Wynn. The training includes scenarios to help reinforce messaging, is interactive and includes an accompanying worksheet and a post-training assessment to help test the training’s effectiveness.

As noted in Section IV.A., Culture of Compliance and Conduct at the Top, the COO, North America is a long-tenured, visible leader who is positively regarded by the employee base at WLV and EBH. As in prior Phases of review, the COO has consistently displayed his commitment to driving the Company’s culture, including as to the issues under the Monitor’s purview. Leading at Wynn is emblematic of that commitment and helps to nurture and develop a leader’s soft skills and emotional intelligence with a keen focus on building and sustaining culture. The training has been impactful for leaders with whom the Monitor spoke. For example, one interviewee recounted that one of her direct reports “raved about [the training],” commenting that it provided new leaders with a “good understanding” of Wynn’s approach. The Monitor has been pleased with the Company’s commitment to the development and maturation of its leadership training, specifically most recently its increased focus on strengthening manager and supervisor training. In the Monitor’s view, this training is fundamental to addressing the MGC’s concerns regarding the need to clarify the role of managers and supervisors in responding to allegations of sexual harassment and discrimination. Moreover, the investment in inculcating Wynn values in culture through its manager and supervisors, is foundational for the sustainability of the HRCP.

(c) Diversity and Inclusion

In the Baseline Assessment, the Monitor Team observed that the Company had in place D&I training for managers and supervisors, and to a lesser extent, for front-line employees.

In Phase V, the Company launched a refreshed D&I training from an external provider for managers and above on the Company’s online training platform, *We Learn*. The training opens with a statement that Wynn is “committed to creating a diverse and inclusive culture and environment in which all people are valued and welcomed.” The training includes specific examples of how managers can help facilitate inclusion and reduce bias, and through realistic scenarios, prompts managers to consider potential solutions. The training directly responds to the Monitor’s observations in the Baseline Assessment with respect to implicit bias and transgender and gender fluid identities.

The Monitor Team understands that, further to Wynn's D&I Strategy, the Company has also implemented diversity toolkits to help "equip managers with the tools and resources necessary for them to steward D&I to their respective teams." Each Toolkit includes D&I articles, videos, and presentations that are accessible to managers on *We Learn* and refreshed by the D&I team monthly. These materials provide another opportunity for managers to reinforce D&I principles to their reports and drive core D&I messaging into the organization. The Company's efforts have been impactful: multiple managers highlighted D&I as an important component of the Company's training strategy and recalled receiving such training.

iv. Employee Relations Training

In the Baseline Assessment, the Monitor observed that although ER received the Company's Preventing Harassment and Discrimination training, it did not receive function-specific training on other areas of HR compliance over which it has responsibility, or specialized training for certain core HRCP-related functions, such as conducting investigations. The Monitor recommended that the Company develop a training plan for ER that includes annual trainings on all HR subject matters and policies and procedures for which they are responsible.

The Company implemented that Recommendation and now has in place a training plan that provides for quarterly trainings across various HR subject matters, including investigations, ADA, FMLA, and Collective Bargaining Agreements. In addition to compliance training, new ER team members receive onboarding training on the Company's Investigations Policy. The Company's Investigation Policy and training are described in greater detail in Section IV.F., Internal Reporting and Investigations.

These training initiatives are a cross-functional and collaborative effort between HR and Legal and leaders in both functions demonstrate a commitment to continuing such periodic training initiatives. For example, EBH's employment counsel described upcoming trainings on litigation-related processes relevant to HR, specifically depositions and arbitrations. WLV's ER Director previewed upcoming training on the use of pronouns and a joint training on investigations with the Company's Corporate Investigations function. WLV's employment counsel favorably recalled collaborating with EBH's employment counsel to deliver ADA and FMLA training. ER personnel interviewed, including new team members, confirmed having received investigations training and trainings on other HR topics.

v. Front-Line Employees Training

Prior to the Monitorship, front-line employees already received training on sexual harassment and discrimination. However, feedback from focus groups signaled the need for additional training on specific elements of the Company's Preventing Harassment and Discrimination Policy such as retaliation and the Company's anonymous hotline, as well as the need for trainings that highlighted harassment and discrimination risks particular to specific functions. Moreover, the Monitor received mixed feedback regarding consistent implementation of D&I training. Thus, the Monitor recommended that the Company develop (1) short, tailored trainings that address gaps in knowledge in position-specific realities and (2) additional D&I training as part of its formal training program.

The Company responded to those Recommendations by enhancing existing trainings, developing additional trainings based on its risk profile, and incorporating participation from senior leadership to introduce or in some cases deliver trainings. Indeed, the Company's training program for frontline employees is central to its two-day onboarding program for new employees and occurs annually thereafter. Below the Monitor Team describes the Company's current training program for

front-line employees and in Section IV.E.2.a.vi the Monitor Team discusses function-specific training initiatives.

(a) Annual Compliance Training

The Company has continued to provide annual anti-harassment and anti-discrimination training to front-line employees and has incorporated D&I training as a component of that training. The Monitor Team has observed and reported on anti-harassment and anti-discrimination and D&I training in prior Phases and has found it to be comprehensive and responsive to the Monitor's observations. Annual compliance training materials provided to the Monitor are comprehensive and instructive. They are appropriately tailored to employees and are structured in a way to promote employee engagement.

The anti-harassment and anti-discrimination training defines discrimination and harassment, addresses quid pro quo and hostile work environment claims, and intertwines examples throughout to help illustrate key points. The training instructs employees on bystander intervention and how to make reports, including through the Company's reporting hotline or through managers, HR or other Company personnel. Moreover, the training encourages employees to speak up, emphasizes that retaliation will not be tolerated and specifically addresses how to make reports of inappropriate guest behavior—a topic that caused some unease among employees in focus groups in the Baseline Assessment. The training also instructs on the Company's Personal Relationships Policy, including on an employee's obligation to report certain relationships to their manager and submit a Personal Relationship Affirmation Form to ER.

More recently, the Company has continued to enhance the training based on its workplace realities. In Phase V, personnel from Legal and HR responsible for designing the training explained how they updated the training to cover discrete topics.

Other Company policies addressed in annual compliance training include the Code, ADA, Code of Personal Conduct, and Employee Interaction with Guests and Third Parties. Each module starts by providing an overview of the subject matter and links applicable policy. Modules include illustrative and relatable examples to help drive understanding of how the policy should impact behavior. Each module also includes knowledge checks focused on key areas of the relevant policy. Employees must successfully complete each knowledge check before proceeding to the next module.

Finally, as described in Section IV.C., Policies and Procedures, in Phase V, the Company added an introductory video from the CEO to supplement compliance training and set the tone from the top that the Company will not tolerate harassment or discrimination from anyone, including guests and patrons. Compliance training also features an introductory video from the former CGCO. These communications help to reinforce the importance of training to employees and serve as a reminder of the Company's expectations with respect to compliance.

(b) Diversity & Inclusion Training

The Company has developed an extensive D&I curriculum with online and in-person training for frontline employees. The D&I Strategy's goal with respect to D&I training of frontline employees is "[t]o create a learning module where employees can increase their awareness of diversity & inclusion in the workplace." In furtherance of that goal, the D&I function offers training on the following topics to front-line employees: unconscious bias, the value of D&I, gender diversity, cultural awareness, workplace sensitivity, multigenerational awareness, and respect in the workplace. These topics are relevant to Wynn's workplace and responsive to the Monitor's observations, particularly the topic of gender

diversity. The Monitor also understands that the SVP, Diversity & Inclusion provides in-person D&I training on these topics as part of WLV's employee onboarding sessions and that her training has been recorded and is played for employees at EBH during onboarding.

The D&I training program has matured since the Baseline Assessment, comprising one component of a broader D&I Strategy. The Monitor encourages the Company to continue to build upon its training program and strategy as the diversity of its employee pool evolves, particularly as it expands into other jurisdictions.

vi. Function-Specific Training

As noted above, feedback from employee focus groups conducted during the Baseline Assessment demonstrated an appetite for position-focused harassment trainings. Accordingly, and consistent with regulatory expectations that trainings be targeted and "tailored to the audience's size, sophistication, or subject matter expertise," Evaluation of Corporate Compliance Programs at 4, the Monitor recommended that the Company provide tailored trainings to front-line employees that address gaps in knowledge and position-specific realities. Since the Baseline Assessment, the Company has developed several function-specific trainings, which the Monitor has reported on in prior Phases. These include tailored trainings for certain guest-facing employees on interactions with guests, training for Security personnel on investigations of harassment and discrimination issues, and anti-human trafficking training addressing human trafficking risks associated with the gaming and hospitality industry.

Since Phase IV, the Company has continued to assess its operations against compliance risk factors to develop additional function-specific trainings based on data from other monitoring and testing initiatives, including employee focus groups and trends in investigations. In doing so, the Company has shown how data from other elements of the HRCF have informed training opportunities. Below, the Monitor Team discusses the Company's function-specific training initiatives.

- ▶ *Targeted training for guest-facing employees.* As reported in Phase III, the Company developed an online training on the Employee Interaction with Guests and Other Third Parties Policy, specifically covering management responsibilities, employee guidelines, and reporting channels and responsibilities. The training was targeted for employees in positions that required regular interaction with guests, including Cage, Slots, Table Games, Concierge, Housekeeping, PAD, Salon, Spa, and Food & Beverage.
- ▶ *Security Academy.* In Phase IV, the Company revised its training for Security personnel to include specific guidance on harassment and discrimination issues, given their role in responding to such incidents in real-time. Specifically, day six of Security's seven-day training program includes three training modules regarding harassment, discrimination, and sexual assault prevention and covers, among other topics, how to identify potential predators, how to prevent harassment and discrimination, and reporting mechanisms.
- ▶ *Safety button training.* Testing activities during Phase V indicate that the Company conducts quarterly trainings on the use of safety buttons for high-risk employee groups that have close and often isolated interactions with guests [REDACTED]. The Monitor understands that training is provided by department management and ER counselors as part of pre-shifts and aims to remind employees to use their safety buttons when needed.

- ▶ *Seasonal training on risks presented by night and day club activities.* WLV's CI function has collaborated with Legal and HR to provide annual training during pre-shifts on harassment, discrimination, and drug-related risks presented by patrons of the Company's night and day club operations. The training is provided to employees in guest-facing positions with responsibilities over club areas, [REDACTED]
- ▶ *Targeted trainings informed by department-specific trends.* The ER function across both Las Vegas and EBH has provided targeted trainings during departmental pre-shifts to address recurring departmental issues. [REDACTED] Moreover, interviews in Phase V indicate EBH's ER function has begun to conduct targeted trainings to address discrete department-specific trends identified through investigations.
- ▶ *Anti-human trafficking training.* In light of industry-specific risks associated with the gaming and hospitality industry, the Company also provides targeted training on its Anti-Human Trafficking Policy. The training provides a summary of human trafficking, breaks down common tactics used by traffickers, and lists common red flags and other indicators of trafficking. The training also instructs employees on what they should do if they should suspect that someone is a victim of human trafficking and in this respect, emphasizes the sensitivity with which employees should handle such situations. Consistent with other HRCP trainings, the training video features cameos from senior leadership (e.g., SVP, Security and Crisis Management and Response, and VP, GC, EBH) to reinforce the importance of the subject matter. In Phase V, the Company partnered with a third-party provider to provide additional awareness training in anticipation of the Superbowl and F1.

These initiatives directly respond to the Monitor's observations: they demonstrate the Company's ability to identify function-specific risks and develop tailored trainings. The Monitor encourages the Company to continue to evaluate and enhance its training program based on data collected from other components of the HRCP.

b. Implementation of Training and Ongoing Guidance

Over the course of the Monitorship, the Company has adopted an intentional approach towards the implementation of its HRCP training program, which includes efforts to regularly reinforce key training messages and provide ongoing guidance to employees outside of annual compliance training. The Sections below discuss these efforts.

i. Implementation of Training

As reported in prior Phases, the Company provides online and in-person training covering the topics discussed above. Online training is available to employees on *We Learn*. Employees can access training assignments on *We Learn* via kiosks and laptops in Back of House, loaned iPads, and department offices. As described above, annual compliance training, which includes training on anti-harassment, anti-discrimination, speak up, anti-retaliation, personal relationships and conflicts of interest, D&I, and employee interactions with guests and third parties, is conducted online. New employees receive in-person training sessions as part of New Hire Orientation on these topics.

The Company also engages in communication campaigns to spread awareness of training requirements and reinforce the importance of timely training completion. The Company has formalized these initiatives in its HRCP Communications Plan for 2023 and 2024. As discussed in greater detail in Section IV.C., Policies and Procedures, the Compliance Plan includes quarterly policy spotlights to promulgate policies and lessons from training. Annual compliance training occurs in the fourth quarter of each year and is supplemented by communication initiatives, such as printed and digital displays containing QR codes with links to training modules, leadership messages from the COO and current WLV President and EBH's President, and policy reminders via WeShift messages from the EVP, HR, WRL and other executives. For example, a WeShift from November 2023 featured a message from the WRL GC reminding employees to complete the required annual training. In her message, the GC noted her responsibility to "[cultivate] a culture where every employee feels empowered to speak up against harassment [and] discrimination," and highlighted every employee's "right to speak up" regardless of their position. In addition, as noted in Section IV.C., Policies and Procedures, the Company has engaged in efforts to incentivize (early) completion of training, including by offering cash prizes for employees who completed mandatory compliance training early.

Consistent with prior Phases of this Monitorship, the Company continues to track compliance with mandatory training requirements. For example, department management noted reminding employees to complete training and that ER monitors compliance with training requirements. Moreover, HR personnel acknowledged the mandatory nature of compliance training while also acknowledging the risk of training becoming a "check the box" exercise. For that reason, HR undertakes ongoing efforts to reinforce lessons from trainings throughout the year.

ii. Ongoing Guidance

In the Baseline Assessment, feedback from employee focus groups across both properties consistently indicated an absence of messaging surrounding harassment and discrimination issues apart from the training itself. Specifically, 53% of employees surveyed at WLV and 28% of employees surveyed at EBH indicated that managers "rarely" (i.e., less than once per month or not since the last training) talked to them about the Company's policy on anti-harassment and anti-discrimination. However, the Monitor identified two ways the Company could reinforce messaging on harassment and discrimination based on existing practices already engrained in the Company's structure: through pre-shifts and through messaging from senior leadership.

Since the Baseline Assessment, the Company has taken a dynamic and multi-faceted approach towards reinforcing training at a regular cadence outside of annual compliance training. As described in greater detail in Section IV.C., Policies and Procedures, the Company uses a variety of communication channels, including WeShifts, pre-shifts, Compliance Pop Up Events, policy spotlights, signage, and QR codes to regularly reinforce messaging on harassment and discrimination and other HRCP compliance topics, including personal relationships and conflicts of interest, employee interactions with guests and third parties, and speak up culture. As noted above, these initiatives are formalized in the Company's HRCP Communications Plan, which features quarterly policy spotlights organized by theme that are supplemented by other communications. Importantly, executive and property leadership have also been visible carriers of HRCP messaging and are often featured in the Company's quarterly policy and training spotlights. For example:

- ▶ In August 2023, the Company spotlighted the newly enhanced Code of Business Conduct & Ethics and featured WeShifts containing the CEO's cover letter. The Communications Plan

shows that the Company included printed and digital displays of the Code as part of the Code's roll-out.

- ▶ As noted in Section IV.C., Policies and Procedures, the Company spotlighted the Personal Relationship Policy and Anti-Human Trafficking Policy in February 2024, which featured a WeShift from the EVP, HR, WLV on personal relationships and a video from the Chair of the Board of Directors, discussing the Company's commitment to helping to end human trafficking. The spotlight on personal relationships focused on employees' reporting requirements while the spotlight on human trafficking emphasized that such activity "[c]an [h]appen [a]nywhere." The Communications Plan indicates the Company distributed the video to all employees with email addresses, provided links for employees in the form of QR codes, aired it in Back of House facilities, and played it as part of orientation for new employees.
- ▶ In August, the Company will spotlight the Employee Interactions with Guests and Third Parties Policy and training focusing on whether employees "know how to handle and report [guests] exhibiting inappropriate behavior." The spotlight will feature videos from property presidents focused on "addressing and reporting inappropriate [g]uest [b]ehavior" which will be displayed in Back of House. In addition, the Communications Plan provides that the Company will host an in-person Compliance Pop Up Event in employee dining rooms. Participating employees will be entered to win a free dinner. In addition, certain department leaders interviewed indicated that they have filmed their own videos speaking up and reporting misconduct by guests.

Efforts to reinforce lessons from trainings have been shared across management levels. Indeed, interviews in Phase V demonstrated that managers are regularly communicating on harassment and discrimination issues via pre-shifts and other departmental touchpoints. For example, certain department leaders explained using pre-shifts to communicate policy changes or reinforce policy requirements. Others hold monthly one-on-ones with employees to solicit feedback and address departmental issues. Guest-facing department leads also recounted reminding employees to speak up and report guest misconduct regardless of whether the guest is a high-roller or VIP. Moreover, the SVP, Security and Crisis Management described periodically reminding his direct reports to keep harassment and discrimination issues front of mind to frontline security personnel and including educational components in pre-shifts on discrete issues such as disparate treatment, how to deal with unruly guests, and how to report issues. Furthermore, as described in greater detail in Section IV.C., Policies and Procedures, ER personnel periodically attend departmental pre-shifts to communicate on policies and trainings.

Importantly, department management consistently described the Company's "layers of reinforcement" approach towards communications on HRCP policies and trainings, often citing to the Company's communication initiatives, particularly from senior leadership, as illustrative of the Company's culture. This feedback is consistent with the data from the Company's 2023 employee focus groups, which shows that employees are aware of the Company's efforts to bring awareness to policies. As noted in Section IV.C., Policies and Procedures, 100% of 340 participants indicated that the Company has made them aware of HRCP policies. In addition, 100% of employees at WLV and 70% of employees at EBH cited to pre-shifts and related communications as avenues in which employees have been informed of policies. This datapoint reflects a significant increase in employee perceptions of the Company's efforts to bring awareness to policies from data collected by the Monitor in the Baseline Assessment, signaling that the Company's multi-faceted approach to reinforcing policies and trainings

has been impactful. Furthermore, as described by one interviewee, the Company's training program is "constantly embedded throughout the year."

c. Effectiveness of Training

At the time of the Baseline Assessment, the Company was not formally testing the effectiveness of its training, which is an important consideration for the DOJ in its Evaluation of Corporate Compliance Programs Guidance. Therefore, the Monitor recommended that the Company develop procedures to periodically test and measure the effectiveness of trainings and incorporate feedback into future trainings.

Since then, the Company has developed initiatives to test the effectiveness of trainings by (1) developing a plan to periodically conduct surveys to identify new training opportunities, (2) conducting surveys to understand the effectiveness of training as part of its 2023 and 2024 HRCP Calendar and (3) adding knowledge checks to its anti-harassment and anti-discrimination training.

For example, the Company has also broadened the use of knowledge checks and substantively improved the depth of its post-assessment quizzes. Specifically, as described above, the Company has added knowledge checks at the end of each module of its annual compliance training and in manager and supervisor-specific training. The Monitor reviewed these assessments and considers that the questions are thoughtfully designed to comprehensively test training curriculum. For example, the anti-harassment and anti-discrimination module includes questions requiring employees to identify examples of harassment and demonstrate an understanding of the Company's expectations with respect to reporting guest misconduct. The personal relationships and conflicts of interest module similarly requires employees to understand their reporting obligations. The Company similarly includes quizzes during New Hire Orientation. Furthermore, interviewees in Phase V consistently observed that these assessments are meaningfully implemented so that employees must answer a minimum number of questions correctly to successfully continue to the next module or be redirected to the applicable lecture. One department manager noted that the quizzes meant that employees "have to pay attention" during the training. Another noted that the training promotes active engagement from employees by requiring that text boxes and other features be opened before moving on to the next segment.

As a newer initiative, L&D personnel with whom the Monitor Team spoke indicated that the Company has also added surveys at the end of trainings to solicit feedback about content and the pace of the training. L&D personnel described looking for recurring themes that could be used to enhance trainings in their review of employee feedback. In addition, as discussed in greater detail in Section IV.I., Monitoring and Testing, the Company implemented engagement surveys and focus groups in 2023 and plans to repeat this exercise in 2024. Discussions with HR personnel involved in the design and implementation of this initiative indicate that data collected through surveys and focus groups were used to drive enhancements to trainings. For example, one interviewee recounted revising the Employee Interactions with Guests and Third Parties training videos to include additional scenarios in response to employee feedback. Furthermore, as described in greater detail with respect to function-specific training, data from investigations has also led to targeted training.

These efforts are meaningful steps in the right direction towards implementing procedures to systematically test the effectiveness of training. The Monitor encourages the Company to continue to develop these mechanisms by maturing its use of existing data sources and drawing on additional data collection systems as it goes forward.

F. Internal Reporting and Investigation

Since the Baseline Assessment, the Monitor Team has been focused on the Company's policies and practices in receiving and investigating complaints of workplace misconduct. The MGC's Decision and Order pointed to "substantial evidence that the Company neglected to follow its own corporate policies on a number of occasions." Decision and Order at 46. Leading up to the Baseline Assessment, the Company had already updated its investigation protocols and worked to enhance related procedures. While acknowledging those strides, at the conclusion of the Baseline Assessment, the Monitor Team observed opportunities for the Company to enhance the effectiveness of its investigations protocols and procedures and made eight Recommendations. Since the Baseline Assessment, the Monitor Team made nine additional Recommendations. Over the last several years, the Company has not only revised its policies and practices to address the Recommendations but has also put in the hard work to communicate key changes to employees, train investigators, and ensure consistent application of these policies and practices across the employee base at both EBH and WLV.

1. Compliance Guidance

Compliance authorities—including the EEOC, the MCAD, and the DOJ—provide concordant guidance on the elements of an effective reporting and investigative process. The EEOC advises that an effective reporting system for allegations of harassment is "among the most critical elements of a holistic anti-harassment effort," EEOC 2016 Report at 40, and outlines the following elements that contribute to an effective reporting system:

- ▶ A reporting system that allows the organization to provide a timely response to the concern followed by an investigation;
- ▶ A supportive environment where employees feel safe to report and believe they will not be retaliated against for making reports;
- ▶ Well-trained investigators;
- ▶ Investigators who document all steps taken and prepare a written report; and
- ▶ A commitment to maintaining the confidentiality of all people involved, including the charged party(s) and witnesses.

Id. at 42. The MCAD also emphasizes the importance of timeliness, anti-retaliation messaging, documentation, and confidentiality for an effective reporting and investigative system. Guidelines on 151B at 9–16.

The DOJ endorses similar principles. The DOJ advises that a hallmark of a "well-designed compliance program is the existence of an efficient and trusted mechanism by which employees can anonymously or confidentially report allegations." Evaluation of Corporate Compliance Programs at 5. The DOJ will "assess whether the company's complaint-handling process includes proactive measures to create a workplace atmosphere without fear of retaliation, appropriate processes for the submission of complaints, and processes to protect whistleblowers." *Id.* at 6. The MCAD similarly emphasizes the importance of these measures. The DOJ will also evaluate a company's processes for "routing of complaints to proper personnel, timely completion of thorough investigations, and appropriate follow-up and discipline." *Id.*

Bearing these guidelines in mind, as the MGC's Decision and Order requires, the Monitor Team evaluated the Company's policies and organizational changes, including:

- ▶ "Implementation of and compliance with all human resource or 'HR' policies that reflect current best practices;"
- ▶ "Adequacy of internal reporting and communication channels throughout the Company and their alignment with up-to-date organizational charts and reporting structures;" and
- ▶ "Use of retractions, mandatory arbitration provisions, gag orders, confidentiality clauses, and non-disparagement provisions of all employees, with particular attention to the use of such measures and their impact on non-executive employees."

Decision and Order at 50–51.

2. *Assessment*

Based on interviews conducted and documentation reviewed during Phase V, the Monitor is satisfied that the Company has designed and implemented appropriate reporting and investigating mechanisms and has demonstrated a commitment to sustaining its efforts beyond the term of the Monitorship.

a. Internal Reporting and Communication Channels

Since the Baseline Assessment, the Company made two key changes to its approach to internal reporting: first, it appropriately streamlined the reporting channel structure; and second, it invested in internal communication campaigns to encourage employees to speak up whenever they see harassing or discriminating conduct. These important efforts have strengthened the Company's internal reporting structure and mitigated recurrence of the risks identified in the MGC's Decision and Order.

i. *Streamlining of Reporting Channels*

At the time of the Baseline Assessment, the Company had three telephonic and web-based reporting channels, each designated for separate and distinct types of reporting. The Company also encouraged employees to speak up to HR, their managers, and other leadership. As the Monitor Team observed in the Baseline Assessment, the use of multiple reporting channels created a risk of user confusion regarding which channel to use and of failure to adequately track and follow up on reports.

The Monitor Team supported the Company's move to a more streamlined reporting channel structure. Today, the Company has one hotline for North America that allows for anonymous reporting. The hotline website can be accessed in English, Spanish, or Chinese and individuals who call the hotline may report in languages other than English. The Company further has in-house capabilities to discuss allegations with reporters in languages other than English and has a translation service for situations when in-house translation is not possible. During this Phase of review, the Monitor Team submitted test reports in Spanish and Mandarin through the hotline. During testing, the Monitor Team experienced certain interpretation issues with the hotline and reported them to the Company. The Company responded with appropriate concern, conducted additional testing, and indicated that it would be providing feedback to the hotline operator. Importantly, both the Code and the Preventing Harassment and Discrimination Policy provide contact information for specific members of corporate and property-level leadership, as well as the web address and phone number for the reporting hotline. Employees are also encouraged to report allegations to supervisors or directly to ER.

The Company has also revised its policies to make clear that these reporting channels can be used not only by employees but also by third parties and, importantly, not only to bring forward allegations against co-workers but also against management, executives, and third parties. As the Preventing Harassment and Discrimination Policy explicitly spells out, employees, as well as guests, contractors, and other third parties can report harassment and discrimination. The policy emphasizes that “harassment or discrimination by guests, vendors, or other third parties will not be tolerated, and employees are encouraged to report such incidents” Since the Baseline Assessment, the Company has also launched the Employee Interaction with Guests and Other Third Parties Policy, which further drives home that the Company will not tolerate harassment or discrimination, regardless of the alleged perpetrator’s or reporter’s identity.

ii. Communications Regarding Speak Up Culture

The Company has not only enhanced its written guidance regarding reporting channels but has also improved how and through whom it speaks to employees regarding the importance of speaking up. The Company has created new trainings and initiatives, such as compliance Pop Up Events, and has leveraged existing programs to communicate the importance of speaking up.

First, the Company implemented updates to its trainings. Since the Baseline Assessment, the Company has incorporated updates to its reporting channel structure into existing trainings attended by all employees, such as the New Hire Orientation and mandatory annual trainings. Further, as the Monitor Team noted in the Baseline Assessment, misbehavior by patrons is a key risk factor for harassment and discrimination. The Company has responded to that risk by launching the Interacting with Guests and Third Parties training, which is targeted at those employees who have the greatest exposure to guests and other third parties, as discussed in Section IV.E., Training and Guidance.

Second, the Company launched communications campaigns that stressed the importance of speaking up and that included statements from leadership at both the property and corporate level. See also Section IV.A., Culture of Compliance and Conduct at the Top. In addition to creating print and digital displays that can be viewed throughout Back of House and in employee dining areas, over the last few years, the Company has also produced videos where senior leaders emphasize their support for Wynn’s speak up culture. During Phase V, the Company produced a video where department VPs in Las Vegas jointly messaged about the importance of speaking up. Including messages from both senior leaders and department leaders addresses not only the Monitor Team’s Baseline Recommendation that property leadership visibly support speak up culture but also the need for managers and supervisors to understand the importance of embracing and promoting that culture. Such communications campaigns help to demonstrate that the Company is taking ownership to grow these campaigns to meet the needs of its employees.

Third, the Company invested in multiple ways to make its ER counselors available and visible to front-line employees. At the time of the Baseline Assessment, employees raised concerns to the Monitor Team through focus groups and surveys regarding the availability of ER personnel, particularly to employees who work overnight. The Company has since updated the signage around the ER windows at both properties to highlight the available reporting channels, including the hotline, through which employees may submit their concerns outside of the ER window’s hours. Crucially, the Company has also found opportunities for front-line employees to meet the ER counselors before issues arise. Counselors have attended and presented at hundreds of pre-shifts across both properties. Counselors have also attended compliance Pop Up Events where employees have the opportunity to win prizes for answering questions about key policies.

Fourth, the Company has incorporated reminders on the importance of speaking up and the available reporting channels into WeShifts, whether through direct messages from senior management or by providing relevant contact information for the Company's reporting channel. See Section IV.E., Training and Guidance.

Fifth, the Company continues to make all of its policies available on The Wire and to obtain employee acknowledgements of policy updates through that online interface. During the last Phase, the Company made certain core policies available for review on The Wire in Spanish and Chinese. This improvement goes toward the concerns regarding the accessibility of the policies that the Monitor Team heard directly from employees during focus groups. See Section IV.E., Training and Guidance.

The Company plans to conduct engagement surveys and focus groups going forward and should continue to use these initiatives to gather data regarding the effectiveness of its reporting channels and its communications regarding the importance of speaking up.

All of these communication initiatives demonstrate the Company's commitment and ability to enhance its program by responding to issues identified through monitoring, including from employee feedback. The Monitor Team understands that the Company will continue these practices going forward.

b. Investigation Policy and Practice

At the time of the Baseline Assessment, the Company's Investigation Policy provided only a high-level overview for how the Company should conduct investigations. The Company also followed property-specific investigation checklists that were inconsistent with one another and lacked detail. As the Monitor Team observed at the time, these checklists "lack[ed] detail and [did] not provide adequate guidance to ensure a comprehensive and consistent review of each complaint, which risk[ed] undermining the uniformity of approach in investigations leading to inconsistent results, both within and between properties." Baseline Assessment at 83. Since then, the Company has launched an updated Investigations Policy that not only memorializes pre-existing investigative practices at the Company and addresses the Monitor Team's specific Recommendations stemming from the Baseline Assessment, as discussed in further detail below, but that also serves as a helpful resource to the ER counselors responsible for investigations on a day-to-day basis. Interviews conducted during the last Phase of review confirmed that both counselors and their supervisors and managers keep the policy ready in their offices to address questions on procedure. In addition, both properties in North America have now implemented a single investigation checklist that is intended to ensure that investigations are compliant with the policy.

i. Report Intake and Routing

The Investigations Policy in place at the time of the Baseline Assessment was silent as to the intake and routing of complaints. As the Monitor Team explained, "it is critical that the Company define and formalize clear intake and routing procedures to avoid inefficiency, the risk of delayed responses, and mishandling of issues due to a complaint being routed to personnel lacking relevant experience or with a potential interest or conflict in the matter being investigated. This approach also risks creating a diffusion of responsibility" - one of the concerns highlighted by the facts underpinning the MGC's Decision and Order. Baseline Assessment at 80. By contrast, the revised policy outlines a detailed process to be followed, starting from when a report is received, to the assignment of a case lead, avoiding conflicts of interest, and routing complaints against senior leaders.

The Investigations Policy acknowledges that reporters may raise compliance concerns to Company personnel, including supervisors, ER, Wynn in-house counsel, or other executives and individuals named in the Code and Preventing Harassment and Discrimination Policy, or through the hotline. The Policy then sets out complaint intake steps to be followed depending on the complaint recipient. The Company has also worked with the vendor operating its hotline to ensure that complaints against individuals who would normally receive copies of complaints from the hotline do not get routed to those same individuals. Over the course of the Monitorship, there have been a handful of instances where complaints to the hotline have been improperly routed but the Company has remediated the issues that led to improper sharing of complaints, including by communicating conflict of interest rules to the vendor. During Phase V, one of the Monitor Team's test reports made through the hotline was improperly sent to the complaint's alleged wrongdoer due to the hotline operator misspelling the alleged wrongdoer's name. Although the reporting channel did not execute properly, another employee on the recipient list realized the oversight and quickly manually changed access settings to restrict the named individual from viewing the complaint. The Company responded to the issue with appropriate concern and the Monitor Team understands that the Company is working to mitigate the risk of this issue recurring directly with the vendor. Outside of the test report, the Monitor Team did not observe improper routing of complaints and, notably, in connection with two investigations into senior leaders, observed appropriate, independent investigations.

The Investigations Policy goes on to set out objective criteria for the assignment of a case lead, including by providing a list of the types of allegations each department is responsible for investigating, from ER to Security, Global Compliance, Internal Audit/Finance, and Information Security, and providing a process to address potential conflicts of interest. The Company has updated this guidance since it was initially launched, and the Monitor Team expects that the Company will continue to update it if further questions arise regarding the assigned investigating department. These routing processes are critical to ensuring the appropriate department takes responsibility and conducts an effective and prompt investigation.

The Policy further requires bi-weekly reporting on allegations of sexual harassment, sexual assault, or other sexual misconduct to the WRL GC, each property GC, and outside employment counsel, and quarterly reporting of all discrimination or harassment complaints to the Compliance Committee. As noted in Section IV.I., Monitoring and Testing and in the Baseline Assessment, the Monitor Team expressed concerns that this practice was unduly burdensome and overly focused on individual cases rather than property- and Company-wide trends. The Monitor Team has observed changes to the formats and content of these reports, including sharing more data with the Compliance Committee to address requests from that body regarding investigation trends. Based on interviews conducted during Phase V, including with senior corporate leadership, the Monitor Team expects that the Company will continue to evaluate the effectiveness and content of these reports.

Finally, and critically, when allegations are made against Wynn Resorts Executive Officers, the Policy requires notification to the Chair of the Board, Chair of the Audit Committee, the Compliance Committee, and the WRL GC, who in turn must engage outside counsel. If the complaint is against the WRL GC or CGCO, the Policy sets out a process to avoid that conflict of interest and requires the engagement of outside counsel. These changes address concerns identified by the Monitor Team in prior Phases of review.

All of these intake and routing procedures have significantly enhanced the effectiveness of the policy by ensuring that investigations are conducted appropriately and without influence or the perception of influence from alleged wrongdoers.

ii. Investigation Process

At the time of the Baseline Assessment, the Investigation Policy and related checklists lacked adequate guidance to ensure a comprehensive and consistent review of each complaint. In particular, the Monitor Team observed that the Investigations Policy lacked substantive guidance on investigative steps. The updated Investigations Policy, and the related trainings attended by investigators, have addressed these concerns.

The Policy now provides detailed guidelines to investigators, starting by setting out a reasonable time frame for case completion. The Policy then walks through key investigations steps, from interviewing the complainant, witnesses, and the respondent to identifying and maintaining relevant documentation. While the Monitor Team previously raised concerns regarding overreliance on surveillance and a lack of willingness to make credibility determinations, the policy explicitly discusses the importance of assessing the credibility of individuals and any documentary evidence. Moreover, the Monitor Team's observation of case review meetings and review of case files supports the conclusion that investigators are following these steps and appropriately weighing the evidence, whether documentary or otherwise, rather than failing to substantiate claims because of a discomfort with making credibility determinations.

During Phase V, the Company further revised the policy to allow deviations from the investigation guidelines "under the guidance of the Wynn Resorts' General Counsel." The Monitor Team understands that this change will provide investigators with appropriate flexibility to deal with cases that may appropriately require departures from the prescribed guidance. For example, cases may understandably close outside of the recommended timeline due to the number and availability of witnesses. This revision acknowledges the realities of conducting investigations while still bringing discipline to the process in requiring guidance from in-house counsel.

The policy further advises investigators that they must determine whether allegations have been substantiated and, importantly, if a policy has been violated. The policy sets out the standard for substantiation as "whether the case lead reasonably and in good faith, based on the guidelines set forth herein, believes that the respondent engaged in the conduct and it was a violation of company policy." At the time of the Baseline Assessment, the investigation files reviewed did not clearly tie conclusions to relevant policies, which can lead to confusion regarding appropriate remediation. Today, the files follow the process set out in the policy.

iii. Case Closure

At the time of the Baseline Assessment, employees expressed to the Monitor Team their frustration with a lack of transparency at the end of an investigation. The Investigation Policy now provides guidance and templates regarding communications to the complainant and the respondent, with the content of those communications differing depending on whether the allegations are substantiated. Moreover, the Monitor Team interviewed employees, including senior personnel, in Boston and Las Vegas who were involved as reporters and respondents in investigations and both reported satisfaction and comfort with how the Company recently conducted and closed out the investigations.

During Phase V, the Company revised the policy to allow for a "[c]losure memo, or other documented resolution, such as an email or record of conversation, to the complainant and respondent, unless either is a third party." The Monitor Team understands that this change would allow investigators to close out investigations without using the template closure forms in circumstances where those

standard communications may not be necessary or appropriate and a documented conversation would meet the closure needs. The policy also requires follow-up with the complainant no sooner than 60 days following case closure. Although complainants and respondents may both hope to learn further information during and after an investigation, these policy revisions meet the need for appropriate transparency, weighed against the need to maintain confidentiality during the course of an investigation.

iv. Training

The Company has continued to increase its focus on developing the investigation skills of its personnel. In February 2022, the Company developed and rolled out training for investigators based on the updated Investigations Policy. The Company has continued to provide this training to new Relations counselors who have been onboarded since that time. In addition, ER counselors at both properties have attended investigations trainings conducted by third parties.

The standing case review meetings also provide an opportunity for informal training and continuous improvement. The Monitor Team has observed case review meetings conducted by the Las Vegas and Boston teams monthly, since 2022. These meetings provide opportunities for counselors to ask questions of their supervisors and in-house counsel while investigations are ongoing and to receive in-the-moment feedback on the process.

The Monitor Team learned during Phase V that Security and Legal in Las Vegas have been holding meetings to talk through the legal aspect of investigation circumstances that Security might face and to provide an opportunity for Security to ask questions of the property counsel. These meetings, like case reviews, provide an opportunity to address potential issues in the moment and address questions from the employees who are responsible for implementing the investigation process.

c. Use of Retractions, Mandatory Arbitration Provisions, and Gag Orders

At the time of the Baseline Assessment, the Company had already implemented changes to its settlement, separation, and arbitration agreement templates and related policies, as discussed in Section IV.J., Controls Environment. First, the Company's Permitted Disclosures Policy provides that employment agreements, or employment-related confidentiality or non-disparagement agreements, do not prohibit employees from, among other things, filing charges or complaints with federal, state, or local government agencies or participating in any actions or investigations conducted by those agencies. The current separation and release templates likewise state that they do "not limit any party's right to file an administrative charge or participate in an investigative proceeding of any federal, state or local government agency tasked with enforcing employment-related laws, . . . but does operate as a waiver of any personal recovery if related to the claims released herein." Second, EBH's standard arbitration agreement allows employees to opt out of arbitration, explaining that arbitration is not a mandatory condition of employment.

The current settlement agreement template includes confidentiality and anti-disparagement clauses. Notably, if the claim being settled is for sexual harassment, discrimination on the basis of sex or retaliation on the basis of sex, the template strikes the requirement to keep "any of the matters raised by this Agreement" confidential and instead requires only that "this Agreement" be kept confidential. Similarly, "if the settlement is for a civil or administrative action involving a claim of sexual harassment, discrimination on the basis of sex or retaliation on the basis of sex," then "Nothing in this Agreement is intended to prohibit (Employee/Plaintiff/Charging Party) from disclosing any of the underlying factual allegations of the (Lawsuit/Charge) with any person."

G. Incentives and Discipline

Since the Baseline Assessment, the Company has made significant strides in its efforts to incentivize HRCF-compliant behavior and to take appropriate enforcement and disciplinary action when misconduct occurs. At the time of the Baseline Assessment, the Monitor Team observed a historic absence of performance management processes for managers and senior leaders and structures that would promote compliant behavior for front-line employees. The Monitor Team further identified gaps in disciplinary procedures and guidance. To that end, the Company issued a total of four Recommendations throughout the course of the Monitorship. Today, the Company has piloted its first performance management program among its leadership, found creative opportunities for ER staff and Company leaders to speak with and educate employees about compliance, and enhanced existing programs and policies to ensure consistent discipline.

1. Compliance Guidance

The Decision and Order tasks the Monitor Team with reviewing and evaluating all policies and organizational changes adopted by the Company and reporting “on the effectiveness of the Company’s policies, practices and programs.” Decision and Order at 50–51. Programs designed to incentivize compliance with the HRCF and empower the Company to take appropriate enforcement disciplinary actions help ensure the integrity and effectiveness of the HRCF. Indeed, in assessing the suitability of a licensee, the Commission looks to an applicant’s character, which is conceived to be “the sum of total of an individual’s attributes, the thread of intention, good or bad, that weaves its way through the experiences of a lifetime.” *Id.* at 15. To this end, the Commission will “judge a [person’s] character by evaluating his words and deeds as they appear from the testimony and from all of the evidence in the record” focusing “particularly on those attributes of trustworthiness, honesty, integrity and candor.” *Id.*

Thus, an effective HRCF must contain appropriate incentive and disciplinary systems and structures so that companies can adequately assess their employees’ compliance with the companies’ standards, as well as federal and state laws, that govern employee behavior. Among those standards are laws barring sexual harassment and discrimination based on an individual’s status as a member of a protected class.

The EEOC 1999 Guidance: Vicarious Employer Liability for Unlawful Harassment by Supervisors states:

an employer should make clear that it will undertake immediate and appropriate corrective action, including discipline, whenever it determines that harassment has occurred in violation of the employer’s policy [D]isciplinary measures should be proportional to the seriousness of the offense. If the harassment was minor, such as a small number of “off-color” remarks by an individual with no prior history of similar misconduct, then counseling and an oral warning might be all that is necessary. On the other hand, if the harassment was severe or persistent, then suspension or discharge may be appropriate.

EEOC 1999 Guidance.

The EEOC 2016 Report provides additional guidance, and states:

An employer that has an effective anti-harassment program, including an effective and safe reporting system, a thorough workplace investigation system, and proportionate corrective actions, communicates to employees by those measures that the employer takes harassment seriously. This in turn means that more employees will be likely to complain if they experience harassment or report harassment they observe, such that the employer may deal with such incidents more effectively. This creates a positive cycle that can ultimately reduce the amount of harassment that occurs in a workplace.

EEOC 2016 Report at 34 (emphasis added). The 2016 Report also states:

Employers should ensure that where harassment is found to have occurred, discipline is prompt and proportionate to the severity of the infraction. In addition, employers should ensure that where harassment is found to have occurred, discipline is consistent, and does not give (or create the appearance of) undue favor to any particular employee.

Id. at 37. The Report goes on to state: “[w]ith regard to individuals who engage in harassment, accountability means being held responsible for those actions,” “[w]ith regard to mid-level managers and front-line supervisors, accountability means that such individuals are held responsible for monitoring and stopping harassment by those they supervise and manage,” and “[a]ccountability also includes reward systems.” *Id.* at 34–35.

The MCAD Sexual Harassment Guidelines adds “if the employer concludes that sexual harassment has occurred, the employer must take prompt and appropriate remedial action designed to end the offending conduct and prevent future harassing conduct.” Guidelines on 151B at 12.

The DOJ has issued relevant guidance as well, emphasizing the role that incentives and discipline play in an organization’s compliance program. For example, the DOJ encourages its prosecutors to assess:

- ▶ Whether a company has “clear consequence management procedures . . . in place” that it enforces “consistently across the organization, and ensures that the procedures are commensurate with the violations.” Evaluation of Corporate Compliance Programs at 12.
- ▶ “[T]he extent to which the company’s communications convey to its employees that unethical conduct will not be tolerated and will bring swift consequences, regardless of the position or title of the employee who engages in the conduct. See U.S.S.G. § 8B2.1(b)(5)(C).” *Id.*

When evaluating a company’s incentives system specifically, prosecutors are guided to ask:

- ▶ “Has the company considered the impact of its financial rewards and other incentives on compliance?”
- ▶ “How does the company incentivize compliance and ethical behavior?”
- ▶ “Have there been specific examples of actions taken (e.g., promotions or awards denied, compensation recouped or deferred compensation cancelled) as a result of compliance and ethics considerations?”

- ▶ “Who determines the compensation, including bonuses, as well as discipline and promotion of compliance personnel?”

Id. at 13–14, 17.

2. *Assessment*

Based on interviews conducted and documentation reviewed since the Baseline Assessment, the Monitor Team considers that the Company’s approach to incentives and discipline has progressed, and that the Company has demonstrated a sincere commitment to continuing to implement appropriate systems of incentives and discipline beyond the term of the Monitorship.

a. *Incentives*

The Company’s approach to incentivizing compliance has significantly matured since the Baseline Assessment. The Company has not only piloted new programs and enhanced existing policies but has also looked for ways to introduce compliance incentives into employee interactions. These efforts demonstrate how the HRCP has become embedded in Company culture.

i. *Performance Management Program*

At the time of the Baseline Assessment, the Company planned to introduce a performance management system and to develop a compensation philosophy that would address, among other things, HRCP-relevant behavior. As the Monitor Team has emphasized in the past, the DOJ has highlighted the use of “positive incentives” to drive compliance, such as “promotions, rewards, and bonuses for improving and developing a compliance program or demonstrating ethical leadership,” and has noted that some companies have even “made compliance a significant metric for management bonuses” and/or have “made working on compliance a means of career advancement.” Evaluation of Corporate Compliance Programs at 13. A formal performance management program provides one mechanism for a Company to document compliance metrics.

Although the Company’s efforts to launch a formal evaluation program were slowed during the pandemic, during Phase IV, the Company piloted a performance management process for high-level management. Eligible employees were evaluated on five goals, including the ability to exhibit the Company’s culture and values and “behavioral performance,” which included collaboration and leadership (other goals were financial performance, financial influence, and employee engagement). On each goal, employees were rated on a 1-3 scale and managers were then given the opportunity to provide narrative feedback on strengths and accomplishments, and areas needing improvement.

During Phase V, the Company also tested a 360-degree review process in which twenty-three employees across North American properties were reviewed. Interviewees expressed to the Monitor Team that they found the 360-degree reviews generally helpful. The Company has solicited feedback from employees regarding both of these evaluation pilots and has committed to continuing to do so in the future to assist the Company in evaluating the initiatives’ effectiveness as performance management tools. The Monitor Team understands that the Company is committed to continuing to assess these programs and whether and how they can be leveraged to incentivize HRCP-compliant behavior.

ii. *Surveys and Focus Groups*

During the Baseline Assessment period, the Company emphasized its participation in the Great Places to Work survey as a tool to evaluate the health of its HRCP. At the time, the Monitor Team

warned against overreliance on the survey, which was not designed to detect discrimination, harassment, and other HRCP issues and did not include metrics to evaluate issues such as the effectiveness of trainings, employee understanding of what constitutes discrimination and harassment, and retaliation concerns.

In the intervening years, the Company has developed and distributed engagement surveys and conducted focus groups. These efforts have yielded more reliable indicators than Great Places to Work for evaluating not only the effectiveness of the HRCP but also management's commitment to incentivize compliance and a speak up culture. Executive leadership has taken an active role in evaluating these results and in communicating with senior management when results fall below expectations. The Company has demonstrated its commitment to compliance by not only investing the time and resources necessary to develop and conduct the surveys and focus groups but, importantly, also by using the results to communicate expectations back to management.

iii. Employee Recognition

First, the Company continues to recognize employees through the Company's monthly team member recognition program known as STARS. At the time of the Baseline Assessment, recognition was driven by outstanding service to Patrons and did not explicitly value compliance and ethical behavior among colleagues, although programs that reward excellent customer service are well-suited to reward HRCP-compliant behavior. The Company subsequently amended the Employee Recognition Program Policy, which governs STARS, to state that the program is "about recognizing those who consistently show up with a great attitude, work ethic and demonstrate excellence in their role, including but not limited to extraordinary guest service and teamwork and consistency excelling in the standards of behavior associated with our compliance policies."

Second, the Company's *In the Moment* Program encourages employees to "share a story about a time you or your coworker displayed [Wynn's] core values," with entrants offered the chance to win prizes including \$1,000, a stay at Wynn, or a trip to Disneyland. The program also allows leaders to reward employees with a raffle card if they are seen going above and beyond in client service, with raffle card drawings occurring during quarterly Pop Up Events and *In the Moment* program celebrations.

As the Monitor Team has emphasized in the past, the Company should continue to look for ways to reward employees who exemplify the Company's commitments under its Preventing Harassment and Discrimination Policy, including those who contribute "to creating a respectful, courteous work environment free of unlawful harassment or discrimination by any employee, volunteer, vendor, contractor, consultant, agent, guest, customer, or visitor." For example, an employee who ensures guests are treated with respect or an employee who steps in to de-escalate a situation between peers could and should be recognized by the Company.

iv. Employee Relations

At both EBH and WLV, Human Resources, and particularly ER, has embraced its role as an ambassador of the HRCP within the Company. As one member of the ER team said, they are not only expected to know the policies, but also to be "stewards" of the policies. This stewardship is clear in the efforts ER has made to get in front of employees and have positive interactions before a problem arises.

For example, HR has continued to hold compliance Pop Up Events, providing an opportunity for employees to win prizes for participating in events that highlight key HRCP policies. These events provide an opportunity for employees to not only meet key ER personnel but also members of senior

management. These events also allow the Company to showcase both the Company's policies and its general commitment to compliance at all levels within the Company.

In addition, ER counselors have increased the number of pre-shifts that they attend, appearing at hundreds of pre-shifts over the last year. The Monitor Team understands that when attending pre-shifts, ER counselors actively participate, taking the opportunity to highlight key policies and to set expectations for appropriate behavior. In case review meetings, the Monitor Team has observed how counselors apply lessons learned from investigations to pre-shifts and other communications with the department.

b. Discipline

At the time of the Baseline Assessment, the Monitor Team observed that existing policies and procedures, namely the Code of Business Conduct and Ethics, Preventing Harassment and Discrimination Policy, and Progressive Discipline and Performance Policy, could be enhanced to increase their effectiveness in ensuring appropriate enforcement and disciplinary action. Since the Baseline Assessment, all three of these key policies have been revised and relaunched in line with the Monitor Team's Recommendations, as described in Section IV.C., Policies and Procedures. Further, improvements to the Company's internal investigation process have created a strong foundation for ER to apply these policies and make disciplinary recommendations to management.

Changes to the Progressive Discipline and Performance Policy are of particular import to this hallmark. Interviews conducted during the Baseline Assessment demonstrated confusion "as to whether and what disciplinary decisions are actually made by department managers or by HR (including to the exclusion of manager input)." Baseline Assessment at 98. Further, investigative files demonstrated a largely bifurcated approach to discipline leading to either discipline or reinstatement with "little to no middle ground resolutions" involving training or coaching. *Id.* The Progressive Discipline and Performance Policy now addresses these opportunities for enhancement. First, the policy now makes explicit that ER provides "guidance to the departments to ensure consistency in discipline across the company" but that it is department managers and supervisors who "are responsible for ensuring that discipline is imposed impartially and consistently," with the department VP as the final decisionmaker in most cases. Progressive Discipline Policy at 4. The policy also places the responsibility for discipline involving employees at the department VP level or above with the property president, WRL CEO, or the Board. *Id.* Second, the policy now enumerates the range of appropriate discipline available to address misconduct, including two levels of written warnings (the lowest level, issued on a Counseling Notice form, and another that is referred to as a "last and final warning"), to suspension, to termination. *Id.* at 1-4.

During this Phase of review, the Monitor Team spoke with members of management and with the ER team, observed case review meetings conducted at EBH and WLW, and reviewed investigation case files. These monitoring activities highlighted that not only have the policies been amended but the prior confusion leading to the recommended changes has dissipated. The ER teams at both properties regularly recommend a range of discipline and do not hesitate to recommend termination when warranted. The teams also make an effort to ensure consistency in discipline across cases by discussing case and disciplinary action together, considering the outcome of similar prior cases into account, and conducting case review meetings with in-house counsel. And in turn, management is in regular conversation with ER to discuss and implement disciplinary recommendations.

H. Risk-Based Review

Risk assessments are an essential component of an effective compliance program. Following the Baseline Assessment, the Company developed, formalized, and consistently deployed risk assessment procedures designed to identify risks of sexual harassment and discrimination in the Company's operations. These processes are crucial to the Company's ongoing efforts to continue maintaining an effective and appropriately tailored HRCP.

1. Compliance Guidance

The EEOC's 2016 Task Force on the Study of Harassment in the Work Place advises that "[t]he first step for creating a holistic harassment prevention program is for the leadership of an organization to establish a culture of respect in which harassment is not tolerated," EEOC 2016 Report at 79, and suggests that one key step leadership must take "to effectuate and convey a sense of urgency and commitment" to preventing harassment is to assess harassment risk factors and to take steps to minimize those risks. *Id.* at 33. The EEOC 2016 Report provides a preliminary "roadmap" of the types of organizational factors or conditions that employers should assess to determine where within their organization harassment may be more likely to occur. Those factors include, but are not limited to:

- ▶ Workplaces where some employees do not conform to workplace norms;
- ▶ Cultural and language differences in the workplace;
- ▶ Young workers;
- ▶ Workplaces with "high value" employees;
- ▶ Workplaces with significant power disparities;
- ▶ Workplaces that rely on customer service or client satisfaction;
- ▶ Isolated workplaces; and
- ▶ Workplaces that tolerate or encourage alcohol consumption.

The EEOC 2016 Report advises, in addition, that "employers need to maintain 'situational awareness'" of the organizational conditions that exist in their specific workplace. *Id.* at 30.

Like the EEOC, the DOJ emphasizes that risk assessments must be the "starting point" for evaluating "whether a company has a well-designed compliance program . . . to understand the company's business from a commercial perspective, how the company has identified, assessed, and defined its risk profile, and the degree to which the program devotes appropriate scrutiny and resources to the spectrum of risks." Evaluation of Corporate Compliance Programs at 2. According to the DOJ, compliance programs should be "appropriately 'designed to detect [and prevent] the particular types of misconduct most likely to occur in a particular corporation's line of business' . . ." *Id.* Specific factors that companies should consider include "the location of its operations, the industry sector, . . . potential clients and business partners, . . . [and] use of third parties . . ." *Id.* In addition to conducting risk assessments, DOJ urges companies to tailor their compliance programs based on the risk assessment results and ensure "its criteria are 'periodically updated.'" *Id.* at 3.

2. Assessment

The Monitor considers that the Company has designed and implemented appropriate risk-based review procedures and has demonstrated a commitment to continuing its risk-based review efforts after the conclusion of the Monitorship.

During the Monitorship, the Company developed and implemented Internal Audit risk assessment procedures designed to identify HRCP-related risks in its operations and formalized existing physical security risk assessment processes intended to diagnose and mitigate risks of physical harm. This marks a notable shift from the time of the Baseline Assessment when the Monitor Team observed that the Company was not conducting formal HR risk assessments and did not have any processes in place to do so. In the intervening years, the Company has rolled out a comprehensive Internal Audit risk assessment process, which the Company has successfully conducted annually for the last four years, with additional enhancements layered into the risk assessment over time. In addition, the Security Department, which conducts its own physical risk assessments on an as-needed basis and reviews reporting data for trends on a monthly basis, has also added formality to its process by documenting the procedures for such assessments in the Event Safety & Planning Checklist for Wynn Events policy guidance. The Monitor Team commends the Company for its efforts in this space. These enhancements are critical components of a sustainable and effective HRCP. By establishing and formalizing these processes, the Company is poised to timely identify and address changes in its risk profile on an ongoing basis.

a. Internal Audit Risk Assessments

Since the Baseline Assessment, Internal Audit has adopted and repeatedly executed an HRCP risk assessment process designed to identify areas of risk in the Company's operations as well as year-over-year changes and trends in the results. The risk assessment process is undertaken at the direction of the Company's Audit Committee and Compliance Committee and is specifically "conducted to determine whether the policies and procedures Management has implemented provide an effective environment for the Company's [HRCP]." HRCP 2023 Risk Assessment at 1. The risk assessment process is based on a regulatory foundation that includes Title VII of the Civil Rights Act of 1964, guidance from the EEOC and DOJ, and regulations in Nevada and Massachusetts, as well as other states in which WSI operates. *Id.* at 1–3.

Internal Audit's HRCP Risk Assessment process involves both qualitative and quantitative components along with a bottom-up analysis of the particular risk profile for employee groups as it relates to sexual harassment and discrimination. During the risk assessment process, the Internal Audit team reviews HRCP-related desktop data (including on internal misconduct cases, settlements, and claims against the Company) and program developments and enhancements, observes certain HRCP-related meetings and events, including quarterly Compliance and Audit Committee meetings, and conducts walkthrough interviews with personnel with HRCP-related responsibilities. Ultimately, the HRCP Risk Assessment identifies changes to the Company's risk environment, including changes in the risks presented for specific groups of employees, and based on that information, risk ranks the Company's now-341 employee groups into "High," "Medium," and "Low" risk categories. The risk assessment results incorporate a trends analysis reflecting changes in risk ranking as compared to prior years.

The Monitor Team understands that the employee groups that receive a “High”-risk rating then become a focus for risk mitigation initiatives moving forward. Internal Audit presents the final result of each annual risk assessment to both the Compliance and Audit Committees.

In September 2023, Internal Audit completed its fourth annual HRCP Risk Assessment. Based on interviews, the Monitor Team understands that the Company will continue conducting its annual HRCP Risk Assessment and that the risk assessment remains in the Company’s audit plan. Through discussions with Internal Audit personnel, the Monitor Team is pleased to have observed that the HRCP Risk Assessment appears to now be embedded as not only a key component of the Company’s HRCP, but critically a fixture of Internal Audit’s annual testing activities. Interviewees expressed their support for the risk assessment process to the Monitor Team. This will be a crucial resource to the Company as the Company independently strives to continuously improve its HRCP.

b. Physical Security Risk Assessments

The Company’s Security Department is responsible for conducting risk assessments on which the Company’s physical security plans are primarily based. In the Baseline Assessment, the Monitor Team observed that while the Company’s Security Department was experienced in conducting such physical risk assessments, the procedures were not formally documented. The Monitor Team therefore recommended that the Company document the Security Department’s risk assessment procedures for identifying conditions that could expose employees to physical harm, including sexual assault. During the course of the Monitorship, the Security Department formalized its physical security risk assessment procedures and continued to carry out the assessments on a periodic basis.

As noted in prior reports, the physical security risk assessment procedures involve a physical inspection of both EBH and WLV properties, with a focus on new venues, and an analysis of trends arising from security incident reports logged in the Company’s security incident management tool, iTrack. During Phase V, Security Department leadership continued to emphasize the Company’s commitment to conducting physical risk assessments and implementing measures to mitigate the risks identified. The Security Department at EBH was able to share with the Monitor Team specific examples of actions taken in order to mitigate observed risks, and how learnings are shared among the properties. Given the sensitivity of physical security processes, the Monitor Team will not discuss those examples here. However, the Monitor considers that the examples provided reflect a keen understanding by the Security Department of where and how harassment and discrimination risks may present themselves and a sincere commitment to address those risks through focused training of Security personnel and investment in physical security measures designed to ensure employee and Patron safety. The Monitor Team commends the Company for its efforts to identify and mitigate potential threats.

I. Monitoring and Testing

At the start of the Monitorship, Wynn Resorts had systems in place for monitoring and testing regulatory compliance as required by its Compliance Plan but had not extended monitoring or testing efforts to HR procedures more broadly. Over the last four-and-a-half years, however, the Company has developed and implemented various monitoring procedures to assess the effectiveness of the overall HRCP and of specific program components. Central to these efforts is the annual HRCP Risk Assessment conducted by Internal Audit as part of its annual reporting, also discussed in Section IV.H., Risk-Based Review, above. The Company has undertaken various other efforts to monitor program components on an ongoing basis.

1. Compliance Guidance

In its 2016 Report, the EEOC states that “an organization must have *effective policies and procedures* and must conduct *effective trainings* on those policies and procedures.” EEOC 2016 Report at 33. Stressing the importance of monitoring and testing, EEOC add that “[s]uch systems must be periodically tested to ensure that they are effective.” *Id.* While the EEOC does not prescribe specific monitoring activities, the 2016 provides recommendations of what companies can do. For example, the EEOC recommends that companies conduct climate surveys “to assess the extent to which harassment is a problem in their organization,” *id.* at 37, and that they “periodically ‘test’ their reporting system to determine how well the system is working,” *id.* at 43, and to test the effectiveness of training. *Id.* at 33.

Similarly, DOJ Guidance highlights that “[o]ne hallmark of an effective compliance program is its capacity to improve and evolve.” Evaluation of Corporate Compliance Programs at 15. In evaluating compliance programs, the DOJ asks “whether the company has engaged in meaningful efforts to review its compliance program and ensure that it is not stale.” *Id.* Specifically, the DOJ considers whether a company has taken “reasonable steps” to ensure that its compliance policies and procedures are followed, “including monitoring and auditing” and periodically evaluating “the effectiveness of the organization’s program.” *Id.*

In its updated 2023 DOJ Guidance, the identifies four elements of effective monitoring: Internal Audit, Control Testing, Evolving Updates, and Culture of Compliance, and identifies specific questions that it asks when evaluating corporate compliance programs under these elements. For instance, the DOJ asks the process for determining where and how internal audit undertakes an audit and what the rationale is behind the process. *Id.* It also asks whether audit relevant findings and remediation are reported to management and the board on a regular basis and how management and the board have followed up. *Id.* at 15–16. In addition to monitoring, the DOJ expects companies to “review and adapt its compliance program based upon lessons learned” and to measure its culture of compliance based on “input from all levels” of the organization. *Id.* at 16.

2. Assessment

Based on interviews conducted and documentation reviewed during Phase V, the Monitor considers that the Company has designed and implemented appropriate monitoring and testing procedures and has demonstrated a commitment to sustaining its efforts beyond the term of the Monitorship.

Significantly building upon its pre-Monitorship efforts, today the Company operates cross-functional and layered monitoring processes that allow for both on-going and periodic assessment of the Company’s HRCP risk profile and of the effectiveness of the HRCP to address those risks. Internal Audit conducts an annual HRCP Risk Assessment and Program Assessment that tests all components of the HRCP. The Security Department has included HRCP risks into its own periodic physical security assessments. On an on-going basis, Legal, ER, and Security carry out various department-specific monitoring exercises, including by holding cross-functional meetings to review and discuss open investigations and cases. Together, these efforts have improved the Company’s ability to conduct more in-depth and nuanced analyses of risks, trends, and other information critical to evaluating whether the HRCP functions as intended.

a. Periodic Monitoring

During the course of the Monitorship, the Company has developed and implemented periodic and ongoing monitoring procedures that have significantly enhanced the Company's ability to evaluate formally the effectiveness of its HRCP generally and program components specifically. These procedures include: annual Internal Audit HRCP Risk Assessments, Security Department monitoring process, quarterly HRCP reports to the Compliance Committee, and biennial employee surveys and focus groups. The resources and time dedicated to these procedures reflect a sincere commitment by the Company to the continuing enhancement and maturing of the HRCP.

i. Annual Monitoring by Internal Audit

At the time of the Baseline Assessment, Internal Audit monitored only certain aspects of the Company's HRCP: InTouch Hotline Administration; staff training; payroll; procedures for updating, codifying, and disseminating the HR policies; and review of Company communications. Baseline Assessment at 106–07. At the time, Internal Audit sought to confirm that “what [the Company says] is happening is really happening,” but did not assess whether the HRCP effectively mitigated harassment and discrimination risks. *Id.* at 107. That is no longer the case.

Internal Audit has enhanced and matured its monitoring and testing procedures into a comprehensive HRCP Program Assessment that encompasses all components of the HRCP tested by the Monitor Team.²³ Rather than just confirm what is “really happening,” the Internal Audit process now seeks “to determine whether the policies and procedures Management has implemented provide an effective environment of the Company's [HRCP].” HRCP 2023 Risk Assessment at 1. To that end, Internal Audit evaluates the current design of the HRCP against applicable regulatory guidance,²⁴ including guidance from the EEOC and DOJ relied upon by the Monitor Team in its reports.

The assessment process carried out by Internal Audit is comprehensive, risk-based, and in line with audit procedures commonly used by companies to monitor and test key internal controls. The Wynn Resorts Internal Audit process begins with a review of the Company's policy framework, focusing on “how the Company addresses various environment risks” and how those policies are “reviewed and amended or supplemented with new policies and as part of a continuous Company process.” HRCP 2023 Risk Assessment at 5. Internal Audit also relies on steps taken by the Company itself to evaluate the effectiveness of the HRCP. For example, the HRCP 2023 Risk Assessment notes that the Company has instituted various self-assessment procedures to monitor and assess the effectiveness of the Program on an on-going basis. *Id.* at 6. Those self-assessment procedures have been incorporated into the HRCP methodologies employed by Internal Audit. During the HRCP testing, Internal Audit also holds meetings with key Company stakeholders to confirm its understanding of the implementation of applicable policies and to verify risk factors. *Id.* at 17. Internal Audit also participates in “monthly and quarterly

²³ (1) Culture of Compliance and Conduct at the Top; (2) Authority, Oversight, and Independence; (3) Policies and Procedures; (4) Third Party Relationships; (5) Training and Guidance; (6) Internal Reporting and Investigation; (7) Incentives and Discipline; (8) Risk Based Reviews; (9) Monitoring and Testing; and (10) Controls Environment.

²⁴ Title VII of the Civil Rights Act of 1964; U.S. Equal Employment Opportunity Commission: June 2016—Select Force on the Study of Harassment in the Workplace; U.S. Department of Justice: June 2020—Evaluation of Corporate Compliance Programs (Updated March 2023); Nevada Gaming Commission (“NGC”) Regulations 5.250; MCAD; and various state laws applicable to Wynn Sports Interactive (NJ, CO, MI, VA, IN, TN, AZ, NY, LA, W. VA).

compliance, financial, and other operations meetings” and observes “general corporate ‘culture’ or ‘tone at the top’ on a variety of subjects, which includes certain HR topics.” *Id.*

In Phase V, in addition to reviewing the HRCP 2023 Risk Assessment report, the Monitor Team also reviewed Internal Audit workpapers, which gave the Monitor Team visibility into the breadth and scope of the Internal Audit review. The reviewed papers reflect an audit trail designed to test compliance with all components of the HRCP. Given the importance of monitoring procedures, the Monitor Team summarizes key observations below:

- ▶ **Policies and Procedures:** Internal Audit workpapers identify all HRCP policies in place at EBH and WLV and reflect Internal Audit testing to ensure that all effective policies appeared on the EBH and WLV wires.²⁵ The HRCP 2023 Risk Assessment identified three policies included in the WLV Wire that were not included in the EBH Wire and recommended correction. The three policies identified were Employee Patronization, Personal Safety, and Safety Button. All three policies have been reviewed and tailored to EBH’s ways of working and added to the EBH Wire.
- ▶ **Training and Guidance:** Internal Audit workpapers reflect a comprehensive review of all formal training and communication activities undertaken by the Company at each business unit (EBH, WLV, WRL, and WDD). Each activity (e.g., Employee Communication, Annual Training) is identified by a control reference identifier and identifies the control testing activity that Internal Audit carries out. The HRCP 2023 Risk Assessment contains training completion rates by property and by department, as of the date of the report and evidence of communications sent to Directors and above reminding them that, “As previously communicated, any team members who did not complete their annual compliance trainings by [the deadline] are to be placed on ‘suspension’ . . . pending completion of their training.” The HRCP 2023 Risk Assessment also summarizes all planned HRCP communications and evidence identified that the communication was implemented as planned. Finally, the HRCP 2023 Risk Assessment reflects confirmation by Internal Audit samples files of new hires at both properties to ensure that they have completed all New Hire Orientation training related to the HRCP as well as received and acknowledged HRCP policies, such as the Code of Business Conduct and Ethics and the Preventing Harassment and Discrimination Policy.
- ▶ **Third Party Relationships:** Wynn has implemented three key controls to mitigate harassment and discrimination risks posed by third parties, including Patrons: (1) issuing safety buttons to guest-facing employees in high-risk positions; (2) enhancing vendor onboarding by including “material derogatory information” in EBH and WLV vendor background checks;²⁶ and (3) ensuring that all vendors receive the Company’s Preventing Harassment and Discrimination Policy. Internal Audit tested each of these controls at both properties and identified no gaps in 2023.
- ▶ **Monitoring and Testing:** As noted above, during Phase V, the Company implemented self-assessment procedures that allow it to monitor and assess the HRCP on an ongoing basis. Internal Audit identified thirteen separate monitoring controls implemented by management across EBH and WLV in addition to the Risk Assessment and Program

²⁵ Per interviews and the 2023 Risk Assessment, the WLV wire includes WRL.

²⁶ [REDACTED]

assessments conducted by Internal Audit. The Monitor Team will discuss those controls separately below but summarizes them here for completeness: (1) EBH compliance training completion reporting; (2) WLV compliance training completion reporting; (3) monthly policy review meetings and updates; (4) EBH employee focus groups; (5) WLV employee focus groups; (6) EBH annual employee communication plan execution; (7) WLV annual employee communication plan execution; (8) EBH ER SH&SA Investigation Case File Checklist; (9) WLV ER SH&SA Investigation Case File Checklist; (10) EBH settlement approval form; (11) WLV settlement approval form; (12) WRL Compliance Committee – Quarterly Reporting; and (13) WRL Audit Committee – Quarterly Reporting.

- ▶ Internal Reporting and Investigations: Internal Audit’s Program Assessment tests critical aspects of the Company’s Internal Reporting and Investigations policy and procedures. Through a sampling of files, Internal Audit conducts the following tests:
 - Anonymous Complaints (Test 1): Internal Audit tests the intake and handling of anonymous complaints, including confirming that the case lead informs a complainant (if possible) that the Company will keep their identity from being determined, but that it might become apparent in the course of the investigation and that full confidentiality may not be assured.
 - Wynn Resorts Executive Officers (Test 2): Internal Audit tests compliance with all sections of the Company’s Board and Management Communications Policy, which requires implementation of specific procedures when the Company receives a complaint against a Wynn Resorts’ Executive “that might jeopardize the reputation of the company, including but not limited to allegations of sexual, financial or other misconduct.”
 - Case File Records (Test 3): Internal Audit tests that each investigation file contains the required documentation. Notably, the results of this test in 2023 resulted in immediate modification of how the Company manages case closures. As noted in Section IV.F., Internal Reporting and Investigation, the Monitor Team has reviewed the modified procedures and considers the new procedure to be appropriate and better suited for the Company’s operations.
 - Investigation Guidelines (Test 4): Under Test 4, Internal Audit tests the timeframe within which investigations are conducted and whether case leads follow up with the complainant following investigation closure. In the Baseline Assessment, the Monitor Team reported that while the Company strived for timely response to complaints, investigations generally took longer than the Company preferred. Focus group feedback at the time, reflected frustration from employees, which, if left unaddressed, could have impacted employee trust in the investigation process. The Monitor Team, therefore, considers Test 4 to be an important monitoring tool to help the Company continue to evaluate its efforts and progress on ensuring timely responses to employee complaints. At the same time, as noted in Section IV.F., Internal Reporting and Investigation, the Monitor Team notes that the Investigations Policy has been amended to allow deviations from the policy under the guidance of the WRL GC. The Monitor Team understands from interviews that in some cases, the timeframes set out in the Investigations Policy may be unreasonable. The Monitor Team observes that requiring

consultation with in-house counsel on this point provides a good check on this amendment.

- Notice of Reportable Claims (Test 5): The Company’s investigation procedures require reporting to Security of all claims of sexual harassment and sexual misconduct by third parties on the premises. That report triggers immediate logging of the incident in iTrack and ensures that Legal, ER, and property level Executives receive the report within 48 hours of the Complaint. Internal Audit tests compliance with those reporting requirements and tests the accuracy of the classification of reports.
- Independent Investigation (Test 6): To be effective, an investigation must be independent. To that end, the Company’s investigation procedures require that the Lead Investigator be independent from the Charged Party or the Charged Party’s Department. Internal Audit reviews case files to ensure compliance with this requirement. Given the events leading up to the Monitorship, as well as observations made by the Monitor Team in our Phase IV Report, testing for independence in investigations must be considered a critical control for Internal Audit.

Overall, the Monitor considers that the monitoring and testing conducted by Internal Audit is appropriately designed to test the effectiveness of the HRCPP and of its component parts and is essential to ensuring the sustainability of the HRCPP itself. Importantly, based on interviews and careful review of the HRCPP Internal Audit plan and workpapers, the Monitor is confident that this critical element of the HRCPP is fully embedded in the Company’s processes. Moreover, through interviews with the Monitor Team, Board members, Compliance Committee members, and Executive Leadership have all expressed strong support for the Internal Audit process and an appreciation for the value of the information provided by the HRCPP Risk Assessment and HRCPP Program Assessment. Indeed, the Internal Audit lead told the Monitor that “Management has always been behind internal audit” and reported full cooperation across the Company on requests related to the HRCPP Risk Assessment.

ii. Periodic Monitoring by ER

There is no more direct way to monitor and test the effectiveness of the HRCPP than through the feedback of the employees who it is designed to protect. At the start of the Monitorship, the Monitor Team conducted surveys and focus groups at EBH and WLV designed to gauge employee understanding and perceptions of the various components of the HRCPP. Since then, ER has continued those efforts by holding seventeen employee focus groups at EBH and twelve at WLV to assess employee perception of Culture of Compliance, policies and procedures, internal reporting, and Wynn’s overall response to issues of harassment and discrimination.

As reported in our Phase IV report, the Company conducted focus groups in May 2022 and again in May 2023. The Monitor Team reviewed the focus group plans, questions, memorandum to Company leaders, and the results of the focus groups. The Monitor considers that the design and implementation of the surveys and focus groups are appropriately scoped to obtain employee feedback on the HRCPP components most relevant to the Company’s assessment of the effectiveness of the employee-facing elements of the HRCPP, including commitment by the organization to respond to issues of sexual harassment and discrimination.

In addition to obtaining employee feedback from focus groups, in exit interview questionnaires the Company asks exiting employees their level of agreement (from strongly disagree to strongly agree) with the following statements:

- ▶ If I had questions or concerns, I felt comfortable speaking with my immediate supervisor
- ▶ If I had questions or concerns, I felt comfortable speaking with upper management
- ▶ If I had questions or concerns, I felt comfortable speaking with my Human Resources
- ▶ If believed I was being harassed or discriminated against, I was knowledgeable of the process for reporting those concerns
- ▶ Employee problems and complaints were resolved fairly and promptly

The Monitor Team reviewed responses from twenty exiting employees (ten from EBH and ten from WLV). Of all responses, only one employee registered disagreement (in response to the question regarding fair and prompt resolution of complaints). The enhancement to the exit interviews will serve as an important monitoring tool and reflect the Company’s creativity in leveraging existing processes to enhance the HRCP.

b. Ongoing Monitoring

In addition to the periodic monitoring and testing conducted by Internal Audit and Security, other areas of the Company have developed and implemented their own monitoring procedures. Those efforts indicate increasing maturity of the HRCP as well as ownership and accountability by areas of the Company responsible for driving the success of the HRCP.

i. Employee Relations

As the primary owners of the HRCP, ER plays a critical role in the long-term success of the HRCP, not only through continued implementation of the Program components, but also through the continued monitoring and enhancement of those components. At the time of the Baseline Assessment, ER monitoring efforts focused primarily on review of sexual harassment and discrimination complaints to ensure immediate reporting to Legal and external counsel and on monitoring the completion of the Company’s annual trainings. ER also periodically conducted culture surveys through *Great Places to Work*. Since the Baseline Assessment, ER has deepened its monitoring efforts of those areas and broadened its monitoring efforts to cover other components of the HRCP.

(a) Monitoring of Sexual Harassment and Discrimination Allegations

Since the Baseline Assessment, ER has significantly enhanced its monitoring of sexual harassment and discrimination allegations, supplementing its practice of submitting weekly reports of all sexual harassment allegations for review by the GC with the aggregation of data that allows for analysis of trends across a variety of categories.

In the Baseline Assessment, the Monitor Team commended the Company for the attention it provided to sexual harassment allegations but questioned “whether the burden placed on HR by the weekly reports jeopardizes the sustainability of this monitoring exercise.” Baseline Assessment at 104. The Monitor Team recommended that the Company consider streamlining the escalation of sexual harassment claims to the GC and focus on developing “a monitoring protocol that will facilitate identification of data and trends.” Baseline Assessment at 105.

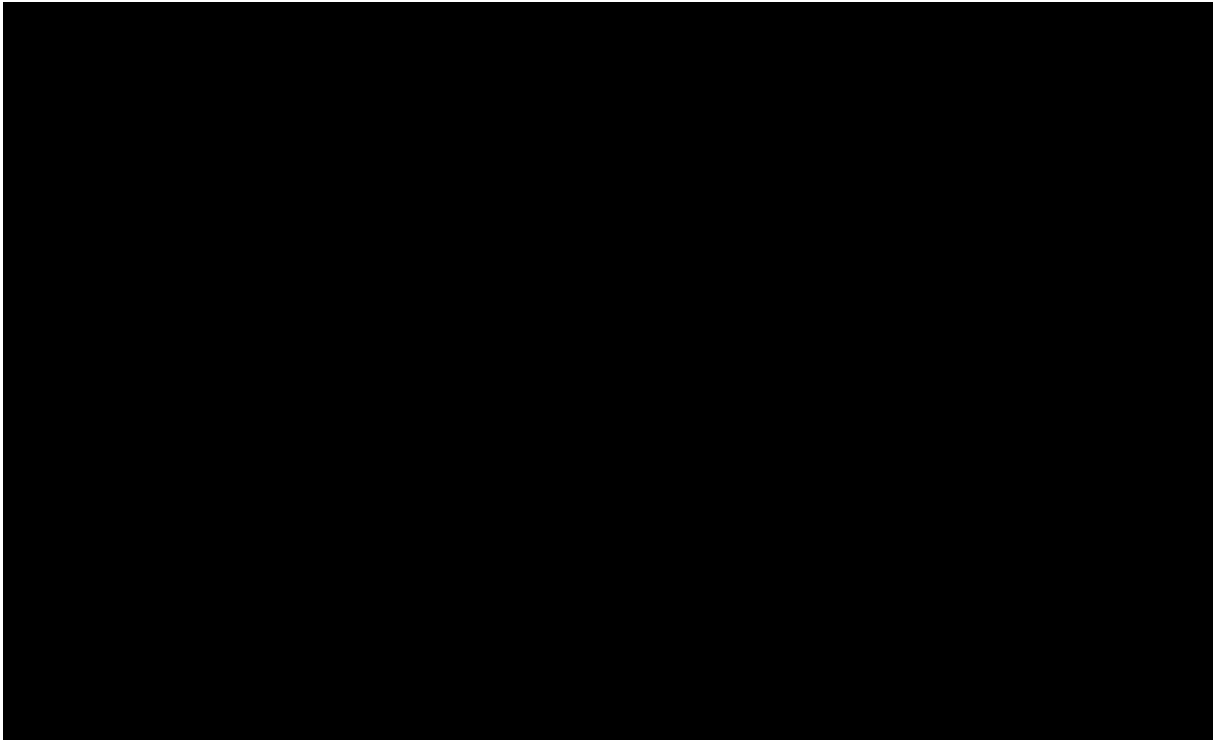
Since the Baseline Assessment and as discussed above in Section IV.F., Internal Reporting and Investigation, ER continues its practice of submitting bi-weekly reports to the WRL GC, in addition to the

quarterly reports submitted to the Compliance Committee. Indeed, under the Investigations Policy, allegations of sexual harassment, sexual assault, or other misconduct must be reported on a bi-weekly basis to not only the WRL GC but also to the relevant property GC, and outside employment counsel. Through interviews and ongoing observation of the reporting practice, the Monitor Team’s concerns as expressed in the Baseline Assessment have been alleviated. ER has refined its reporting process and interviews conducted with management and the Compliance Committee indicate that the Company continues to consider these reporting obligations in a way that demonstrates a risk-based approach.

ER has developed a monitoring protocol consistent with the Monitor Team’s expectations and Baseline Recommendations—namely, monitoring that facilitates identification of Company- and property-wide data and trends and allows the Company to look beyond individual cases to trends and patterns that could signal programmatic issues that warrant review and remediation. ER now includes those trends reports in its quarterly submissions to the Compliance Committee. For example, the report submitted to the Compliance Committee for the First Quarter of 2024 includes data showing the number of cases reported at EBH related to Sexual Assault, Sexual Harassment, Sexual Misconduct, and Harassment/Discrimination/Retaliation over three quarters:



Similar data was provided for reports in the same categories at WLV:



As noted in Section IV.B., Proper Authority, Oversight, and Independence, the use of this data has enhanced Compliance Committee discussions by allowing members of the Compliance Committee to better understand trends, and, by extension, the Company's evolving risk profile.

Most recently, ER developed and will soon roll out an HRCP-focused compliance dashboard for the Company and the Compliance Committee to monitor its risk profile across various areas, such as internal reports by division and by quarter, employment and labor claims filed with Federal and State agencies, and employee turnover. Based on interviews, the Monitor Team understands that the primary goal of the compliance dashboard will be to further enhance the data available to the Compliance Committee. However, this tool can also serve to provide the HR and ER teams and operations real-time access to key indicators of HRCP risks. The Monitor Team was able to observe the EVP HR WRL's presentation to the Compliance Committee regarding the dashboard and the resulting robust discussion that took place at the Committee regarding the data captured in, and the presentation of, the dashboard. The Monitor Team commends the Company, in particular the HR department, for its diligent effort to design the compliance dashboard. In the Monitor's view, the development of this dashboard not only reflects a significant development in the maturity of the HRCP, but also indicates a sincere commitment to sustainability and continuous improvement of the HRCP.

(b) **Monitoring Training Participation and Training Effectiveness**

Companies often struggle to ensure that training remains relevant and effective to employees and to ensure compliance with training expectations. Since before the Monitorship began, Wynn had processes in place to ensure compliance with mandatory trainings. The Company has continued those efforts through today. Reinforcing its commitment to an effective training program, the Company has implemented processes to monitor and test the effectiveness of its training program. Those efforts are

discussed in detail in Section IV.E., Training and Guidance, but for completeness, the Monitor Team highlights key examples here. For instance, the Company has incorporated knowledge quizzes at the end of certain online trainings designed to test employee understanding of core aspects of HRCP policies and procedures. Through its compliance Pop Up Events, the Company not only incentivizes learning; it also uses those interactions to test how well employees know specific policies. As a next step in the ongoing enhancement of its training program, the Company can identify ways to track the results from knowledge quizzes to develop messaging targeting aspects of policies with which employees may be less familiar.

ii. Corporate Security

Corporate Security has and continues to play a central role in the Company's ability to respond to sexual harassment and discrimination risks, but also in monitoring trends relevant to the overall assessment of the HRCP.

In past reports, the Monitor Team has discussed the iTrack system used by the Security Department to monitor security incidents, including incidents related to sexual harassment, assault, other sexual misconduct, as well as discrimination. Since the Baseline Assessment, the Security Department has implemented important enhancements to iTrack, all of which are designed to streamline monitoring efforts. As reported in prior reports, the Security Department has worked hard to update how it classifies incidents of sexual harassment, assault, and other sexual misconduct to ensure greater uniformity and classification and handling of sexual harassment, assault, and other sexual misconduct. This change, though perhaps simple, has and will have a meaningful impact on the Company's ability to monitor and respond to trends across both properties.

Most recently, the Security Department implemented an upgrade to its iTrack system. Based on interviews, the Monitor Team understands the system is now web-based and allows for more robust, user-defined data tracking that allows the Company to run reports based on Wynn-specific data fields. Despite these enhancements, the Security Department continues to look for additional monitoring functionalities such as dashboards that allow for real-time and automated statistical reporting.

Finally, from interviews, the Monitor Team learned that the Security Department holds weekly operations meetings at WLV that are attended by the Director of ER. Those meetings provide Security investigators the opportunity to discuss ongoing cases and allow for cross-functional discussions between Security and ER. In addition, Security holds periodic meetings that include the WRL GC and "every attorney on property" to "talk about things that touch [the Legal and Security] worlds." The Director of ER also attends those meetings. The Monitor considers this a strong practice that will not only enable cross-functional knowledge sharing, but also cross-functional monitoring of incidents and cases reported at WLV. While EBH is not currently holding cross-functional meetings with the same level of formality, interviews with ER, Legal, and Corporate Security at EBH reflect a high level of interaction and collaboration on cases and incidents related to sexual harassment and misconduct as well as discrimination. In addition, at EBH, Security communicates with Legal and HR daily about pending cases as they arise in real time. Legal subsequently reviews security reports and sends reports involving employees to HR for follow up.

Successful design and implementation of monitoring and testing processes is a hallmark of a maturing compliance program. For that reason, it has been a focus of the Monitor Team in recent years. The Monitor considers that the monitoring and testing systems currently in place at the Company are

appropriately designed not only to promote the sustainability of the HRCP as well as its continued evolution.

J. Controls Environment

The Monitor Team assessed the Company's controls environment as it relates to risks identified in the MGC's Decision and Order, specifically with respect to the use of confidentiality clauses, conflicts of interest, and approval of employee settlements. At the time of the Baseline Assessment, the Company had taken steps to prohibit the use of overly restrictive confidentiality clauses in settlement agreements, including provisions that would restrict a claimant from discussing factual allegations underlying claims of sexual harassment or sexual offenses. The Monitor Team observed opportunities for the Company to enhance its separation and settlement agreements and the review and approval of those agreements and made specific recommendations to address those opportunities. Those improvements play a critical role in mitigating the risks identified in the MGC's Decision and Order as it relates to the prior use of overly restrictive confidentiality provisions or gag orders, as discussed in Section IV.F., Internal Reporting and Investigations.

Similarly, the Company adopted practices to avoid conflicts of interest arising from the engagement of external counsel. The Monitor Team also observed opportunities for strengthening the procedures governing the engagement of external counsel and made recommendations in that regard. The Company promptly and successfully implemented the Recommendations made in the Baseline Assessment and subsequent reports. Those changes are designed to mitigate the risk that Wynn Executives or other personnel engage the Company's external counsel to advise on personal matters.

Recently, the Company made three additional enhancements to its control environment as it relates to settlements with employees. The Monitor Team reviews those updates below and commends the Company for the initiative demonstrated through its independent design and implementation of those controls.

1. Compliance Guidance

MGC regulations require Wynn Resorts to maintain a controls environment governed by the Massachusetts Uniform Standards of Accounting Procedures and Internal Controls, 205 Mass. Code Regs. 138 ("Code 205").

Those controls, first and foremost, ensure financial and accounting integrity of the licensee. However, viewed more broadly and as reviewed by the Monitor Team, they create a foundation for a corporate governance structure designed to safeguard the adherence to the licensee's policies and procedures and the execution of transactions in accordance with management authority.

2. Assessment

As noted above, in earlier Phases of the Monitorship, the Company implemented important controls governing the initiation, review, and approval of Settlement and Separation Agreements, as well as the retention of outside counsel. Some of the key enhancements include: (1) updating all template Settlement and Separation Agreements to ensure that employees are not barred from bringing claims of sexual harassment or sexual offenses and from discussing factual allegations underlying those claims; (2) requiring any settlement of a Wynn-related matter involving allegations of sexual assault, harassment, or discrimination to be approved in writing by the WRL GC as well as the President of WRL or the Company affiliate entering into the settlement; and (3) requiring the retention of outside counsel

by individual executives to be approved in writing by the WRL GC or relevant affiliate GC. As noted above, these controls directly respond to risks identified in the MGC's Decision and Order, specifically the risk of a Company executive hiring the Company's external counsel to represent them in their personal capacity.

During Phase V, the Monitor Team learned that the Company implemented three additional controls that further mitigate the risks identified by the MGC and demonstrate to the Monitor Team that the Company takes seriously and thinks independently about its controls environment: (1) a "Settlement Approval" form; (2) the addition of a third signatory to the settlement approval process; and (3) the expansion of the definition of Material Settlement.

Although the Company already required dual approval of all settlements related to sexual harassment and discrimination, those approvals were typically obtained via email correspondence that included an overview of the underlying matter and settlement terms. Today, the Company has implemented the use of a template "Settlement Approval" form that requires a summary of the dispute and the financial terms of an agreement in a more uniform manner, as well as adding a third signatory. Based on interviews and document review, the Monitor Team has confirmed that the Settlement Approval accompanies every settlement of an employment-related dispute. The Monitor Team reviewed several examples of completed forms and was pleased with the level of detail the forms contained. Importantly, the forms reviewed by the Monitor Team included a detailed explanation of the basis for the recommended settlement value of the claim. The forms reviewed all included settlement of claims of sexual harassment. Each form reviewed contained three signatures: (1) the legal counsel seeking approval; (2) the WRL GC; and (3) WRL CFO following an attestation that "[t]he following have reviewed this cover sheet and approve settlement under the financial terms described above."

In addition, the Company's Compliance Plan requires that the "General Counsel and the general counsel of each Affiliate shall provide a quarterly report to the Compliance Officer summarizing all Material Settlements made by the Company in the prior quarter" and that the CGCO provide Material Settlement information to the Compliance Committee on a quarterly basis. Recently, the Company expanded the definition of Material Settlements to include:

any (i) settlement of any Material Litigation or Human Resource Complaint to which the Company is either a party to, or responsible for the payments, either directly or indirectly, thereunder, and (ii) any employment separation agreement that requires a payment to an employee in excess of the Company's policies and procedures or the employee's written employment agreement.

When discussing this change with the Monitor Team, one interviewee confirmed that if "we're going above or settling something with an employee who doesn't have a contract, that is all part of the material" that goes to the Compliance Committee. The interviewee added, "you asked us to think about gaps. To me, one of the gaps is, the Monitor Team could be paying employees \$1M to go away, and it's not reported."

The Monitor considers these three enhancements to be critical controls over employment-related settlement agreements as well as an indication that the Company is internalizing the principles underlying the HRCP, specifically the importance of instituting practices for self-governance. Notably, these procedures create auditable processes for ongoing monitoring by Internal Audit, thereby further

embedding the procedures into the Company's controls environment and supporting their sustainability.

V. CONCLUSION

The Decision and Order instructs the Monitor to evaluate and report to the Commission "on the effectiveness of the Company's policies, practices and programs," Decision and Order at 51, related to the Company's HRCP, as well as the structure and effectiveness of the Company's governing bodies, including the Board of Directors, the Compliance Committee, and the Audit Committee. *Id.* Under the Decision and Order, the MGC charged the Monitor with making recommendations to the Company as necessary "to correct any deficiencies identified through [the] baseline assessment" and "such additional recommendations to the Company that the [M]onitor deems appropriate on an ongoing basis over the course of its engagement." *Id.*

The Monitor evaluated the Company's HRCP and issued a total of 103 Recommendations, as well as formal and informal observations, designed to enhance the Company's HRCP and to mitigate the risk that issues identified by the MGC would recur.

As reported above, the Company has satisfied the Monitor's Recommendations and implemented an HRCP framework considered by the Monitor to be necessary to correct the deficiencies identified in the MGC's Decision and Order, the Baseline Assessment, and subsequent Phases. Importantly, the Company through its leadership has demonstrated to the Monitor a sincere commitment to maintain its HRCP and to continue to promote the values and principles that underlie it. Indeed, the Monitor has already seen evidence of the Company looking beyond the Recommendations and, through its own initiative, identifying opportunities to build up and strengthen the firm foundation laid during the Monitorship.



PLAINRIDGE PARK

Q1 2024 REPORT



RETAIL SPORTS WAGERING REVENUE AND TAXES

Year	Quarter	Taxable Sports Wagering Revenue	Sports Wagering Taxes
2024	Q1	\$1,026,537	\$153,981
	Q2		
	Q3		
	Q4		
	Total		

In addition to the Retail Sportsbook, Plainridge Park has 20 sports wagering kiosks.

GAMING REVENUE AND TAXES

Year	Quarter	Net Slot Revenue	State Taxes	Race Horse Taxes	Total Taxes
2023	Q1	\$38,463,638	\$15,385,455	\$3,461,727	\$18,847,183
	Q2	\$39,147,502	\$15,659,001	\$3,523,275	\$19,182,276
	Q3	\$40,057,478	\$16,022,991	\$3,605,173	\$19,628,164
	Q4	\$37,967,705	\$15,187,082	\$3,417,093	\$18,604,176
	Total	\$155,636,323	\$62,254,529	\$14,007,269	\$76,261,798
2024	Q1	\$40,478,391	\$16,191,357	\$3,643,055	\$19,834,412
	Q2				
	Q3				
	Q4				
	Total				

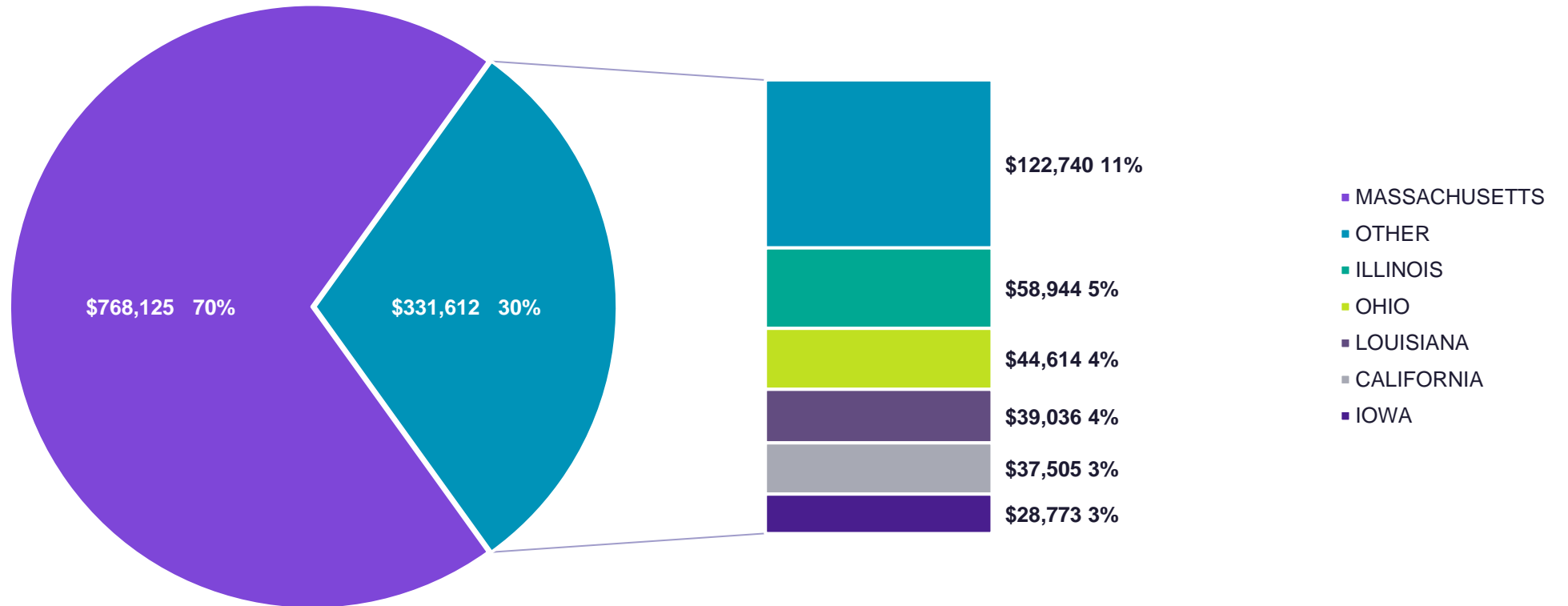
LOTTERY SALES

Quarter	2024	2023	\$ Difference	% Difference
Q1	\$618,943	\$588,793	\$30,150	5.12%
Q2		\$645,963		
Q3		\$656,103		
Q4		\$594,279		
Total		\$2,485,138		

- PPC currently has five instant ticket machines and three online terminals
- We previously had four online terminals. One was removed, by the Lottery, for the Sportsbook / Bar renovation

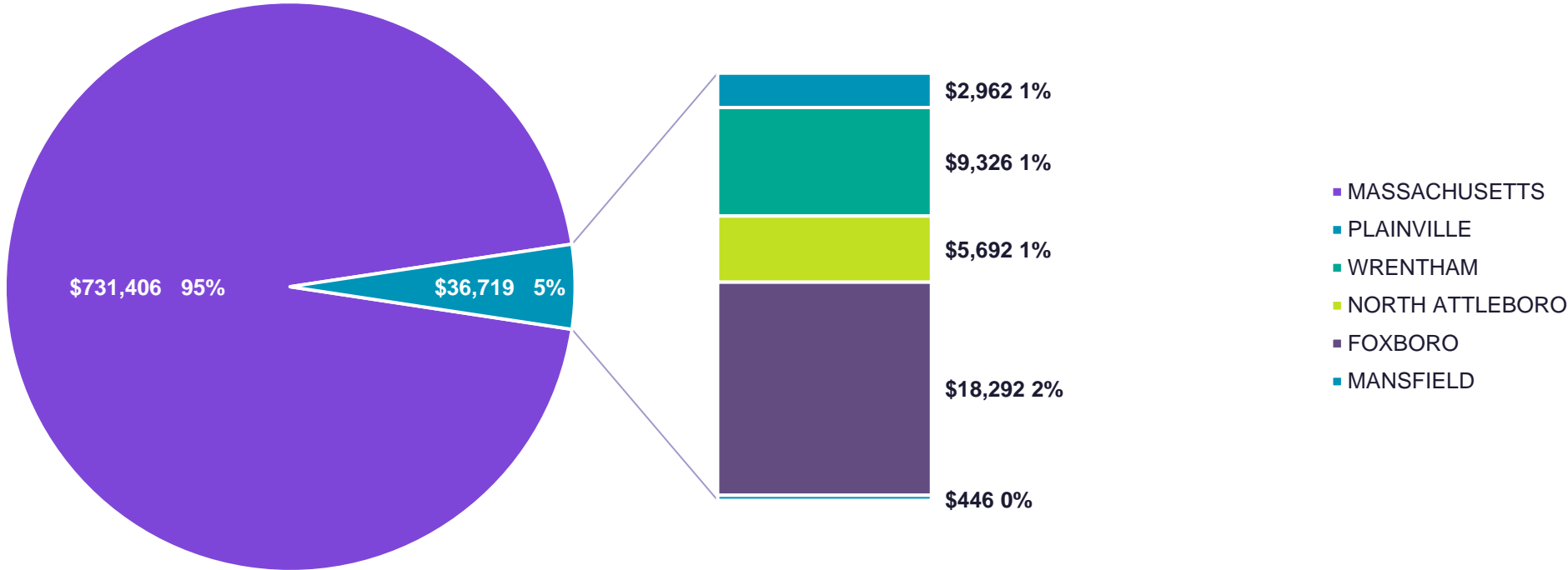
SPEND BY STATE

Q1 2024 Total Qualified Spend By State



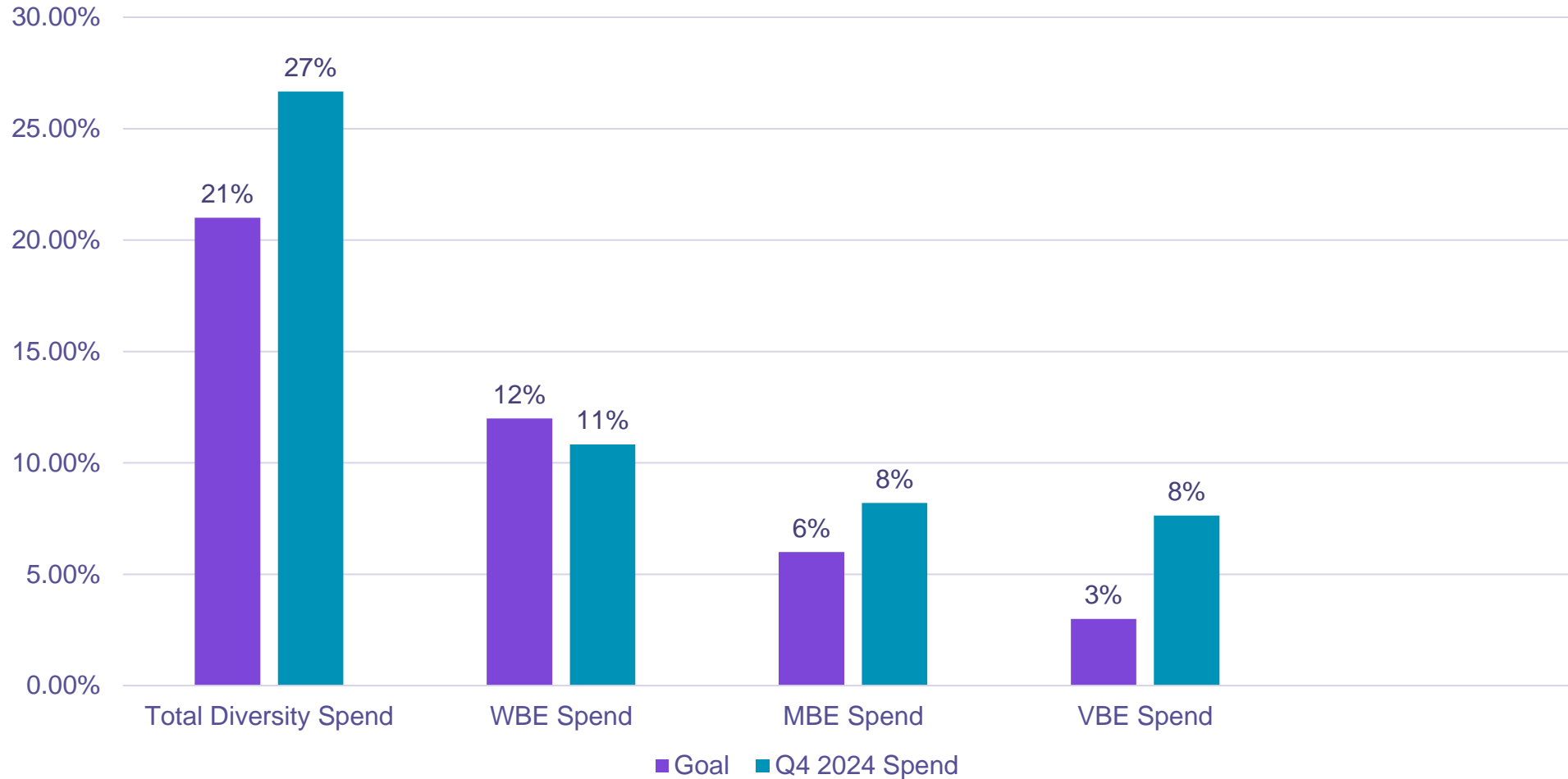
LOCAL SPEND

Q1 2024 Massachusetts vs Host & Surrounding Community Qualified Spend



VENDOR DIVERSITY

Q1 2024 vs Goal



DIVERSE SPEND

Category ¹	Q1 2024	Q4 2023	\$ Difference	% Difference
WBE	\$119,111	\$137,042	(\$17,930)	(13.08%)
MBE	\$90,233	\$76,860	\$13,373	17.40%
VBE	\$83,954	\$132,476	(\$48,521)	(36.63%)
Total Diverse Spend	\$293,299	\$346,377	(\$53,078)	(15.32%)
Qualified Spend	\$1,099,737	\$1,908,047	(\$808,310)	(42.36%)

¹ Includes vendors that are certified in multiple diversity categories. Spend is reported in all qualified categories.

COMPLIANCE

Month	Prevented from Entering Gaming Establishment			Expired, Invalid, No ID	Fake ID	Minors and Underage Escorted from the Gaming Area	Minors and Underage found Gaming at Slot Machines	Minors and Underage Escorted from the Sports Wagering	Minors and Underage found Sports Wagering	Minors and Underage Consuming Alcoholic Beverages
	Total	Minors ¹	Underage ²							
January	46	5	11	30	0	1	0	0	0	0
February	40	3	7	30	0	0	0	0	0	0
March	48	2	13	33	0	0	0	0	0	0
Total	134	10	31	93	0	1	0	0	0	0

¹ Person under 18 years of age

² Person 18-21 years of age



EMPLOYMENT¹ : ALL EMPLOYEES²

Employee Category	Percentage Goal	Total # of Employees in Category	Q1-24 Actual Percentage of Total Employees	Q4-23 Actual Percentage of Total Employees
Diversity	15%	122	29%	29%
Veterans	2%	16	4%	3%
Women	50%	203	48%	47%
Local ³	35%	145	34%	32%
MA Employees		268	63%	63%

¹ All employees referenced in this slide were current as of Q1 2024

² Total number of employees Q1 2024: 424

³ Local includes Attleboro, Foxboro, Mansfield, North Attleboro, Plainville & Wrentham

	Employees	Full-Time	Part-Time	Seasonal
Total	424	279	145	0
% of Total	100%	66%	34%	0%



EMPLOYMENT¹: SPORTSBOOK²

Employee Category	Total # of Employees in Category	Actual Percentage of Total Employees
Diversity	2	15%
Veterans	0	0 %
Women	4	27 %
Local ³	2	13%
Full-Time	9	60%

¹ All employees referenced in this slide were current as of Q1 2024
² Total number of **Sportsbook employees (does not include Sports restaurant employees)** Q1 2024: 15
³ Local includes Attleboro, Foxboro, Mansfield, North Attleboro, Plainville & Wrentham

EMPLOYMENT¹: SUPERVISOR AND ABOVE²

Employee Category	Total # of Employees in Category	Actual Percentage of Total Employees
Diversity	12	15 %
Veterans	4	5 %
Women	27	35 %

¹ All employees referenced in this slide were current as of Q1 2024

² Total number of Supervisor and Above Q1 2024: 78

PPC CARES: OUR DEVELOPMENT

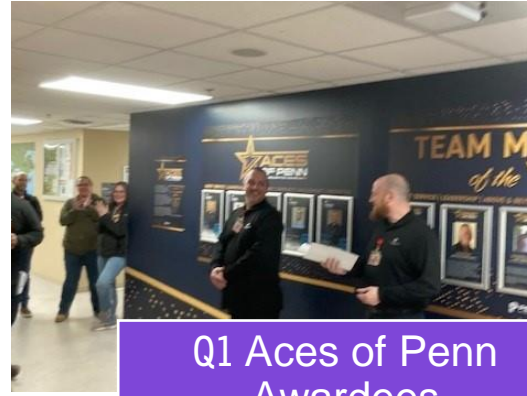
Creating Outstanding Leaders



Performance Evaluation Certification



Penn Leadership Meeting



Q1 Aces of Penn Awardees



Boston International Women's Day Breakfast



Chamber Women's Day Cocktails & Conversations



Chamber Networking & Training



Penn Women Meet Up

PPC CARES: OUR TEAM

Engaged Team Members



Town Hall



Chili Cookoff Contest



Fun Committee Meeting



Wahlburgers Tasting Challenge



Mac & Cheese Monday



Blood Pressure Check Day



Healthy Habit Hearts!

PPC CARES: OUR COMMUNITY

Partnering Success



Mansfield Police Time with Bentley



Internships for Culinary Students



Gene Lavanchy talks sports at the Sportsbook



PPC receives Business of the Year from the Chamber



Habitat for Humanity Old Colony build



Wahlburgers Opening



Local Community Recruitment at Mansfield HS



Q1 2024 Report Massachusetts Gaming Commission

June 6, 2024

Revenue, Taxes, Lottery & Spend Update

MGM Springfield Q1 2024

Q1 2024 Gaming Revenue & Taxes

Month	Gaming Revenue	MA Taxes
January	\$20,707,305	\$5,176,826
February	\$22,977,235	\$5,744,309
March	\$25,248,645	\$6,312,161
Total	\$68,933,186	\$17,233,296

2024 YOY Gaming Revenue & Taxes

Year	Quarter	Table Games Revenue	Slots Gaming Revenue	Total Gaming Revenue	MA Taxes
2023	Q1	\$14,087,437	\$56,103,441	\$70,190,878	\$17,547,719
	Q2	\$14,999,105	\$54,294,938	\$69,294,043	\$17,323,511
	Q3	\$10,812,302	\$53,670,606	\$64,482,908	\$16,975,861
	Q4	\$13,237,327	\$53,403,080	\$66,640,406	\$16,660,102
	Total	\$53,136,170	\$217,472,065	\$270,608,235	\$68,507,192
2024	Q1	\$13,966,721	\$54,936,465	\$68,933,186	\$17,233,296
	Q2	-	-	-	-
	Q3	-	-	-	-
	Q4	-	-	-	-
	Total	\$13,966,721	\$54,936,465	\$68,933,186	\$17,233,296

Q1 2024 Sports Wagering Revenue



Month	Taxable Revenue	Taxes
January	\$188,782	\$28,317
February	\$242,675	\$36,401
March	\$30,153	\$4,523
Total	\$461,610	\$69,241

Month	Taxable Revenue	Taxes
January	\$3,872,802	\$661,651
February	\$3,308,254	\$589,817
March	\$2,949,087	\$479,928
Total	\$10,130,143	\$1,731,396

Q1 2024 Lottery

Month	Lottery Sales	% Change from Previous Year
January	110,989	16%
February	127,820	5%
March	175,735	27%
Total	\$414,543	16%

2024 YOY Lottery Sales

Year	Quarter	Lottery Sales	% Change from Previous Year
2023	Q1	\$356,136	-
	Q2	\$394,232	-
	Q3	\$372,821	-
	Q4	\$357,359	-
	Total	\$1,480,547	-
2024	Q1	\$414,543	16%
	Q2	-	-
	Q3	-	-
	Q4	-	-
	Total	\$414,543	16%

Q1 2024 Diversity Spend

Diversity Category	Annual Goal	Q1%	Q1 Spend
MBE Vendor Spend	10%	7%	\$462,657
VBE Vendor Spend	2%	5%	\$321,914
WBE Vendor Spend	15%	9%	\$544,057
Total	27%	21%	\$6,351,485

Note: Diversity spend in Q1 2023 was 19%.

2024 Local Spend

Diversity Category	Q1%	Q1 \$
Local* Vendor Spend	47%	\$2,995,788
MA Vendor Spend	53%	\$3,337,508

Note: Total Biddable Spend excludes gaming vendors, utilities, insurance, banking fees/services, and other expenses outlined within the American Gaming Association Diversity Spending Exclusion List (MGM Springfield Diversity and Affirmative Marketing Program - Appendix D).

*Local Vendor Spend includes Springfield, Surrounding Communities and Western Massachusetts.

Compliance

MGM Springfield Q1 2024

Q1 2023 Compliance

Month	Minors intercepted in Gaming Area and prevented from Gaming	Compared to 2023	% Change	Minors intercepted gaming	Compared to 2023	% Change	Minors intercepted consuming alcohol	Compared to 2023	% Change
Jan	15	57	-74%	2	4	-50%	0	0	0
Feb	10	28	-64%	2	3	-33%	1	0	100%
Mar	25	30	-17%	4	5	-20%	0	1	-100%

- Longest time in Gaming Area – 1 hour 15 minutes
- Shortest time in Gaming area – 6 seconds
- 5 underage were under 18 years old, the remaining 45 across the quarter, were between the ages of 18 – 21.

Q1 2024 Compliance



Security Officer Vanessa Nachtigal prevented 4 underage from gaming and received encouraging recognition all the way from our CEO Bill Hornbuckle.

Employment

MGM Springfield Q1 2024

2024 Employment Numbers

2024	Goals	Q1 2024 %	Q1 2024 Total # of Employees	Q2 2024 %	Q2 2024 Total # of Employees	Q3 2024 %	Q3 2024 Total # of Employees	Q4 2024 %	Q4 2024 Total # of Employees
Minority	50%	50%	758						
Veteran	2%	4%	65						
Women	50%	41%	613						
Springfield Residents	35%	38%	567						
Western MA Residents	-	76%	1,149						
MA Residents	-	78%	1,168						
Total # Of Gaming Establishment Employees*	-		1,505						
Full Time	-		979						
Part Time	-		287						
On Call	-		239						

- MGM Springfield Sportsbook currently employs 12 team members.

Q1 2024 Workforce & Hiring Initiatives

- Property Tours & Career Presentations:
 - Holyoke Community College
 - Putnam Voc Tech
 - Westfield Academy
- Job Fairs
 - Johnson & Wales
 - UMass Amherst Hospitality Management
 - Way Finders
 - MassHire
 - Property Hiring Events
- Workforce Development
 - Springfield Partners for Community Action



Community Outreach & Special Events

MGM Springfield Q1 2024

Q1 2024 Community Outreach & Special Events



Springfield Music School Volunteer Event



Adopt-a-School Family Night



Valentine's Teacher Appreciation



Dr. Seuss Reading Day & Book Donation



Baystate Medical Center Radiothon



Friends of the Homeless

Q1 2024 Community Outreach & Special Events



Westfield Senior Luncheon



Career Day at Springfield Adopted School



MGM Springfield Employee Appreciation Day



Bay Path University Women's Leadership Conference



Community Impact Q1 2024

- Total Volunteer Hours: 372
- Community Highlights:
 - Served over 1800 meals to those in need
 - Donated 500+ books to local school
 - Supported Baystate Children's Hospital
 - Women's Leadership Conference Sponsor
 - Dr. Seuss Reading Day at local school
 - Hosted Teacher Appreciation Valentine's Luncheon at Adopted School
 - Donated 200 meals to Westfield Senior Citizens



Entertainment

MGM Springfield Q1 2024

Q1 Entertainment at MassMutual Center



Red Sox Winter Weekend



NCAA Hockey Regionals. First time in building history!

Televised on ESPN2
Over 500 hotel rooms in Springfield
Over 11,000 tickets sold



14 Straight Springfield Thunderbird Sell Outs



4 Paw Patrol Shows



Record breaking Globetrotters Sales



7 Disney on Ice Shows

Q1 Entertainment – ARIA Ballroom & Symphony Hall

FREE MUSIC FRIDAYS **WINTER EDITION**

Jan 26 – 7:30 to 9:00 p.m.
THE BLUSHING BRIDES
The Original Tribute to the Rolling Stones

Feb 2 – 7:30 to 9:00 p.m.
AQUANETT
Tribute to 80's Rock N' Metal

Feb 9 – 7:30 to 9:00 p.m.
TRAILER TRASH
Today's Modern Country Music

Feb 16 – 7:30 to 9:00 p.m.
DARIK & THE FUNBAGS
New England's #1 Undisputed Party Band

Feb 23 – 7:30 to 9:00 p.m.
THE EAGLES EXPERIENCE
America's Most Authentic Eagles Tribute Show

VOYAGE
CELEBRATING THE MUSIC OF JOURNEY

MARCH 22 · ARIA BALLROOM
ticketmaster®

S
SYMPHONY HALL
SPRINGFIELD

AARON LEWIS
FEBRUARY 17

THE AMERICAN PATRIOT
AARON LEWIS
★★★ WE STAND ALONE TOGETHER ★★★
2024 ACOUSTIC TOUR

FEBRUARY 17
SYMPHONY HALL
SPRINGFIELD, MA

TICKETS ON SALE @ TICKETMASTER.COM

AARONLEWISMUSIC.COM

Q1 Entertainment – ROAR!



ROAR!
COMEDY CLUB
UNCLE LAZER JAN 5-6



ROAR!
COMEDY CLUB
BIG IRISH JAY JAN 12-13



ROAR!
COMEDY CLUB
ORLANDO BAXTER
& JIMMY CASH
JAN 26-27

ROAR!
COMEDY CLUB
FEBRUARY
SHOWS



Visit MGMSpringfield.com/ROAR for tickets and more info.

 <p>KATHE FARRIS FEB 2-3</p>	 <p>DUCHARME & PAULEY FEB 9-10</p>
 <p>ORLANDA LEYBA FEB 16-17</p>	 <p>BRAD UPTON FEB 23-24</p>

 <p>MAR 1-2 LUCAS ZELNICK</p>	 <p>MAR 8-9 MICHAEL LENOCI</p>	 <p>MAR 15 ALL IRISH COMEDY</p>
 <p>MAR 16 FRANK SANTOS JR</p>	 <p>MAR 22-23 KERRY FEEHAN</p>	 <p>MAR 29-30 DAVE WILLIAMSON</p>

Entertainment – Upcoming



SH
SYMPHONY
HALL

**THERESA
CAPUTO**
MAY 30

*Theresa
Caputo*
LIVE
'THE EXPERIENCE'
FROM *Lifetime* RAISING SPIRITS

ticketmaster®
ON SALE FEB 16 @ 10AM



MGM
SPRINGFIELD

ARIA BALLROOM

**KILLER
QUEEN**
SEPT 20

ticketmaster®
ON SALE MARCH 15 @ 10AM

**QKILLER
QUEEN**
A TRIBUTE TO QUEEN

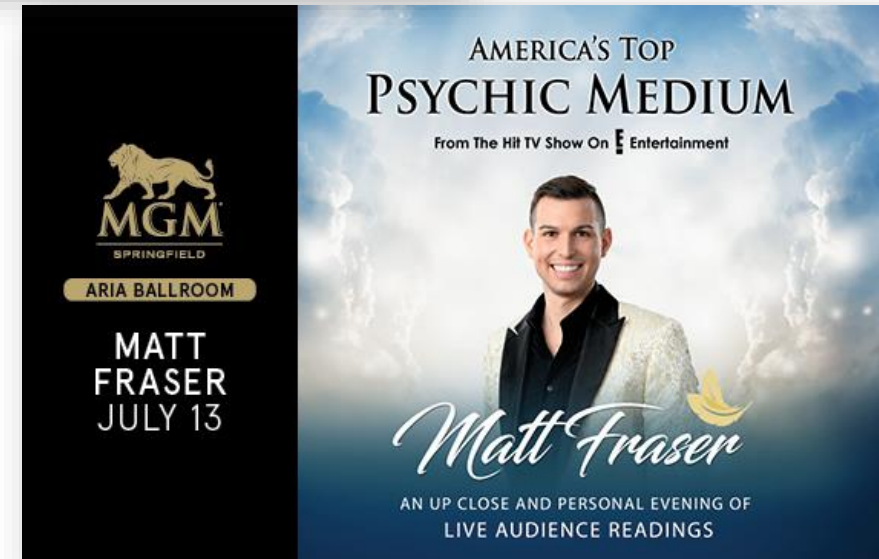
Featuring Patrick Myers
as Freddie Mercury



**FREE
MUSIC
FRIDAYS**

Outdoors on The Plaza
7:30 to 9:00 p.m.

MGM
SPRINGFIELD



AMERICA'S TOP
PSYCHIC MEDIUM
From The Hit TV Show On **E** Entertainment

MGM
SPRINGFIELD

ARIA BALLROOM

**MATT
FRASER**
JULY 13

Matt Fraser

AN UP CLOSE AND PERSONAL EVENING OF
LIVE AUDIENCE READINGS

MAROON 5

JULY 1
MASSMUTUAL CENTER
SPRINGFIELD, MA





Thank you



Quarterly Report Q1 2024

June 6, 2024

Massachusetts Gaming Commission

Encore[®]
BOSTON HARBOR
A WYNN RESORT

Gaming Revenue, Taxes & Lottery Sales

Encore[®]
BOSTON HARBOR
A WYNN RESORT

Gaming Revenue & Taxes: Q1 2024

Year	Month	Table Games GGR	Slots GGR	Total GGR	State Taxes Collected
2024	January	\$28,067,706.18	\$32,881,524.87	\$60,949,231.05	\$15,237,307.76
	February	29,591,317.19	34,813,949.42	64,405,266.61	16,101,316.65
	March	34,144,169.85	36,273,416.54	70,417,586.39	17,604,396.60
	Total	\$91,803,193.22	\$103,968,890.63	\$195,772,084.05	\$48,943,021.01

Gaming Revenue & Taxes: Year-Over-Year

Year	Quarter	Table Games GGR	Slots GGR	Total GGR	State Taxes Collected
2023	Q1	\$87,548,447.43	\$103,225,625.66	\$190,774,073.09	\$47,693,518.27
	Q2	86,482,473.05	105,539,308.38	192,021,781.43	48,005,445.37
	Q3	78,245,849.05	104,171,489.84	182,417,338.89	45,604,334.73
	Q4	85,668,257.66	103,956,403.95	189,624,661.61	47,406,165.41
	Total	\$337,945,027.19	\$416,892,827.83	\$754,837,855.02	\$188,709,463.78
2024	Q1	\$91,803,193.22	\$103,968,890.63	\$195,772,084.05	\$48,943,021.01
	Total	\$91,803,193.22	\$103,968,890.63	\$195,772,084.05	\$48,943,021.01

Sports Wagering Revenue & Taxes: Q1 2024

Year	Month	Monthly Win	State Retail Taxes Collected
2024	January	\$709,780	\$104,168
	February	235,487	33,436
	March	271,559	38,594
	Total	\$1,216,827	\$176,199

Lottery Sales: Q1 2024*

Year	Month	Lottery Sales	% Change 2023
2024	January	\$510,538.00	101.3%
	February	\$403,824.00	20.2%
	March	\$671,388.25	37.9%
	Total	\$1,585,745.25	47.3%

*The periods for which relevant sales are reported are based upon week-end totals, and may not correspond precisely to calendar month periods.

Lottery Sales: Year-Over-Year

Year	Quarter	Lottery Sales	% Change from Previous Year
2023	Q1	\$1,076,576.75	31.5%
	Q2	\$1,467,402.50	77.0%
	Q3	\$1,515,403.00	72.4%
	Q4	\$1,461,016.50	31.4%
	Total		\$5,520,398.75
2024	Q1	\$1,585,745.25	47.3%

Workforce

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Workforce Composition

Sector	Goal	Q1% ¹	Q1 Total # of Employees	Q2% ²	Q2 Total # of Employees	Q3% ³	Q3 Total # of Employees	Q4% ⁴	Q4 Total # of Employees
Minority	40%	73%	2,128						
Veteran	3%	2%	73						
Women	50%	45%	1,569						
Local/Host/Surrounding Community Resident ⁵	75%	88%	3,089						
MA Residents	-	92%	3,193						
Total Number of Employees ⁶			3,482						
Full-time			2,424						
Part-time			1,058						
On-call			0						

- 1 All Q1 figures are as of April 1, 2024. The total number of employees that did not specify their minority status during Q1 was [x].
- 2 “Local/Host/Surrounding Community Residents” include residents from communities within thirty (30) miles of Encore Boston Harbor.
- 3 Please note that an employee may fall into more than one sector (e.g., minority and local) and, as such, totals may not be reflective of the sum of previous columns.

Workforce Composition

Sector	Goal	Q1% ¹	Q1 Total # of Employees	Q2% ²	Q2 Total # of Employees	Q3% ³	Q3 Total # of Employees	Q4% ⁴	Q4 Total # of Employees
Minority	40%	73%	2,128						

Percentages in the minority sector for each chart are based upon the total number of employees for the relevant quarter, minus the number of employees that did not specify their minority status as designed in the footnote that corresponds to each quarter. For example, for Q1, the minority percentage was calculated by subtracting 572 from 3,482 (the total number of employees) which equals 2,910. 2,128 (the number of employees who identify as a minority), is 73% of 2,910.

Workforce Composition

Employees Supervisory and Above

	Minority	Women	Veteran	Total Head Count (including non-minority employees)	Total Number of Employees that Did Not Specify Minority Status
ALL EMPLOYEES					
Number of Employees	2,128	1,569	73	3,843	572
% Actual	73%	45%	2%	-	-
MANAGER AND ABOVE					
Number of Employees	76	82	11	197	10
% Actual	40%	42%	6%	-	-
SUPERVISORS AND ABOVE					
Number of Employees	287	224	21	551	51
% Actual	58%	41%	4%	-	-

Operating Spend

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Operating Spend¹: Diversity

Diversity Category	Annual Goal	Q1%	Q1 Spend
MBE Vendor Spend	8%	12%	\$2,554,774.66
VBE Vendor Spend	3%	1%	\$113,290.99
WBE Vendor Spend	14%	17%	\$3,572,192.25
Total Diverse Spend	25%	30%	\$6,240,257.90

1 All spend figures referenced herein are based upon Encore Boston Harbor's Q4 discretionary spend amount of \$21,700,703.08.

Operating Spend¹: Diversity (Year-Over-Year)

Quarter	2023	2024
1	\$6,974,604.38	\$6,240,257.90
2	\$4,654,156.01	
3	\$6,074,914.37	
4	\$3,627,876.19	
Total	\$21,331,550.95	

Operating Spend: Local

Locality	Annual Goal	Q1%	Q1 Spend
Boston	\$20,000,000.00	14%	\$ 3,133,796.96
Chelsea	\$2,500,000.00	2%	\$ 395,440.67
Everett	\$10,000,000.00	12%	\$ 2,563,582.16
Malden	\$10,000,000.00	1%	\$ 140,221.59
Medford	\$10,000,000.00	1%	\$ 197,129.81
Somerville	\$10,000,000.00	5%	\$ 1,019,712.19
MA (Statewide)	-	59%	\$ 12,357,812.76

Operating Spend: Local* (Year-Over-Year)

Quarter	2023	2024
1	\$9,138,681.43	\$7,449,883.38
2	\$6,017,752.41	
3	\$6,476,399.45	
4	\$6,077,857.15	
Total	\$27,710,690.44	

*The local spend figures provided in this chart exclude the total spend for MA which is addressed in the next slide.

Operating Spend: MA (Year-Over-Year)

Quarter	2023	2024
1	\$14,966,259.45	#12,357,812,75
2	\$11,152,075.94	
3	\$11,378,899.59	
4	\$13,036,485.95	
Total	\$50,533,720.93	

Compliance

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Compliance: Minors¹ Prevented from Gaming²

Month	Minors Intercepted on Gaming Floor and Prevented from Gaming	Minors Intercepted Gaming	Minors Intercepted at Slot Machines	Minors Intercepted at Table Games	Minors Intercepted Consuming Alcohol	Number of IDs NOT Checked that Resulted in Minor on Gaming Floor	Number of Fake IDs Provided by Minors that Resulted in Minor on Gaming Floor	Numbers of Minors on Gaming Floor Under 18 Years of Age
January	2	0	0	0	0	2	0	1
February	1	0	0	0	1	0	1	0
March	6	0	0	0	1	4	1	1
Total	9	0	0	0	2	6	2	2

1 A “minor” is defined as a person under 21 years of age, provided however, that the last column of the above specifically refers to persons under 18 years of age.

2 Please note that no minors were intercepted from or found to be engaged in any sports wagering during Q1.

- The average length of time spent by a minor on the casino floor was 8 minutes.
- The longest length of time spent by a minor on the casino floor was 2 hours, 50 minutes.
- The shortest length of time spent by a minor on the casino floor was 2 minutes.



Human Resources Initiatives

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Martin Luther King Jr. Day



Martin Luther King Jr. Day

SCAN THE QR CODE OR VISIT THE LINK TO WATCH WYNN'S
2024 MARTIN LUTHER KING JR. DAY PODCAST VIDEO



In The Moment Program




In the Moment Launch Party

THURSDAY, JANUARY 4
HEART OF HOUSE
9- 11 a.m. | 1-3 p.m. | 5-7 p.m.

FEATURING:
Assorted donuts and two specialty drinks:
Caramel Cold Brew and Iced Mocha Cold Brew, topped with Sweet Cold Foam



In the Moment

QUARTER 1 - SERVICE-DRIVEN

Earn an In the Moment card when you demonstrate our Actions:

- Be kind and friendly.
- Smile and maintain eye contact.
- Deliver service quickly and anticipate guest needs.
- Say "thank you"
- Keep our property surgically clean.
- Provide a return greeting and use the guest's name.

How to participate

EARN CHANCES TO WIN FOR QUARTER 1

- 1 Receive your In the Moment card and make sure your information is correct
- 2 Drop your In the Moment card in the drop boxes
- 3 Earn extra chances to win entries into our In the Moment prize drawing by submitting a WE Story on The WIRE

THE FIRST PRIZE DRAWING AND QUARTERLY CELEBRATION IS ON FRIDAY APRIL 5

A raffle will be held outside of Le Staff Cafe with great prizes such as cash, Visa gift cards, a Chromebook, Rare or Spa certificates, and more!

In the Moment
CELEBRATING OUR VALUES

GameSense Champion Awards



JEANNY LEE
REPRESENTATIVE, WYNN
REWARDS
QUARTER 4 2023

GameSense

ENCORE BOSTON HARBOR'S GAMESENSE CHAMPION AWARDS

The quarterly GameSense Champion Awards acknowledge casino staff who have successfully incorporated responsible gaming into their daily roles. These awardees are personally recognized by Commissioner Judd-Stein and shared with the casino.

Jeanny Lee consistently delivers exceptional customer service in responsible gaming. Her dedication shines through from assisting patrons with PlayMyWay to providing information and guiding them to GameSense for Self-Exclusion support.



ANDREA SIMPSON
DEALER, TABLE GAMES
QUARTER 4 2023

GameSense

ENCORE BOSTON HARBOR'S GAMESENSE CHAMPION AWARDS

The quarterly GameSense Champion Awards acknowledge casino staff who have successfully incorporated responsible gaming into their daily roles. These awardees are personally recognized by Commissioner Judd-Stein and shared with the casino.

Andrea, a valuable member of the Encore opening team, has ascended as a standout performer. With a wealth of experience and exceptional customer service skills, she adeptly educates patrons on responsible gaming. Andrea's proficiency extends to all aspects of problem gambling, guiding guests seamlessly and sharing valuable knowledge to ensure patrons are well-prepared for their visits to GameSense.

Service and Sales Training



In January 2024, Kate Buhler came to work the Front Desk, On Deck and Rare teams on luxury service expectations, sales, verbiage and providing guests with exceptional customer service

All Teams Meeting



Compliance Campaign – Personal Relationships²⁶

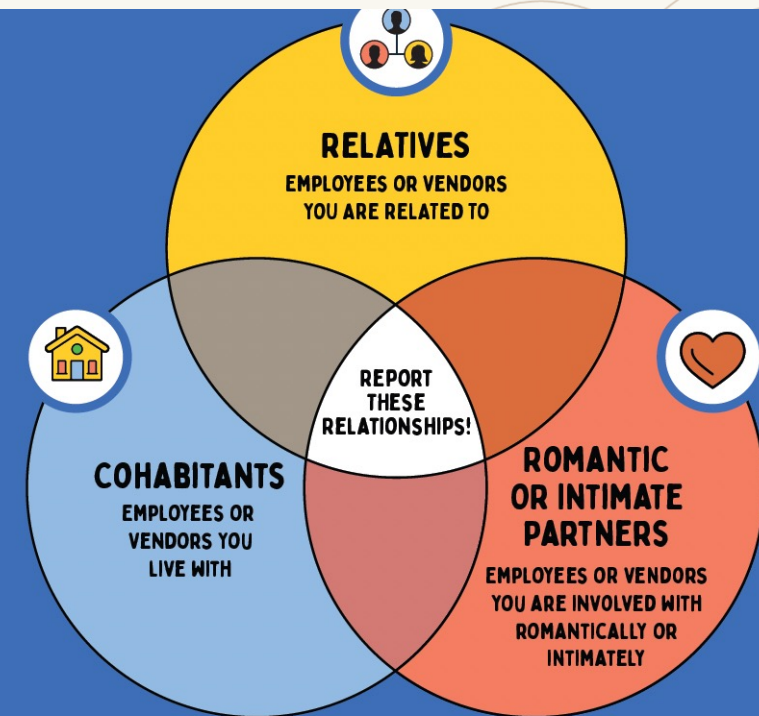
DO YOU HAVE A RELATIONSHIP TO REPORT?

If you have a personal relationship with another employee or vendor, you are required to submit a Personal Relationship Affirmation form.

- Vendors are any third-party that does business with the company.
- Relatives include an employee's spouse, parent, step-parent, sibling, step-sibling, child, stepchild, in-laws, aunts, uncles, cousins, grandchildren, grandparents, step-grandparents and grandparents of a spouse.



SCAN THE QR CODE TO VIEW THE PERSONAL RELATIONSHIP AFFIRMATION FORM.



Black History Month



Employee Appreciation Day



Star of the Year Announcement and Stars Reception




Problem Gaming Awareness Month

**March is
PROBLEM GAMBLING
AWARENESS MONTH.**




Educate yourself and others about healthy gaming habits.

GameSense invites you to test your responsible gaming and problem gambling knowledge each week for a chance to win a \$50 Amazon gift card! Also visit the GameSense table outside Le Staff Cafe to receive additional resources to keep current on healthy gaming habits.



Complete the quiz to be eligible to win a \$50 Amazon gift card!

New quiz every Friday with 4 chances to win during the month!



Your individual quiz answers will remain anonymous to Encore Boston Harbor. Winners will be randomly selected regardless of the number of questions they answered right or wrong.

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Diversity and Inclusion Leadership Training



Women's History Month





Promotions, Marketing, Special Events and Volunteerism Update

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Q4 Employee Volunteer Efforts



- ❖ Employees volunteered almost 1,000 hours
- ❖ Meal packing events at Bread of Life, Food for Free, Greater Boston Food Bank, and The Pine Street Inn
- ❖ Valentine's Day Bake Sale generated \$4,110 for the Boston Celtics Shamrock Foundation
- ❖ Nearly 1,000 pairs of socks were donated to The Pine Street Inn

Volunteer Appreciation Breakfast



Q1* TRU Patron Charitable Contributions

Charitable Organization	Dollar Amount	Number of Tickets
Animal Rescue League of Boston	\$13,601.58	60,149
Big Sister Association of Greater Boston, Inc.	\$6,296.94	42,717
New England Center and Home for Homeless Veterans	\$10,747.74	53,130
South Cove Manor at Quincy Point Rehab Center	\$5,523.01	40,023
Total	\$36,169.27	196,019

*Contributions are from January 1, 2023 through March 31, 2023.



Questions?



TO: Interim Chair Jordan Maynard and Commissioners Eileen O'Brien,
Bradford Hill and Nakisha Skinner

FROM: Joseph E. Delaney, Mary Thurlow and Lily Wallace

CC: Dean Serpa, Executive Director, Todd Grossman, General Counsel

DATE: June 4, 2024

RE: Community Mitigation Fund Evaluation Memo – 06/06/24 Commission Meeting

The FY 2025 Community Mitigation Fund (CMF) grant round created new mechanisms for the application and award of grants. The Municipal Block Grant Program established a formula for the distribution of funds to eligible municipalities and the Regional Agency Grant Program modified and expanded eligibility for regional entities to obtain funds from the CMF. The Commission voted proposed municipal grant amounts in the fall of 2023. Municipal applications may now include multiple projects across several project categories within a single grant application. All applicants were provided additional guidance through the development of identified impacts, acceptable projects and ineligible projects for each of the grant categories. These changes have resulted in record demand for funds, with grant requests totaling approximately \$22 million.

The Community Affairs Division recruited a Review Team consisting of seven staff members and two Commissioners covering four different MGC Divisions. Each application was submitted timely to the Commission, received an in-depth review by the Review Team and each applicant was afforded an opportunity to meet with the Review Team to provide any further clarification needed.

The following applications are presented in this memo for the Commission's review and action.

Municipal Block Grant Applications: Boston, Everett, Holyoke, Saugus, Springfield



Massachusetts Gaming Commission

MUNICIPAL BLOCK GRANT APPLICATIONS

Applicant Name: Boston	Region: A
MGC FY25 Allocation: \$2,607,000	Requested Amount: \$2,605,693.73
Recommended Grant Amount: \$2,322,200	
Waiver: N/A	
1. Public Safety - Boston PD Public Safety Strategy - \$823,019	
Recommendation: Partial Funding - \$539,500	
<p>Description: The Boston Police application includes requests from eight Boston Police Department (BTD) internal bureaus. Below is a breakdown of the requests from the various bureaus for public safety funding.</p> <ol style="list-style-type: none"> 1. Office of Research and Development - Hiring full-time Public Safety Program Coordinator - \$71,881 2. BIS Family Justice Center Human Trafficking Units - \$112,285 3. BIS Homicide Fatal Collision Accident Investigation Team - \$45,918 4. BIS Drug Control - Overtime \$20,000 5. BIS Fugitive Apprehension Unit - \$82,862 6. BFS Youth Violence Strike Force - \$95,020 7. BFS Districts A-1 and A-15 - \$375,053 8. BFS District B-2 Detectives - Overtime - \$20,000 	
<p>Impact: This application seeks funding for a variety of impacts such as interaction between public safety personnel and casino patrons and employees, traffic congestion and safety improvement needs.</p>	
<p>Determination: The Review Team agrees that some of these costs are warranted to address specific casino related impacts.</p>	
<p>Rationale: The following are the recommendations of the Review Team with respect to each of the BPD Bureaus.</p> <p>1. Office of Research and Development - Public Safety Program Coordinator - \$71,881 Recommended Amount \$71,900 The primary role of this staff member will be to create an Encore Casino Public Safety Task Force and develop a Memorandum of Understanding (MOU) between BPD and other law enforcement agencies involved in casino operations. This role will also provide crime data to the Commission to analyze the impact of gaming on Boston crime. The Review Team agrees that this is a worthwhile staff addition to build capacity within the department and help coordinate the proposed intercity MOU aimed at addressing casino related crimes. The Review Team recommends full funding of this portion of the application in the amount of \$71,900.</p> <p>2. BIS Family Justice Center Human Trafficking Units - \$112,285 Recommended Amount - \$40,700 a. Overtime - \$20,000 b. Human Trafficking Training - \$8,850 c. Organized Crime and Terrorism- \$11,800 d. Toyota Sienna - \$46,635 e. Victim Emergency Support Supplies \$25,000</p> <p>The BPD application identified several instances where the Human Trafficking Unit (HTU) has worked with the State Police High-Risk Victims Unit, the Gaming Enforcement Unit and Encore Security on investigations associated with Encore. Based on this work, the Review Team agrees that the overtime funding is appropriate. The Review Team also agrees that the various training identified topics that are relevant to the presence of a casino and recommends funding for the training.</p>	



Massachusetts Gaming Commission

The Review Team does not agree that the applicant provided enough justification for the vehicle. The Commission provided an undercover vehicle to the HTU in 2022, which it considered to be proportional to the work conducted by the HTU. The application identifies the use of this additional vehicle for transporting victims of casino sex trafficking to safe shelter locations statewide. While the Review Team understands the need for undercover vehicles, it seems unlikely that this vehicle would only be used for casino related cases. The Review Team also does not recommend funding for the Emergency Support Supplies. These supplies would be purchased by BPD and then delivered to a non-profit that runs the Human Trafficking Drop-in Center. The Review Team had concerns with anti-aid issues as well as the difficulty in providing appropriate state oversight of these funds. The Review Team understands the good work that this Drop-In Center does, but it does not appear that the CMF is the proper vehicle for funding this operation. The Community Affairs Division will work with Boston on potential solutions for this if it is requested in the future grant year but as it currently stands the Review Team does not recommend funding for this program.

For these reasons, the Review Team recommends funding items a., b., and c in the amount of **\$40,700**.

3. BIS Homicide Fatal Collision Accident Investigation Team - \$45,918 Recommended Amount - \$45,900

- a. Forensic Mapping Solutions Leica system bundle \$38,046
- b. Interactive Drive Response Research software \$1,872
- c. Laptops for Leica Bundle - \$6,000

The Review Team agrees that the BPD responds to a significant number of crashes that could be associated with increased traffic from the casino and recommends full funding for the requested equipment and software for the unit in the amount of **\$40,700**.

4. BIS Drug Control Unit - Overtime \$20,000 Recommended Amount - \$2,000

The grant application outlines the qualifications of the Drug Control Unit (DCU) and describes several instances of it providing assistance to entities outside Boston. This unit does not have a formal arrangement with law enforcement agencies that work in and around the casino. One of their goals is to develop an MOU with those agencies to participate in multi-agency drug-related surveillance and crime investigation activities. The development of this MOU will be the responsibility of the new hire identified in item 1. According to the City, hiring the Public Safety Program Coordinator will likely not be complete until early 2025. The Review Team believes that it is premature to be funding overtime for this unit absent the development of the MOU. The Review Team understands that some DCU staff time may be necessary for the development of the Task Force and the MOU and that some of this work may need to be done with overtime. Therefore, the Review Team recommends funding **\$2,000** of overtime towards the creation of the Task Force and MOU.

5. BIS Fugitive Apprehension Unit - \$82,862 Recommended Amount - \$2,000

- a. 2020 Subaru Impreza \$19,963
- b. Toyota Corolla \$22,180
- c. 2017 Toyota Corolla \$20,718
- d. Overtime \$20,000

Similar to the Drug Control Unit, the Fugitive Apprehension Unit (FAU) does not have a formal arrangement with law enforcement agencies that work in and around the casino. The application states that they will participate in the Encore Casino Public Safety Task Force, which will be developed by the Public Safety Program Coordinator. The Review Team believes that it is premature to be funding vehicles and overtime for this unit absent the development of the Task Force and the MOU. The Review Team understands that some FAU staff time may be necessary for the development of the Task Force and the MOU and that some of this work may need to be done with overtime. Therefore, the Review Team recommends funding **\$2,000** of overtime towards the creation of the Task Force and MOU.

6. BFS Youth Violence Strike Force - \$95,020 Recommended Amount - \$2,000

- a. Overtime \$20,000
- b. 2 Honda CRVs \$75,020



Massachusetts Gaming Commission

Similar to the Drug Control Unit, the Youth Violence Strike Force (YVSF) does not have any formal arrangement with law enforcement agencies that work in and around the casino. One of their goals is to develop an MOU with those agencies to participate in multi-agency surveillance and crime investigation activities related to Boston-based gang affiliates. The Review Team believes that it is premature to be funding vehicles and overtime for this unit absent the development of the Task Force and MOU. The Review Team understands that some YVSF staff time may be necessary for the development of the Task Force and the MOU and that some of this work may need to be done with overtime. Therefore, the Review Team recommends funding **\$2,000** of overtime towards the creation of the Task Force and MOU.

7. BFS Districts A-1 and A-15 - \$375,053 Recommended Amount - \$375,000

- a. Overtime 2 traffic officers; \$178,988
- b. Traffic Pickup Truck \$67,248
- c. Cameras 6 fixed \$35,427
- d. Portable traffic lights/radar message boards \$46,890
- e. Portable speed sign \$46,500

The Review Team recommends fully funding the request of the A-1 and A-15 units in the amount of **\$375,000** as they are the most impacted by the presence of a casino. BPD has targeted their overtime to high traffic weekend days and evenings (4:00 PM to 4:00 AM). The equipment that was requested has been determined to aid in monitoring traffic flow as well as improving safety and has been funded in a number of communities. This application also requests a pickup truck to assist in the moving of equipment within the designated area. These areas do not have a pickup truck available to them and the Review Team recommends funding this item. This is consistent with the Commission's past practice in several communities.

8. BFS District B-2 Detectives - Overtime - \$20,000 Recommended Amount - \$0

The Review Team does not recommend any funding for the B-2 District as the applicant was unable to demonstrate a nexus to the casino.

2. Transportation - Lost Village Traffic and Safety Improvements \$655,000

Recommendation: Full Funding - \$655,000

Description: This project is for road and pedestrian safety improvements in the area of Charlestown known as the Lost Village. This project was previously approved for funds by the Commission, but the start of construction was delayed.

Impact: As identified in the Guidelines, increases in traffic may cause increases in congestion, accidents and pedestrian/bicycle/vehicular conflicts due to the casino. Approximately 70% of the casino related traffic goes through Sullivan Square with about 4% using Cambridge Street, 1% using Maffa Way and 10% using Main Street.

Determination: The Review Team agrees that this project addresses the identified impacts.

Rationale: The City of Boston first applied for funding for the Lost Village in 2020. At that time, the City was seeking \$533,900 for the project, which was 100% of the necessary funding. 2020 was the first year of the Transportation Construction category. At that time, the Commission required that the local community contribute significant federal, state, local or private funding towards the project. It did not set a percentage of the construction costs as it did in later years. For 2020, the grant category was financially constrained, and the Commission agreed to award \$295,000 towards this project. In 2021, Boston asked for additional funds for this project and requested a waiver to fund 100% of the project cost, rather than the 1/3 of the project cost identified in the 2021 Guidelines. Given the location directly in Sullivan Square and the significant casino related traffic volumes that pass through the area, the Commission agreed to the waiver and awarded an additional \$239,000 to fully fund this project. These funds required that the project be under construction by June 30, 2023.



Due to some significant staff turnover at the Boston Transportation Department, implementation of this project was delayed, and Community Affairs staff granted an extension of time for the start of construction. This project has now gone out to bid and a contract has been awarded. When bids were opened, the costs for this project came in significantly higher than the earlier estimate. The City is now requesting an additional \$655,000 from the CMF with the City contributing an additional \$411,000. This brings the total project cost to \$1,600,000 with the CMF providing \$1,189,000 from the three grants. That places the total project subsidy at 74.3%. The Review Team continues to agree that this project warrants funds above the limits identified in the Guidelines. In 2021, the Commission agreed that it should fund 100% of the project costs due to the proximity to the casino and the amount of casino related traffic going through the area. Although the price tag for this project has increased significantly, the overall percentage request for the project has been reduced from 100% to under 75%. For all these reasons, the Review Team recommends full funding of this project in the amount of \$655,000.

3. Transportation - Charlestown Safety Improvements \$500,000

Recommendation: Full Funding - \$500,000

Description: This project is to advance complete streets designs for safety improvement in Charlestown neighborhood and advance planning of proposed Link Shuttle Routes.

Impact: The application identifies increases in traffic causing increases in congestion, accidents and pedestrian/bicycle/vehicular conflicts due to the casino, which is identified in the Guidelines. Approximately 70% of the casino related traffic goes through Sullivan Square.

Determination: The Review Team agrees that this project addresses the identified impacts.

Rationale: There is a significant amount of casino related traffic that passes through Charlestown primarily on Rutherford Ave and through Sullivan Square. These increases in traffic have resulted in congestion at the Sullivan Square rotary and cut through traffic on Charlestown Streets. The proposed design focuses on complete street improvements, bus stop improvements, pedestrian connection across I-93 and developing the operational plan for the Medford Street Link Shuttle. All of these efforts are designed to reduce single occupancy vehicle trips, thereby reducing overall travel on Charlestown Streets. The Review Team agrees that these improvements project could get cars off the road which would help mitigate the impacts identified by the applicant and recommends full funding of this project.

4. Transportation - Sullivan/Rutherford Redesign \$450,000

Recommendation: Full Funding - \$450,000

Description: This project is for the continuation of design improvements for Sullivan Square and Rutherford Avenue. This project has been delayed and is expected to start construction in 2028.

Impact: As identified in the Guidelines, increases in traffic, congestion and vehicular conflicts on the road which carries a significant amount of casino traffic.

Determination: The review team agrees that this project addresses the identified impacts.

Rationale: The Commission has provided significant funds towards this project over the past several years. The City of Boston was moving forward with the project plans and had prepared the 25% design. During the review of these plans, changes were requested by the MBTA to provide a center bus lane on Rutherford Avenue. These proposed changes led to a major revamp of the project which is currently being designed. This has delayed the project with an anticipated construction start date in 2028. Improvements to Sullivan Square/Rutherford Avenue are critical to the future of this area. The Review Team agrees that these funds will allow the City to continue forward with the design of this important project and recommends full funding of this project.

5. Gambling Harm Reduction - Youth Gambling - \$177,675

Recommendation: Full Funding - \$177,700

Description: These funds are to conduct community participatory research in partnership with internal stakeholders to educate and empower Charlestown youth while determining exposure and attitudes toward Encore Boston Harbor. The city proposes engaging a research consultant to perform a survey and conduct focus groups of Charlestown youth.



Massachusetts Gaming Commission

Impact: As identified in the Guidelines, certain groups of people are disproportionately at risk of Gambling-related harm as a result of the presence of a casino.

Determination: The Review Team agrees that this is a valuable project that could provide community specific data on the impacts facing young adults in the Charlestown area.

Rationale: The Review Team agrees that the proposal does an excellent job grounding the application in impact identified in the guidelines, as well as existing data. The application has a strong rationale for conducting a Charlestown-specific study, as the Encore casino is in such close proximity. Therefore, the Review Team recommends full funding for this portion of the application.



Massachusetts Gaming Commission

101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com

Applicant Name: Everett	Region: A
MGC FY25 Allocation: \$2,862,000	Requested Amount: \$3,485,818
Recommended Grant Amount: \$2,403,400	
<p>Waiver: Everett requested a Financial Variance waiver in the amount of \$623,818 over the allocation amount. It cited the challenges caused by the casino going into a working-class neighborhood. The waiver request did not identify which particular projects required this waiver and the applicant did not define the hardship that the lack of a waiver was causing. As the Host Community in Region A, Everett has the highest proposed grant allocation in the Commonwealth. As identified in the Guidelines "(t)he intent of this waiver is not to fund routine expenses but rather to fund significant projects that would not otherwise be able to be funded under a municipality's annual CMF allocation." The Guidelines also state that "(n)ot granting the waiver or variance would cause a substantial hardship to the community, governmental entity, or person requesting the waiver or variance." This request does not appear to meet the intent of the waiver and the request does not identify any particular hardship. Therefore, the Review Team does not recommend the granting of the waiver. In this case, if the Commission accepts the recommendations of the Review Team, the total grant amount will be below the Proposed FY 25 Allocation, therefore, the waiver will not be necessary.</p>	
1. Community Planning- Main Street Meadows (66 Main Street) - \$404,000	
Recommendation: The Review Team does not Recommend Funding for this project	
<p>Description: This project is for the construction of a new climate-resilient park called the Main Street Meadow adjacent to Sweetser Circle. This project would encompass soil remediation, installation of new crossing and sidewalks, seating, a Gazebo and other garden beds thought to assist in alleviating an urban heat island.</p>	
<p>Impact: The casino's impacts include the increase in vehicular traffic with its resulting congestion and environmental concerns such as air pollution, noise pollution and the heat island effect.</p>	
<p>Determination: The Review Team does not agree that this project addresses a casino related impact.</p>	
<p>Rationale: The Review Team had several concerns with this application. This project is a construction project rather than a planning project. The Commission does not have a category for construction of parks and as such, this project should have been submitted under the Specific Impact category. The impacts identified by the applicant include traffic congestion and environmental factors such as noise, air pollution and urban heat island effect. Traffic congestion and air pollution are identified in the Guidelines as identified impacts. However, the applicant did not sufficiently explain how the development of the park is remediating a casino impact. The construction of the park does not appear to mitigate traffic congestion in any way. Also, this park location is already a green space with several recently planted trees along the western edge of Sweetser Circle. While increasing planting in the area could have some environmental benefits, over 90% of the costs of this project are for other items such as sidewalks, a stairway, irrigation, lighting and other hard construction items. The primary cited impact is the heat island effect. While this project could help address heat island effects, there is no evidence that the casino is contributing to the heat island effect. Therefore, the Review Team does not recommend funding this project.</p>	
2. Transportation - Everett Square Pedestrian and Transit Improvements - \$1,000,000	
Recommendation: Full Funding - \$1,164,300	
<p>Description: This project proposes to reconfigure the roadway and sidewalk network in Everett Square and make pedestrian and signal improvements that will allow more frequent transit service and improve green and open space in the square. This will also expand the platform for multiple buses, provide wider sidewalks and improved pedestrian crossings.</p>	



Impact: As identified in the Guidelines, increased visitation to the gaming establishment area may place a strain on public transit services. Additional transit riders and pedestrians cannot be accommodated by the existing infrastructure in Everett Square. In its RRSI Everett cited the congestion caused by increased usage of Everett Square for Encore buses. The Encore Neighborhood Runner accounts for 25% of the total bus trips utilizing this stop. The MBTA plans on expanding its service in this area near the end of 2024 to reflect on current travel patterns and well as increasing demands for transit.

Determination: The Review Team agrees that this project addresses the identified impact.

Rationale: There are currently five MBTA buses that utilize Everett Square, three of which serve the Encore Casino. In addition to these, the Encore Neighborhood Runner utilizes the bus stops in Everett Square accounting for 25% of the total stops. This project will provide better traffic flow for transit vehicles, safer sidewalks for pedestrians and cyclists in the Square. This will help with bus movements through the square under the current conditions and anticipates future bus expansion planned by the MBTA. Considering the number of buses associated with Encore using the station, the Review Team agrees that it is appropriate to provide partial funding to this project. This recommended funding for this project is 30% of the total construction cost, or \$1,164,300.

3. Transportation - Encore Corridor Upgrades - \$618,250

Recommendation: Partial Funding of \$360,500

Description: This project is for traffic signal improvements on Broadway that will contribute to enhanced safety and commute time reduction. Data will be compiled on traffic numbers, patterns, pedestrian interaction, and public transportation priority, which will be used to link intersections, and utilize a central management and control center to deal with troublesome patterns and safety concerns.

Impact: As identified in the Guidelines, increased traffic associated with the gaming establishment may cause increased congestion on the major routes leading to/from the gaming establishment and increased traffic associated with the gaming establishment may result in increased vehicular/bicycle/pedestrian conflicts.

Determination: The Review Team agrees that this project addresses an identified impact.

Rationale: Although improvements were made to the Broadway corridor as part of the construction of Encore, there is still significant congestion along the route from the casino north into Everett Square. Considering the amount of traffic generated by the casino traveling in this direction (approximately 30% of the casino related traffic), the Review Team agrees that it is contributing to the congestion in the area. The proposed project will help better control the flow of traffic and improve safety. According to the applicant, travel times may be decreased by up to 10% with these improvements. This project is considered a transportation construction project and as such is only eligible for a portion of the project funding. There was some confusion as to the level of subsidy requested by the applicant. Initially, the applicant thought they were eligible for full funding of the project. When they were informed that this is considered a construction project, we recalculated the project subsidy and determined that the project is eligible for \$360,500 in funding. After discussions with the applicant, they agreed to modify their request to the eligible amount.

4. Transportation - Lower Mystic TMA Support - \$300,000

Recommendation: Full Funding - \$300,000

Description: This grant is for continued support of the Lower Mystic Transportation Management Association (LMTMA), which will support its technological infrastructure, operations and management as well as provide support for the shuttle system.

Impact: The development of the Encore Casino has been the catalyst for large scale re-development of multiple neighborhoods within Everett and Charlestown. As part of its MEPA approval, Encore must be a member of a local TMA which is designed to reduce single occupancy vehicles and encourage alternative modes of transportation.

Determination: The Review Team agrees that this project addresses the identified impact.



Massachusetts Gaming Commission

Rationale: The original TMA that Encore joined in 2019 went out of business with no nearby alternative. In 2022, Everett and Boston received a \$450,000 joint grant from the Commission to establish the LMTMA primarily to serve the Everett and Charlestown areas with Encore being a founding member. Those funds were designated for a three-year period to get the TMA off the ground. The LMTMA has made significant strides in getting new members to ultimately make the program self-sustaining. Current membership is generating about \$160,000 per year for the LMTMA. The LMTMA has identified several needs that exceed the current available funds that will allow further expansion and improvement of the TMA. These include a Customer Relationship Management System, expanded TMA programs and services including a revised Neighborhood Runner service and continued marketing of the TMA programs and services. The Review Team agrees that providing these funds will help improve the LMTMA operations and marketing to ensure that the program becomes self-sustaining. These funds are to be spent over a three-year period.

5. Public Safety - Everett Police Overtime - \$133,630

Recommendation: Full Funding - \$133,600

Description: These funds will support public safety efforts by providing additional overtime for land-based operations dedicated during peak times in and around the casino and to provide additional overtime for maritime operations between Memorial Day and Labor Day.

Impact: As identified in the Guidelines, increases in traffic can cause increases in congestion, accidents, and vehicular/bicycle/pedestrian conflicts and the influx of visitors to a casino can result in an increase in calls for service and put pressure on local emergency services. Increase in calls for service and waterway traffic has increased due to Encore allowing free dock use.

Determination: The Review Team agrees that this project addresses the identified impact.

Rationale: The additional patrols include 150 land-based patrols during peak times (typically weekend nights) and 25 maritime patrols between Memorial Day and Labor Day. The Review Team agrees that the targeted patrols have been successful in the past and recommends that they be continued. The maritime patrols are a new request. The City has reported an increase in water traffic since Encore now allows people to dock at the property.

6. Public Safety - Everett Police Hardware & Software Upgrades - \$170,000

Recommendation: Full Funding - \$170,000

Description: This request is for Police Department hardware in three areas: Radios, Cameras, and Shotspotter. These include the purchase of 10 interoperable radios for supervisory staff, expansion of the Shotspotter system to Lower Broadway and the addition of closed-circuit cameras to the Lower Broadway area.

Impact: As identified in the Guidelines, the influx of visitors to a casino can result in an increase in calls for service and put pressure on local emergency services. This increase continues to create a demand/draw on police resources pulling them from other parts on the city.

Determination: The Review Team agrees that this project addresses the identified impact.

Rationale: The Review Team agrees that the addition of radios to ensure effective communication by all supervisors and higher level employees is critical to public safety. The Shot spotter is an effective way to track gun shots in real time and provide important data to police. The Review Team agrees that the expansion of the Shotspotter system to Lower Broadway is appropriate considering the number of people that come and go from the facility. Cameras have been proven to be an effective multifunctional tool for crime prevention and apprehension and the Review Team agrees that they are appropriate for the area. The cameras are going to be placed at locations on Lower Broadway adjacent to the casino.

7. Public Safety - ALERT Active Shooter training - \$75,000

Recommendation: Full Funding - \$75,000

Description: These funds are for a three-day active shooter training course which would cover police, fire, EMS, GEU and Security Personnel from Encore.



Massachusetts Gaming Commission

<p>Impact: As identified in the Guidelines, the influx of visitors to a casino can result in an increase in calls for service and put pressure on local emergency services including emergency responders like fire departments and EMS.</p>
<p>Determination: The Review Team agrees that this proposal addresses the identified impact.</p>
<p>Rationale: The Review Team agrees that this training would provide the same knowledge base for many of the emergency responders enabling them to be prepared in the event of an occurrence. Having a casino in Everett makes the casino a known vulnerability point for this type of crime.</p>
<p>8. Public Safety - Everett Fire Ambulance - \$459,938</p>
<p>Recommendation: The Review Team does not Recommend Funding for this project</p>
<p>Description: These funds are for the purchase of a second ambulance for the Fire Department. This new ambulance would be available when the other ambulance is in use or being serviced.</p>
<p>Impact: The influx of visitors to a casino can result in an increase in calls for service and put pressure on local emergency services while increasing interactions between public safety and patrons/employees.</p>
<p>Determination: The Review Team does not agree that this addresses a casino related impact.</p>
<p>Rationale: After careful consideration, the Review Team does not recommend awarding this grant as this request is fulfilling a general municipal purpose and is not directly correlated to a casino impact. Prior to 2022, the City of Everett did not provide their own ambulance service; it was contracted through a private ambulance company. The City made the decision to provide its own ambulance service and its first ambulance went into service in 2023. In 2022, the City requested funds from the Community Mitigation Fund to fund a backup ambulance so the City could end its contract with the private ambulance service. The Commission did not fund the 2022 grant.</p> <p>The stated impact in the application is an increase in calls for service from Encore. The City of Everett receives significant funding in its Host Community Agreement which is designed to mitigate the known impacts of Encore and states “the Impact Payments constitute Wynn’s mitigation efforts and are in full and complete satisfaction of all local government impacts whether or not identified in this Agreement.” Given the scale of the Encore development, the City had to expect a significant increase in calls for service. The primary purpose of the CMF is to address unanticipated impacts of the casinos. The Review Team was not convinced that the increase in calls for service was unanticipated.</p> <p>The provision of a second ambulance would allow the City to end a part of its contract with the private ambulance service. While the Review Team understands the City’s desire to have a backup to their existing ambulance, the City currently has backup in the form of a contract with a private ambulance service. Regardless of the impact, it appears that the City’s decision to provide their own ambulance service was simply a business decision. Therefore, the Review Team does not recommend awarding grant funds.</p>
<p>9. Public Safety - Fire Boat Training - \$200,000</p>
<p>Recommendation: Full Funding - \$200,000</p>
<p>Description: This funding is for a fireboat training course. This would expand the knowledge of the 6 officers who have already have a level of qualification and qualify the rest of the department. The training covers boat handling, water safety, marine firefighting, and surface water rescue.</p>
<p>Impact: As identified in the Guidelines, increased visitation and employment due to the casino will likely increase the interaction between public safety personnel and casino patrons and employees and the influx of visitor to the casino can result in increase in calls for service and put pressure on local emergency services.</p>
<p>Determination: The Review Team agrees that this project addresses the identified impact.</p>



Rationale: Everett cites in its public safety overtime application that waterway traffic has increased due to Encore allowing free dock use. This would fall under the efforts to improve waterway traffic safety and enforcement which could improve public safety. The Review Team agrees that this training would improve the overall ability of the Fire Department in responding to water related emergencies associated with Encore.

10. Gambling Harm Reduction - Addiction Assistance & Education Initiative - \$125,000 - Withdrawn 5.7.24

Recommendation:

Description:

Impact:

Determination: This application was withdrawn at the request of the applicant.

Rationale:



Massachusetts Gaming Commission

Applicant Name: Holyoke	Region: B
MGC FY25 Allocation: \$294,000	Requested Amount: \$294,000
Recommended Grant Amount: \$219,500	
Waiver: N/A	
1. Community Planning - Race Street Lot Activation - \$30,000	
Recommendation: Full Funding with Conditions - \$30,000	
<p>Description: This project is for the development of a container park, where food, art, community, and culture converge. This public space utilizes repurposed stackable shipping containers (20' and 40') as both a delineation of the park, storage, and as canvases for local and visiting artists, all the while creating a versatile venue for community events, workshops, and gatherings.</p>	
<p>Impact: As identified in the Guidelines, gaming establishments attract a large group of patrons and employees to their establishments that would not otherwise be present in the area. This provides opportunities for local communities and businesses to attract casino patrons and employees to their communities, business establishments and promote recreational and entertainment opportunities, and help communities compete with the gaming establishments for business.</p>	
<p>Determination: The Review Team agrees that this project addresses the identified impact.</p>	
<p>Rationale: This project was originally proposed for a lot on High Street. After reviewing the application, it was determined that the High Street lot was privately owned and, as such, improvements to the lot would accrue directly to a private landowner, which the MGC legal team believed would be in conflict with the anti-aid amendment. The City revised its application to move this project to a City-owned lot on Race Street. With this revision, the Review Team agrees that re-activating a vacant lot provides the City with opportunities to attract casino patrons and employees to the area, thereby taking advantage of the presence of the casino in the area. Therefore, the Review Team recommends this portion of the application with the condition that these funds may only be spent on City-owned property.</p>	
2. Community Planning - Exploreholyoke.com - \$40,000	
Recommendation: Full Funding - \$40,000	
<p>Description: These funds are for the continued maintenance of exploreholyoke.com in collaboration with cdeVision LLC which was originally made possible through previous rounds of Community Mitigation Funds. cdeVision will provide services including operational maintenance, updates, and integrated social media plan to continue efforts towards promotion of local businesses and events.</p>	
<p>Impact: As identified in the Guidelines, the marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.</p>	
<p>Determination: The Review Team agrees that this project will help address the identified impact.</p>	
<p>Rationale: exploreholyoke has proven to be a successful platform to attract visitors to the Holyoke area and support local business. The Review Team agrees that the expansion and update of the platform is a valid mitigation measure to increase marketing capacity of local businesses.</p>	
3. Community Planning - MGM Shuttle Services - \$20,000	
Recommendation: Full Funding - \$20,000	
<p>Description: These funds are for a shuttle service between MGM Casino and Holyoke for special events throughout the year. The shuttle service is the critical connection between Holyoke and MGM to promote further collaboration with the casino and a form for locals and visitors to explore both Holyoke events and Springfield's growing casino. The shuttle service will operate from MGM Springfield to Holyoke City Hall and back. Shuttles will run during the following special events: St. Patrick's Parade weekend – March; Holyoke Pride weekend – June; Fiestas Patronales weekend – August; and A Day in the 'Yoke weekend – October.</p>	



<p>Impact: As identified in the Guidelines, the marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.</p>
<p>Determination: The Review Team agrees that this project will help address the identified impact.</p>
<p>Rationale: This program was piloted last year by the City with funds from the CMF and was successful by bringing casino patrons to spend money in Holyoke. This grant will allow the City to expand on the shuttle service success from last year. The Review Team agrees that this program will allow the City to expand on the work done last year to increase business to Holyoke and further strengthen ties with MGM Springfield.</p>
<p>4. Community Planning - Event/Marketing Support - \$25,000</p>
<p>Recommendation: Full Funding - \$25,000</p>
<p>Description: These funds are for marketing support for local events and initiatives related to the 2018 Tourism Plan. In 2024, Holyoke will continue to support events such as Doors Open, Fiesta Patronales, Paper City Food Festival and more.</p>
<p>Impact: As identified in the Guidelines the marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage. Gaming establishments attract a large group of patrons and employees to their establishments that would not otherwise be present in the area. This provides opportunities for local communities and businesses to attract casino patrons and employees to their communities, business establishments and promote recreational and entertainment opportunities, and help communities compete with the gaming establishments for business.</p>
<p>Determination: The Review Team agrees that this project will help address the identified impact.</p>
<p>Rationale: The City was able to provide numerous examples of events that they held and marketed directly to patrons of MGM Springfield. They will use this money to continue to promote events and build capacity in the tourism initiatives. The Review Team agrees that will help businesses compete with MGM Springfield and therefore, recommends funding for this project.</p>
<p>5. Community Planning - GSCVB Membership Package - \$15,000</p>
<p>Recommendation: Partial Funding in the amount of \$500 for the cost of the Holyoke Tourism Advisory Committee membership.</p>
<p>Description: These funds are to be used for memberships to the Greater Springfield Convention and Visitors Bureau (GSCVB) for Holyoke tourism related businesses. A select number of businesses will receive GSCVB membership for two years to assist them in growing their business with out-of-town guests. Each business would receive a listing on the GSCVB's website, ExploreWesternMass.com; a quarter page ad placed on a special Explore Holyoke Guide section in the Western Mass Visitors Guide; social media promotion; inclusion in blogs and digital advertisements.</p>
<p>Impact: As identified in the Guidelines, the marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.</p>
<p>Determination: The Review Team agrees that these funds could help address the identified impact but has concerns with anti-aid issues.</p>
<p>Rationale: While the Review Team agrees that business memberships to the GSCVB would provide a benefit for local businesses, the MGC legal department determined that these costs would be primarily for a private benefit and therefore, would run afoul of the anti-aid amendment. After discussions with Holyoke, it was determined that the Holyoke Tourism Advisory Committee would be eligible to receive funds as a public entity. Therefore, the Review Team recommends awarding \$500 for the Holyoke Tourism Advisory Council GSCVB membership.</p>
<p>6. Transportation Planning - Valley Bike Share Program - \$65,000</p>
<p>Recommendation: Full Funding - \$65,000</p>



<p>Description: These funds are to assist the City in the re-establishment of the Valley Bike share program. These funds will cover the administrative fee associated with the program. Northampton is taking the lead on re-establishing this program and had identified the administrative costs associated with each City/Town.</p>
<p>Impact: The City cited an increase in foot traffic and tourism in the City of Holyoke, catalyzed by the opening of MGM Springfield, increasing the need for different modes of transportation.</p>
<p>Determination: The Review Team agrees that the project would contribute to the regional goal of increased transit options getting individuals to and from MGM and getting cars off the road.</p>
<p>Rationale: The Review Team agrees that the proximity of Holyoke to MGM Springfield makes biking a feasible means of transportation for casino employees and patrons. Adding more transit options will help with expanding options for individuals trying to get to the casino. For this reason, the Review Team recommends full funding of this portion of the application.</p>
<p>7. Public Safety - Law Enforcement - \$60,000</p>
<p>Recommendation: The Review Team does not recommend funding this portion of the application.</p>
<p>Description: These funds are to be used for police overtime to combat human trafficking, drug trafficking, money laundering, property crimes and assaults. Hiring an average of four officers for overtime strategically deployed at various times and days, the City aims to create a proactive response to these issues.</p>
<p>Impact: As identified in the guidelines, it is recognized by law enforcement and the casino industry that certain types of crime may be attracted to casinos and other hospitality related businesses. These may include human trafficking, money laundering, and drug trafficking. Along with other crimes that may be attributable to casinos including increased assaults, fraud, and property crimes.</p>
<p>Determination: The Review Team did not agree that this project addresses the identified impacts.</p>
<p>Rationale: One of the key provisions in the Public Safety category is that funds must be used to supplement police operations, meaning that a new program or effort is being developed to specifically address casino related impacts. Previous applications that were approved by the Commission include overtime targeted to late night or weekend patrols or to a specific issue like OUI enforcement that draw a direct line to the times and locations where casino related activity might result in issues. Another provision of the Guidelines is that each proposal must have a scope of work outlined in sufficient detail to understand how the applicant will address the identified impact. While this application identified an impact from the Guidelines, there was no specific scope of work that established how the Police Department would address the identified activities. The Review Team met with the Police Department to discuss their plans and they were offered an opportunity to clarify their proposal with respect to the specific scope of work. The response did not provide the detail or specificity that the Review Team requires to fund these types of applications. For these reasons, the Review Team does not recommend funding for this portion of the application.</p>
<p>8. Public Safety - Lighting Installations - \$24,000</p>
<p>Recommendation: Full Funding with Conditions - \$24,000</p>
<p>Description: This project proposes to implement lighting installations in poorly lit, high tourism areas in order to make these downtown areas safer for tourists and less attractive for criminal activity.</p>
<p>Impact: As identified in the guidelines, it is recognized by law enforcement and the casino industry that certain types of crime may be attracted to casinos and other hospitality related businesses. These may include human trafficking, money laundering, and drug trafficking. Along with other crimes that may be attributable to casinos including increased assaults, fraud, and property crimes</p>
<p>Determination: The Review Team agrees that this project could help mitigate the identified impact.</p>



Rationale: The City of Holyoke has made a number of strides in the tourism area as evidenced by this and earlier CMF applications. The Review Team agrees that well-lit areas deter crimes and that improving safety is a key to ensuring sustained tourism associated with MGM Springfield. Therefore, the Review Team recommends full funding for this portion of the application with the stipulation that any new lighting installations be installed on City-owned property.

9. Gambling Harm Reduction - Harm Reduction Survey - \$15,000

Recommendation: Full Funding - \$15,000

Description: In conjunction with the Western Mass Public Health Institute, this project is to conduct a city wide survey on gaming habits and trends. The survey will be available in English and Spanish and will gather data on all age groups including all relative demographic information. Partnering with the public schools, the Holyoke Senior Center, Holyoke Community College, Nueva Esperanza, Girls Inc. and others, the survey will be able to reach every neighborhood in the city. With the data from the survey Holyoke will be able to create an action plan to address concerns of gambling addiction or unhealthy behaviors around gambling.

Impact: As referenced in the guidelines, certain groups of people are disproportionately at risk of gambling-related harm by the presence of a casino. These groups can be linked by race, ethnicity, gender, age, people who have recently immigrated, veteran status, and/or socioeconomic status.

Determination: The Review Team agrees that the research proposed could provide valuable information on gaming related harm to the community.

Rationale: The Review Team agrees that the proposed focus groups and survey data could yield valuable data to help Holyoke develop implementable items to be pursued by the community, and therefore recommends full funding this portion of the application.



Massachusetts Gaming Commission

Applicant Name: Saugus	Region: A
MGC FY25 Allocation: \$200,000	Requested Amount: \$200,000
Recommended Grant Amount: \$90,000	
Waiver: N/A	
1. Community Planning - Riverwalk - \$30,000	
Recommendation: Full Funding with Conditions - \$30,000	
Description: This project is for exploring economic development opportunities along the recently completed Saugus Riverwalk.	
Impact: As identified in the Guidelines, gaming establishments attract a large group of patrons and employees to their establishments that would not otherwise be present in the area. This provides opportunities for local communities and businesses to attract these patrons and employees to their communities and business establishments.	
Determination: The Review Team agrees that this project addresses the identified impact.	
Rationale: The Review Team agrees that Community Planning initiatives are valuable in neighboring communities to help attract casino patrons and employees to local businesses. The initial application lacked specificity with respect to the scope of work. The applicant provided additional information that was acceptable to the Review Team, however, this scope of work has not been fully developed. The Review Team recommends that the Town of Saugus submit the final scope of work to the Community Affairs Division for approval before requesting quotes for this work.	
2. Community Planning - Targeted Marketing Campaign to Attract Visitors - \$20,000	
Recommendation: Full Funding with Conditions - \$20,000	
Description: This project is to implement a targeted marketing campaign for Saugus aimed at increasing visibility and visitor awareness.	
Impact: As identified in the Guidelines, gaming establishments attract large numbers of patrons and employees otherwise not present in the area. This presents an opportunity for the Town of Saugus to attract patrons and employees to Saugus businesses and venues.	
Determination: The Review Team agrees that this project addresses the identified impact.	
Rationale: The Review Team agrees that marketing initiatives are valuable in neighboring communities to a casino to help attract business to the community. The initial application lacked specificity with respect to the scope of work. The applicant provided additional information that was acceptable to the Review Team, however, this scope of work has not been fully developed. The Review Team recommends that the Town of Saugus submit the final scope of work to the Community Affairs Division for approval before requesting quotes for this work.	
3. Transportation - Pedestrian Safety Improvements at Ballard Street Crossing - \$30,000	
Recommendation: The Review Team does not recommend funding for this portion of the application.	
Description: This project is for the design and construction of a pedestrian crossing on Ballard Street.	
Impact: As identified in the Guidelines, increased traffic associated with the gaming establishment has caused increased congestion, accidents, and vehicular/bicycle/pedestrian conflicts on certain routes.	
Determination: The Review Team agrees that this project could address a casino related impact, however, the application did not submit sufficient documentation to determine eligibility for funding.	



Massachusetts Gaming Commission

Rationale: For every application submitted to the Commission, applicants must submit a detailed scope, budget and schedule for the proposed work. The grant application requests that applicants "include as an attachment any requests for proposals, quotes or estimates that would quantify the costs associated with the mitigation." The initial application only provided a very basic cost and scope without backup documentation. The Review Team met with the applicant and requested additional information regarding the design and construction aspects of the project. The applicant sent a response to our overall request but did not address this project. The Review Team was also concerned about the location of the project and whether there is a nexus to casino related traffic. Because of these issues, the Review Team does not recommend funding of this portion of the project.

4. Transportation - Problem Traffic Location analysis/mitigation - \$80,000

Recommendation: The Review Team does not recommend funding this portion of the project.

Description: This project is to analyze key intersections and routes where there are traffic issues caused by the casino and develop measures to mitigate those impacts.

Impact: As identified in the Guidelines, increased traffic associated with the gaming establishment has caused increased congestion, accidents, and vehicular/bicycle/pedestrian conflicts on certain routes.

Determination: The Review Team agrees that this project could address a casino related impact, however, the application did not submit sufficient documentation to determine eligibility for funding.

Rationale: This Transportation Planning application requested \$30,000 to identify key intersections that the Town would like to study and then \$50,000 to perform a study of the identified location or locations. This approach does not meet with the requirements in the Guidelines. For Transportation Planning projects, the Guidelines state that "(t)ransportation planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results." In addition, the Guidelines identify that planning funds may only be used on roads that carry at least 1% of casino related traffic. The Review Team met with the applicant and requested additional information regarding the proposed locations for study, the amount of casino related traffic using these locations and how the costs associated with the work were calculated. The applicant sent a response to our overall request but did not address this project. For these reasons, the Review Team does not recommend funding this portion of the application.

5. Public Safety - Enhanced Traffic Enforcement and Education - \$40,000

Recommendation: Full Funding with Conditions - \$40,000

Description: These funds are for the purchase of speed/message boards and the creation and implementation of a public education campaign.

Impact: As identified in the Guidelines, increased traffic associated with the gaming establishment has caused increased congestion, accidents, and vehicular/bicycle/pedestrian conflicts on certain routes.

Determination: The Review Team agrees that the mitigation measure could help with the identified impact.

Rationale: The Review Team agrees that message boards are an effective means to improve traffic safety and have been funded by the CMF in a number of communities. The Review Team met with the applicant and asked for backup documentation regarding the costs of the equipment and the scope of the education campaign. The applicant included specifications for the speed/message boards with their response but no estimates of the cost. Based on other applications, the proposed cost seems to be in line with amounts requested on those applications. The Review Team recommends funding this portion of the application with the condition that the bid/quote for the signs be approved by the Community Affairs Division before the order is placed and that a scope of work be prepared and approved by the Community Affairs Division for the creation and implementation of the public education campaign.



Massachusetts Gaming Commission

Applicant Name: Springfield	Region: B
MGC FY25 Allocation: \$1,403,700	Requested Amount: \$2,901,348
Recommended Grant Amount: \$1,364,800 (\$2,864,800 if waiver is approved)	
<p>Waiver: The City of Springfield is requesting a waiver in the amount of \$1,500,000 for their Central Mixed-Use Parking Infrastructure Project. As per the Guidelines the City is requesting funding for a major project that would otherwise not be funded. In its review last year, the Commission agreed that this project was eligible for funding under the Transportation Construction category and was awarded grant funds in the amount of \$1,500,000 with a waiver extending the required project start date to June 30, 2025. The Guidelines do not prohibit applicants from seeking funding in subsequent years.</p> <p>Between last year's award and this year's request, the total request by the City totals \$3 million, which is 16.2% of the current estimated project cost of \$18.5 million. This is below the maximum grant percentage allowed under the current subsidy formula and does not exceed the maximum grant amount for FY 25 (\$1.5 million). The Community Affairs Division performed an analysis of available funds in Region B and there are sufficient funds to cover the cost of the waiver without needing to draw funds from Region A.</p> <p>The granting of a waiver by the Commission is purely discretionary. As stated in the Guidelines, "(t)he Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines where the Commission finds that:</p> <ul style="list-style-type: none"> a. Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K; b. Granting the waiver or variance will not adversely affect the public interest; and c. Not granting the waiver or variance would cause a substantial hardship to the community, governmental entity, or person requesting the waiver or variance." <p>With respect to the Municipal Block Grant, the Guidelines state "(i)f any municipality determines that the proposed grant amount is insufficient to mitigate identified casino related impacts, it may request a waiver for those specific projects that cause the municipality to exceed the proposed grant amount. These will be evaluated on a case by case basis and award decisions will be based on available funding."</p> 	
1. Community Planning - Main Street & Convention District Wayfinding/Signage Design & Engineering - \$225,000	
Recommendation: Full Funding - \$225,000	
Description: These funds are for the development of a wayfinding signage program that will unify the district and build on the prior Public Realm Master Plan recommendation for signage on key boundaries, intersections, and pedestrian paths within the district. These signs would be focused in the MGM, Court Square, and MassMutual areas.	
Impact: Springfield cites the negative effects of disinvestment, inflated real estate, and negative pedestrian experience due to the presence of the casino. It also noted the positive impacts of attracting patrons, visitors and employees to the area.	
Determination: The Review Team agrees that increased wayfinding and signage could help MGM visitors to patronize Springfield attractions and businesses.	
Rationale: This wayfinding program could assist local businesses by attracting casino patrons to the area. The Review Team agrees that the Applicant's request utilized an impact and mitigation measure identified in the FY 2025 Community Mitigation Fund Guidelines and provided an identified mitigation measure.	
2. Transportation Planning - Main St., & Convention District Phase II Public Realm & Connectivity - \$500,000	
Recommendation: Full Funding - \$500,000	



Description: These funds are to advance the Phase 2 public realm design/engineering work. The goal is to advance the detailed urban design, streetscape, hardscape, landscape, and lighting designs to expand a high-quality pedestrian environment and connectivity to additional areas around MGM. An improved pedestrian environment/experience will increase the resident, tourist, and business attraction to the area, while encouraging private investment and redevelopment of adjacent languishing buildings and sites.

Impact: As identified in previous Springfield applications, the real estate conditions surrounding MGM Springfield have suffered sustained decline, property disinvestment and area blight due in part to the over inflated and speculative market caused by the MGM project.

Determination: The Review Team agrees that the project could be a mitigation measure to improve the negative impacts cited by the applicant.

Rationale: This project expands on the work done by the City in the area of Court Square and the MassMutual Center. The limits of the Phase II work are roughly bounded by State Street, Willow Street, Union Street and East Columbus Ave. The Review Team agrees that an improved pedestrian environment could increase resident, tourist and business attraction to the area and could encourage private investment and/or redevelopment of adjacent sites. By working off of the design recommendation from the Phase 1 project the city will be able to act on strategic planning that will help to revitalize the greater MGM downtown area. Therefore, the Review Team recommends full funding of this portion of the application.

3. Transportation Construction - Central Mixed Use Parking Infrastructure Project - \$1,500,000 (\$1.5M Waiver Request)

Recommendation: \$1,500,000 if the waiver is granted.

Description: The City of Springfield is requesting \$1,500,000 to cover the construction costs associated with the Central Mixed-Use Parking Infrastructure Project.

Impact: The applicant cited loss of municipal revenue due to the presence of a free parking garage at MGM as a casino related impact.

Determination: The Review Team did not weigh in on the suitability of this application as the Commission determined in 2023 that this project was eligible for funding under the Transportation Construction category. The determining factor will be whether the Commission grants the waiver for this project.

Rationale: This project was submitted by the City of Springfield in 2023 as a Project of Regional Significance in the amount of \$3,000,000. The Review Team did not recommend funding this project as the team did not agree that this project was regional in nature and there was a competing Project of Regional Significance that team agreed was more appropriate to fund. As a compromise, the Commission agreed to fund this project in the amount of \$1,500,000 as a Transportation Construction project and granted a waiver to move the start date of construction out to June 30, 2025. The applicant was advised that they could apply for additional funding under the Transportation Construction category in FY 25.

This application is for the additional \$1,500,000 that was not awarded last year. As described in the waiver discussion above, this project was determined to be eligible under the Transportation Construction category last year, the request stays within the subsidy limits established in 2023 and the FY 2025 Guidelines and there are sufficient funds available in Region B to fund this application. This request, however, exceeds the Proposed FY 25 Grant Allocation and requires a waiver from the Commission to move forward.

4. Public Safety - Police Equipment, Training & Outreach - \$310,904

Recommendation: Partial Funding with Conditions - \$273,400

Description: These funds are for costs associated with a number of public safety initiatives including: 4 Vigilant Mobile LPR-2 Camera Packages; 2 Recon Power (Electric Bikes); 15 Vector Ballistic Barriers; Funds for 15 officers to attend Crisis Intervention Training; Funds for 20 officers to attend Active Attack Integrates Response Responder Training; 110 Hours of Overtime Deployments; and 22 Microphones and Earpieces.

Impact: The applicant cited all of the identified impacts from the Public Safety section of the Guidelines.



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Determination: The Review Team agrees that the described equipment and public safety strategies can help mitigate the impacts of the casino.

Rationale: The Review Team agrees that many aspects of the application could be effective public safety strategies. This portion of the application was revised during the review process to reflect current priorities of the police department.

The Review Team recommends funding all aspects of the award with the exception of the requested 15 Vector Ballistic Barriers. These are protective barriers that can be used to protect officers and civilians from physical assaults, guns, blades, etc. The Review Team determined that this request was not eligible for funding under the Guidelines as this is equipment that is normally supplied by a public safety agency to their staff (e.g., uniforms, safety equipment, weapons, body armor, etc.).

The Review Team agrees that the license plate reader cameras, electric bikes and training are appropriate uses of the funding and recommends full funding for those requests.

The City is also requesting overtime to help offset the impacts of the MGM parking garage and the increases in homelessness in the area. Of their request, around 70% of overtime will go towards the traffic details and 30% toward the homelessness deployments. The Review Team agrees that free parking provided at MGM has caused additional traffic issues associated with the MassMutual Center for events not associated with MGM and recommends funding of the overtime. Typical events not associated with MGM would be hockey games, conferences, and graduations. The Community Affairs Division requests that the Police Department provide in their quarterly reporting a list of deployments in the area that identifies the nature of the patrol (traffic or homelessness) and a breakdown of the traffic patrols that ensures that the events that are scheduled by MGM have patrols paid for by MGM.

5. Public Safety - Extrication Tools for Casino Area Apparatus - \$91,444

Recommendation: Full Funding - \$91,400

Description: These funds are for the purchase of 2 Genesis eForce Cutters, Spreaders, and Telescopic Rams (this group of equipment is commonly known as “the jaws of life”), along with their supporting 3 Bay Battery Chargers, and Batteries, to more efficiently carry out extrication incidents. This equipment will be assigned to the Rescue Squad and TAC-1 which primarily respond to the casino area.

Impact: The Applicant cited an increase in public safety service calls requiring extrication tools more frequently due to increase in traffic accidents.

Determination: The Review Team agrees that the mitigation measure will help with the impact identified.

Rationale: The Review Team agrees that the impact was very tangible in the area as the applicant noted that their service calls have more than doubled in the last three years. They also noted that in 2017 there were 25 uses of the equipment, and they are now seeing over 60 uses per year. The CMF funded one replacement last year and this request is for the replacement of two more sets of equipment which are over 17 years old.

6. Gambling Harm Reduction - Springfield Young Adult Gambling Project - \$275,000

Recommendation: Full Funding - \$275,000

Description: This funding is for the second year of the Springfield Young Adult Gambling Project, a community-engaged research project. This application described initial findings emerging from the first year of the work and submitted a detailed community-based participatory research plan to take the research developed in the last year to inform a digital story telling initiative to bring awareness to the relationship between Young Adults and gaming.

Impact: The Applicant cited research that shows a percentage of Massachusetts residents who gamble are at risk for problem gambling or already have a gambling addiction.

Determination: The Review Team agrees that the second phase of this research could help with the impact identified.



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Rationale: This application is a continuation of a grant funded by the Commission in last year's round and the Review Team agrees that it is the natural progression of the work happening in Springfield. The City achieved excellent results from their initial study and this builds on that effort. Therefore, the Review Team recommends funding for this portion of the grant.



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TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Brad Hill
Commissioner Nakisha Skinner

FROM: Kathleen Kramer, Interim Chief Enforcement Counsel/Assistant Director/Senior Enforcement Counsel

CC: Caitlin Monahan, Director, IEB
Justin Stempeck, Deputy General Counsel

DATE: May 30, 2024

RE: Sports Wagering Noncompliance Matters

At the June 6, 2024, Public Meeting, the IEB will be presenting the following Sports Wagering Noncompliance matters to the Commission:

1. Betfair Interactive US LLC, d/b/a FanDuel Sportsbook, Temporary Category 3 Sports Wagering Operator, 2024-SWN-029: This matter relates to the question of whether between March 12, 2024, and March 13, 2024, the Operator allowed three wagers related to Boston College's participation in the NCAA Men's Basketball Tournament before the tournament field was set in contravention of G. L. c. 23N, § 3, and 205 CMR 247.01(2)(a)(2). The total stakes involved was approximately \$11.00.
2. Penn Sports Interactive, LLC, Temporary Category 3 Sports Wagering Licensee Penn Sports Interactive, LLC, 2024-SWN-031: This matter relates to whether an ESPN analyst violated 205 CMR 256.04(6)(c) and 205 CMR 256.04(6)(d) during a media segment by stating a particular wager was a "risk-free investment".
3. Penn Sports Interactive, LLC, Temporary Category 3 Sports Wagering Licensee, 2023-SWN-019: This matter relates to whether between November 6, 2023, and December 9, 2023, the Operator allowed approximately 249 wagers on college basketball games involving teams from leagues that are not approved for wagering in contravention of 205 CMR 247.01(1), 205 CMR 247.01(2)(1), and the Massachusetts Sports Wagering Catalog. The total stakes involved was approximately \$12,075.83.



Massachusetts Gaming Commission



MASSACHUSETTS GAMING COMMISSION

To: Interim Chair Maynard and Commissioners Hill, O'Brien, and Skinner
From: Dean Serpa, Douglas O'Donnell, John Scully, and Derek Lennon
Date: June 6, 2024
Re: Fiscal Year 2025 (FY25) Budget Recommendations

Summary

The Massachusetts Gaming Commission's (MGC) initial Fiscal Year 2025 (FY25) budget and assessment projections are composed of the following:

- **Gaming**
 - \$33.13M for gaming regulatory costs, including funding for 86.19 full-time equivalents (FTEs) and 3 contract positions;
 - \$2.12M for the Commonwealth's indirect costs;
 - \$3.99M for the Office of the Attorney General's (AGO) gaming operations, inclusive of Massachusetts State Police (MSP) assigned to the AGO;
 - \$75K for the Alcohol and Beverage Control Commission (ABCC); resulting in,
 - \$39.87M total funding of the Gaming Control Fund requiring an assessment of \$36.13M
- **Racing**
 - \$2.01M for racing regulatory costs, including funding for 5.48 FTEs;
 - \$111.8K for the Commonwealth's indirect costs;
 - \$2.12M combined total of regulated racing costs.
- **Community Mitigation Fund**
 - \$483.42K for grant review and sub-recipient monitoring costs, including funding for 2.63 FTEs
- **Sports Wagering Control Fund**
 - \$10.08M for sports wagering regulatory costs, including funding for 43.32 FTEs and 5 contractors;
 - \$520.35K for the Commonwealth's indirect costs
 - \$500K for Office of the Attorney General
 - \$11.10M total funding of the Sports Wagering Control Fund requiring an assessment of \$10.65M
- **Public Health Trust Fund**
 - \$5.95M for the research and responsible gaming agenda, inclusive of 3 FTEs. The Commission's research and responsible gaming office will be funded by the Public Health Trust Fund (PHTF)



Massachusetts Gaming Commission

Total Budget

The total budget presented today, excluding racing capital and promotional trust funds that benefit licensees and grants from the Community Mitigation Fund, is \$59.54M and funds 140.62 FTEs and 8 contract employees.

Appropriation	Grouping Name	FY25 Budget	FTEs	Contractors
Gaming Control Fund 10500001				
	MGC Regulatory Costs	\$33,132,023.00		
	Indirect	\$2,668,901.53		
	Office of Attorney General and AGO MSP	\$3,998,094.24		
	Alcohol and Beverage Control Commission	\$75,000.00		
10500001 Total		\$39,874,018.77	86.19	3.00
Racing Development and Oversight Fund 10500003				
	MGC Regulatory Costs	\$2,011,355.03		
	Indirect	\$111,802.56		
10500003 Total		\$2,123,157.59	5.48	-
Community Mitigation Fund 10500004				
	MGC Regulatory Costs	\$483,416.36		
10500004 Total		\$483,416.36	2.63	-
Sports Wagering Control Fund 10501384				
	MGC Regulatory Costs	\$10,072,410.22		
	Research and Responsible Gaming/PHTF	\$12,100.00		
	Indirect	\$520,356.13		
	Office of Attorney General and AGO MSP	\$500,000.00		
10501384 Total		\$11,104,866.35	43.32	5.00
Public Health Trust Fund 40001101				
	MGC Regulatory Costs	\$10,733.14		
	Research and Responsible Gaming/PHTF	\$5,945,766.84		
40001101 Total		\$5,956,499.98	3.00	-
Grand Total		\$59,541,959.05	140.62	8.00

Fiscal Year 2025 Massachusetts Gaming Commission Budget Overview

The MGC's annual budget building process begins in February and concludes once the Commission approves a budget in June. The MGC Office of Finance met with each division/bureau head within the MGC and developed spending and revenue projections that are best estimate representations of what will be needed in FY25 to operate the Commission, as well as what can be expected for revenue based on the Commission's current fee structures. These requests were then reviewed by the CFAO, the Executive Director, and the Treasurer of the Commission. A third review was conducted by representatives of both the gaming licensees and sports wagering licensees in a virtual meeting on May 16, 2024. The meeting included a comprehensive review of the Commission's budget and staffing levels.

The MGC's FY25 budget of \$59.54M represents a \$2.78M (4.9%) increase over the currently approved FY24 budget. The Commission approved an initial FY24 budget funding 132.62 FTEs and 6 contractors. As of the writing of this memorandum, the Commission has increased the approved FTEs to 135.62 FTEs with three (3) additional positions being added to the sports wagering division.



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In FY25, we recommend increasing the number to 140.62 FTEs and increasing contractors from six (6) to eight (8).

Appropriation	FY24 Initial FTEs	FY24 Initial Contractors	FY24 Current FTEs	FY24 Current Contractors	FY25 FTEs	FY25 Contractors
Gaming Control Fund 10500001	87.03	3.00	85.12	3.00	86.19	3.00
Racing Development and Oversight Fund 10500003	7.35	-	5.48	-	5.48	-
Community Mitigation Fund 10500004	2.00	-	2.00	-	2.63	-
Sports Wagering Control Fund 10501384	33.24	3.00	40.02	3.00	43.32	5.00
Public Health Trust Fund 40001101	3.00	-	3.00	-	3.00	-
Grand Total	132.62	6.00	135.62	6.00	140.62	8.00

Appropriation	Grouping Name	FY24	FY25	Variance	% Variance
Gaming Control Fund 10500001					
	MGC Regulatory Costs	\$31,610,283.60	\$33,132,023.00	\$1,521,739.40	4.81%
	Indirect	\$2,605,320.52	\$2,668,901.53	\$63,581.01	2.44%
	Office of Attorney General and AGO MSP	\$3,924,122.55	\$3,998,094.24	\$73,971.69	1.89%
	Alcohol and Beverage Control Commission	\$75,000.00	\$75,000.00	\$0.00	0.00%
	10500001 Total	\$38,214,726.67	\$39,874,018.77	\$1,659,292.10	4.34%
Racing Development and Oversight Fund 10500003					
	MGC Regulatory Costs	\$1,968,738.82	\$2,011,355.03	\$42,616.21	2.16%
	Indirect	\$140,146.24	\$111,802.56	-\$28,343.68	-20.22%
	10500003 Total	\$2,108,885.06	\$2,123,157.59	\$14,272.53	0.68%
Community Mitigation Fund 10500004					
	MGC Regulatory Costs	\$385,392.33	\$483,416.36	\$98,024.03	25.43%
	10500004 Total	\$385,392.33	\$483,416.36	\$98,024.03	25.43%
Sports Wagering Control Fund 10501384					
	MGC Regulatory Costs	\$9,160,877.22	\$10,072,410.22	\$911,533.00	9.95%
	Research and Responsible Gaming/PHTF	\$12,100.00	\$12,100.00	\$0.00	0.00%
	Indirect	\$477,774.95	\$520,356.13	\$42,581.18	8.91%
	Office of Attorney General and AGO MSP	\$500,000.00	\$500,000.00	\$0.00	0.00%
	10501384 Total	\$10,150,752.17	\$11,104,866.35	\$954,114.18	9.40%
Public Health Trust Fund 40001101					
	MGC Regulatory Costs	\$15,951.45	\$10,733.14	-\$5,218.31	-32.71%
	Research and Responsible Gaming/PHTF	\$5,884,648.17	\$5,945,766.84	\$61,118.67	1.04%
	40001101 Total	\$5,900,599.62	\$5,956,499.98	\$55,900.36	0.95%
	Grand Total	\$56,760,355.85	\$59,541,959.05	\$2,781,603.20	4.90%

The Commission's Office of Finance developed a revised cost allocation method for charging the costs of staff that work across programs in racing, gaming, and/or sports wagering at the beginning of FY24. The method used was to take the positions that work directly on racing, sports wagering, and gaming as a subset and then determine each fund's share of that subset. Those percentages were then applied to staff that are not directly assigned to a given fund. The distribution arrived at 65% to the gaming control fund, 28.5% to the sports wagering control fund, and 6.5% to the racing oversight and development fund. At the first FY24 quarterly budget update we revised that allocation to 67% gaming control fund, 30% sports wagering control fund, and 3% racing oversight and development fund due to revenue declines in racing. The table at the top of this page shows that change and how it impacted FTE counts across appropriations.

In FY25, the MGC will continue allocating funds to each division/bureau and tracking contractual commitments, expenditures, and salaries, against each division/bureau budget. The Commission will be using the expense budget feature in the Massachusetts Management and Accounting Reporting System (MMARS) to establish these budgets and automate the process of tracking each budget to actual expenditures and commitments.



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The following section of this memorandum is a summary by appropriation of spending anticipated for: the Gaming Control Fund, the Community Mitigation Fund, the Racing Oversight and Development Fund, The Sports Wagering Control Fund, and the Public Health Trust Fund. Immediately following each summary is a chart that demonstrates significant variances between FY24 and FY25 for each division/bureau. Attachment B to this document provides a view of each division's budget by object class, object code, and then specific budget item. This same information can be found in Attachment C, but the view is ordered first by object class, then object code, then division, and finally by specific budget item.

Gaming Control Fund Regulatory vs. Statutory Costs

It is important to distinguish between the different components of the proposed budget for FY25 and understand the difference between regulatory and statutory costs. The composition of the Gaming Control Fund budget can be broken up into two areas. The first area comprises the regulatory costs of the Massachusetts Gaming Commission to regulate category 1 and 2 facilities. These regulatory costs are directly within control of the Gaming Commission. The second area comprises statutory costs that are assessments contained in the Expanded Gaming Act but are not within the budgetary discretion of the Gaming Commission. The statutory costs are the responsibility of our licensees to pay. Most of this memorandum focuses on the regulatory costs of the MGC. Below is a summary of the ~\$6.74M statutorily required costs:

- \$3.99M for the costs of the Attorney General's Office (C. 12 § 11M),
- \$75K for the Alcoholic Beverage Control Commission (C. 10 § 72A), and
- \$2.67M for Commonwealth of Massachusetts Assessed Indirect Costs (ANF Bulletin 5).

The Commission's regulatory FY25 budget projections total \$33.13M, and fund 10 divisions. The funding level of each division, along with the change from the previous year, is laid out in further detail later in this memorandum.

Gaming Control Fund 1050-0001

The MGC's currently approved FY24 budget for the Gaming Control Fund is \$38.21M. The MGC is recommending an FY25 budget of \$39.87M, which is a 4.34% increase over the currently approved FY24 budget. The MGC's regulatory costs funded by the Gaming Control Fund increased by 4.81% from \$31.61M in FY24 to \$33.13M in FY25, the statutorily required costs increased by 2.08% from \$6.6M in FY24 to \$6.74M in FY25. The table below summarizes significant changes in our regulatory costs by spending category between fiscal years:



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Fund	Category	Class	Object object class name	FY24	FY25	Variance	% Variance	Variance Notes
Gaming Control Fund 10500001								
								Turnover projected at 5% of total payroll. Raises of 3%. Moved .625 FTEs off of gaming to community mitigation fund, and added 1.7 new FTEs to this appropriation.
			Regulatory Costs AA REGULAR EMPLOYEE COMPENSATION	\$8,644,526.91	\$8,737,689.97	\$ 93,163.06	1.07%	
			BB REGULAR EMPLOYEE RELATED EXPEN	\$92,617.00	\$95,994.50	\$ 3,377.50	3.52%	
			CC SPECIAL EMPLOYEES	\$176,800.00	\$192,640.00	\$ 15,840.00	8.22%	Raises for contract employees.
			DD PENSION & INSURANCE RELATED EX	\$3,670,880.82	\$3,828,205.39	\$ 157,324.57	4.11%	Increase in fringe rate
			EE ADMINISTRATIVE EXPENSES	\$683,354.92	\$708,291.92	\$ 24,937.00	3.52%	
			FF FACILITY OPERATIONAL EXPENSES	\$20,000.00	\$20,000.00	\$ -	0.00%	
								Renewed lease for office space for five (5) years. Received 3 months of free rent at end of current lease.
			GG ENERGY COSTS AND SPACE RENTAL	\$1,074,392.38	\$817,235.42	\$ (257,156.96)	-31.47%	
			HH CONSULTANT SVCS (TO DEPTS)	\$964,883.31	\$988,500.00	\$ 23,616.69	2.39%	
								Increases in Gaming Enforcement Unit collective bargaining agreements both for state police and municipal police
			JJ OPERATIONAL SERVICES	\$11,779,907.93	\$12,770,229.07	\$ 990,321.14	7.75%	
			KK EQUIPMENT PURCHASE	\$62,000.00	\$62,000.00	\$ -	0.00%	
			LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$47,807.90	\$65,607.90	\$ 17,800.00	27.13%	New lease for an additional copier
			NN INFRASTRUCTURE:	\$30,000.00	\$30,000.00	\$ -	0.00%	
			PP STATE AID/POL SUB	\$150,000.00	\$90,000.00	\$ (60,000.00)	-66.67%	Decrease in anticipated grant funding for HR/Diversity division.
								Anticipated costs of a new licensing management system.
			UU IT Non-Payroll Expenses	\$4,213,112.43	\$4,725,628.83	\$ 512,516.40	10.85%	
10500001	Total			\$31,610,283.60	\$33,132,023.00	\$ 1,521,739.40	4.59%	

The MGC Regulatory portion of the Gaming Control Trust supports 10 divisions/bureaus. The table below shows each division's/bureau's costs of providing regulatory oversight to expanded gaming in FY24 and FY25. In FY25, we are requesting funding for This item funds 86.19 FTEs and 3 contract positions. Overall regulatory spending increased by 4.59% or \$1.52M from FY24 current projections. Most of the increase comes from collective bargaining agreement increases in the Gaming Enforcement Unit (GEU) and the development of a new licensing system (this item is split 70% funded from this item and 30% funded from the sports wagering control fund).

Below is a table that compares each division by the currently approved FY24 budget and the proposed FY25 budget, for the Regulatory portion of the Gaming Control Fund, along with a brief explanation for any significant funding variances. Further details for budgets by each division are provided in attachments B and C:



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Fund	Category	Unit	Unit Name	FY24	FY25	Variance	%	Variance Notes
Gaming Control Fund 10500001								
	MGC Regulatory Costs	1000	Finance and Administration	\$2,181,164.80	\$1,991,585.18	\$ (189,579.62)	-8.69%	Signed a 5 year extension of office lease that included a discount of 3 months of the expiring lease.
		1100	Human Resources	\$1,427,109.58	\$1,443,070.55	\$ 15,960.97	1.12%	
		1200	Legal	\$1,430,780.08	\$1,608,076.94	\$ 177,296.86	12.39%	Annualization of FY24 hires. Increase in hearing officer costs, offsite storage costs, memberships, and conference registrations
		1300	Executive Director	\$561,856.57	\$581,787.24	\$ 19,930.67	3.55%	
		1400	Information Technology	\$5,765,141.71	\$6,083,316.53	\$ 318,174.82	5.52%	Costs of new data center, annualization of FY24 hires, and portions of 2 new positions for FY25.
		1500	Commissioners	\$1,047,419.33	\$1,135,910.86	\$ 88,491.53	8.45%	Annualization of FY24 raises.
		1800	Communications	\$309,211.13	\$361,969.78	\$ 52,758.65	17.06%	Addition of new employee for 50% of the year.
		1900	Ombudsman	\$170,091.23	\$85,666.01	\$ (84,425.22)	-49.64%	Moved portions of staff from here to community mitigation fund
		5000	Investigations and Enforcement Bureau	\$17,995,010.46	\$19,043,484.14	\$ 1,048,473.68	5.83%	GEU CBA increases
		7000	Licensing Division	\$986,143.73	\$1,500,980.15	\$ 514,836.42	52.21%	Development of new licensing management system.
		All	All Divisions	-\$263,645.02	-\$703,824.38	\$ (440,179.36)	166.96%	
		10500001 Total		\$31,610,283.60	\$33,132,023.00	\$ 1,521,739.40	4.81%	

Racing Development and Oversight Trust Fund 1050-0003

This item funds the operations of the Racing division. Most of the funding from this appropriation is payroll, seasonal payroll, and fringe related costs. Costs of the division are payroll (seasonal and full time), fringe costs, drug and laboratory testing, ISA to DPH, and purchased client services for economic hardship payments, and the jockey guild. As was reported in the first quarterly budget update for FY24, racing revenues are down. We are keeping an eye on this item and this year's budget reflects that. This item is proposed to fund 3 full-time racing employees, as well as 3% of MGC staff supporting racing operations.

Below is a table that compares the currently approved FY24 budget and the proposed FY25 budget for the Racing Oversight and Development Fund, along with a brief explanation for any large variances. Of importance is the fact that we have made cuts to all object classes within racing besides payroll, seasonal payroll, lab testing, and the statutorily required payments under the MM object class. We had made a request of the Legislature to amend the language of the Racehorse Development Fund to allow us to spend some of the fund for administrative purposes given that racing revenue streams are declining. That request was not adopted in this year's budget cycle, however, it is an item we would like to have additional discussions with the Legislature in the coming year. Further details for budgets by each division funded from the Racing Development and Oversight Trust fund are provided in attachments B and C:



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Fund	Category	Object Class	object class name	FY24	FY25	Variance	% Variance	Variance Notes
Racing Development and Oversight Fund 10500003								
	MGC Regulatory Costs	AA	REGULAR EMPLOYEE COMPENSATION	\$561,361.13	\$611,888.13	\$50,527.00	8.26%	This item funds 3 FTEs and 3% of support positions
		BB	REGULAR EMPLOYEE RELATED EXPEN	\$13,000.00	\$6,000.00	-\$7,000.00	-116.67%	
		CC	SPECIAL EMPLOYEES	\$487,240.00	\$487,240.00	\$0.00	0.00%	Seasonal Salaries
		DD	PENSION & INSURANCE RELATED EX	\$235,337.69	\$306,251.90	\$70,914.21	23.16%	
		EE	ADMINISTRATIVE EXPENSES	\$42,385.00	\$27,060.00	-\$15,325.00	-56.63%	Moved administrative costs to finance and spread across gaming and sports wagering
		FF	FACILITY OPERATIONAL EXPENSES	\$42,000.00	\$12,000.00	-\$30,000.00	-250.00%	Eliminated miscellaneous equipment item and reduced seasonal uniforms.
		HH	CONSULTANT SVCS (TO DEPTS)	\$25,000.00	\$10,000.00	-\$15,000.00	-150.00%	Reduced hearing officers to align closer to FY24 actuals
		JJ	OPERATIONAL SERVICES	\$396,500.00	\$391,000.00	-\$5,500.00	-1.41%	Lab Testing
		LL	EQUIPMENT LEASE-MAINTAIN/REPAR	\$915.00	\$915.00	\$0.00	0.00%	
		MM	PURCHASED CLIENT/PROGRAM SVCS	\$155,000.00	\$155,000.00	\$0.00	0.00%	statutorily required costs (hardship payments, jockey's guild, compulsive gambling ISA)
		UU	IT Non-Payroll Expenses	\$10,000.00	\$4,000.00	-\$6,000.00	-150.00%	Reduced maintenance for racing licensing system and
	Indirect	EE	ADMINISTRATIVE EXPENSES	\$140,146.24	\$111,802.56	-\$28,343.68	-25.35%	
10500003 Total				\$2,108,885.06	\$2,123,157.59	\$14,272.53	0.67%	
Grand Total				\$2,108,885.06	\$2,123,157.59	\$14,272.53	0.67%	

Community Mitigation Fund 1050-0004

205 CMR 153.05 allows the Commission to expend funds for the administration and oversight of the Community Mitigation grant program. The regulation requires the Commission to annually approve a budget not to exceed 10% of the funds available in the account for the fiscal year. The proposed budget, as shown in the table below, would fund 2.625 FTEs, in-state travel for subrecipient monitoring purposes, and the maintenance of a grant management database. This fund increased by 20.28%, but that is all accounted for in the shift of payroll and the corresponding fringe benefits from gaming to the community mitigation fund.

Fund	Category	Object Class	object class name	FY24	FY25	Variance	% Variance	Variance Notes
Community Mitigation Fund 10500004								
	MGC Regulatory Costs	AA	REGULAR EMPLOYEE COMPENSATION	\$213,962.43	\$294,181.02	\$80,218.59	27.27%	Shift of 0.625 FTE from gaming to here
		BB	REGULAR EMPLOYEE RELATED EXPEN	\$5,000.00	\$5,000.00	\$0.00	0.00%	
		DD	PENSION & INSURANCE RELATED EX	\$93,552.53	\$131,735.34	\$38,182.81	28.98%	
		EE	ADMINISTRATIVE EXPENSES	\$22,877.37	\$2,500.00	-\$20,377.37	-815.09%	Decrease in administrative expenses
		UU	IT Non-Payroll Expenses	\$50,000.00	\$50,000.00	\$0.00	0.00%	
10500004 Total				\$385,392.33	\$483,416.36	\$98,024.03	20.28%	

Sports Wagering Control Fund 1050-1384

In August of 2022 the MA Legislature and Governor approved a bill that legalized sports betting in the Commonwealth. The Gaming Commission was designated as the regulator. Included in that bill was a sports wagering control fund to provide a means for the Commission to spend money on regulating the industry. The Commission approved an FY24 sports wagering budget of \$10.15M which continued the work of FY23 of initial suitability reviews, consulting, and outside counsel assistance to help stand up the regulatory structure of sports wagering, as well as provided funding for the first full year of regulating the sports wagering industry in MA. In FY25 staff are recommending a budget of \$11.10M, which represents a 9.40% increase. The majority of the increase



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is composed of the annualization of salaries approved for part of FY24, 3.30 new FTEs in FY25, 2 (two) new contract positions, and 30% of the FY25 anticipated cost of the purchase and development of a new Licensing Management System. The table below shows the changes from FY24 to FY25 by spending category.

Fund	Category	Object Class	object_class_name	FY24	FY25	Variance	% Variance	Variance Notes
Sports Wagering Control Fund 10501384								
	MGC Regulatory Costs	AA	REGULAR EMPLOYEE COMPENSATION	\$3,866,902.69	\$4,532,647.42	\$665,744.73	17.22%	Annualization of FY24 hires and addition of 3.3 FTEs and 2 Contract FTEs
		BB	REGULAR EMPLOYEE RELATED EXPEN	\$7,000.00	\$18,500.00	\$11,500.00	164.29%	Additional travel anticipated by sports wagering division
		CC	SPECIAL EMPLOYEES	\$147,600.00	\$154,000.00	\$6,400.00	4.34%	
		DD	PENSION & INSURANCE RELATED EX	\$1,684,078.53	\$2,009,898.03	\$325,819.50	19.35%	
		EE	ADMINISTRATIVE EXPENSES	\$34,500.00	\$92,350.00	\$57,850.00	167.68%	Increase for investigatory travel related expenses as well as for staff that are in the sports wagering division.
		GG	ENERGY COSTS AND SPACE RENTAL	\$393,114.12	\$311,353.26	-\$81,760.86	-20.80%	Signed a 5 year extension of office lease that included a discount of 3 months of the expiring lease.
		HH	CONSULTANT SVCS (TO DEPTS)	\$1,692,297.00	\$1,462,214.29	-\$230,082.71	-13.60%	Decrease of outside consultant assistance for suitability reviews and now shifting towards vendor reviews
		JJ	OPERATIONAL SERVICES	\$291,519.27	\$461,595.28	\$170,076.01	58.34%	Restored decrease for GEU
		OO	(blank)	\$318,938.67	\$0.00	-\$318,938.67	-100.00%	Removed set aside that was granted in FY24 for flexibility in hiring and contractual assistance. 30% of new licensing management system
		UU	IT Non-Payroll Expenses	\$724,926.94	\$1,029,851.94	\$304,925.00	42.06%	
	Research and Res	UU	IT Non-Payroll Expenses	\$12,100.00	\$12,100.00	\$0.00	0.00%	
	Indirect	EE	ADMINISTRATIVE EXPENSES	\$477,774.95	\$520,356.13	\$42,581.18	8.91%	
	Office of Attorney	OO	(blank)	\$500,000.00	\$500,000.00	\$0.00	0.00%	
10501384 Total				\$10,150,752.17	\$11,104,866.35	\$954,114.18	9.40%	

Public Health Trust Fund 4000-1101

The Research and Responsible Gaming (RRG) office is a statutorily required component of the MGC and was funded from the Public Health Trust Fund, beginning in FY20. Through a collaborative process with DPH and EOHHHS, the MGC's RRG division will continue to be funded from the PHTF in FY25. Funding for the office has been increased by ~1% from an approved FY24 budget of \$5.90M to an FY25 proposal of \$5.96M. Below is a table comparing FY24 to the FY25 proposal.

Fund	Object Class	object_class_name	FY24	FY25	Variance	% Variance	Variance Notes
Public Health Trust Fund 40001101							
	AA	REGULAR EMPLOYEE COMPENSATION	\$334,980.49	\$368,504.49	\$33,524.00	10.01%	
	BB	REGULAR EMPLOYEE RELATED EXPEN	\$7,250.00	\$7,250.00	\$0.00	0.00%	
	DD	PENSION & INSURANCE RELATED EX	\$146,466.23	\$163,895.06	\$17,428.83	11.90%	
	EE	ADMINISTRATIVE EXPENSES	\$420,902.90	\$425,850.43	\$4,947.53	1.18%	
	FF	FACILITY OPERATIONAL EXPENSES	\$1,000.00	\$1,000.00	\$0.00	0.00%	
	HH	CONSULTANT SVCS (TO DEPTS)	\$3,655,000.00	\$3,655,000.00	\$0.00	0.00%	
	JJ	OPERATIONAL SERVICES	\$15,000.00	\$15,000.00	\$0.00	0.00%	
	PP	STATE AID/POL SUB	\$1,320,000.00	\$1,320,000.00	\$0.00	0.00%	
40001101 Total			\$5,900,599.62	\$5,956,499.98	\$55,900.36	0.95%	



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Exposures in the FY25 Budget Proposal

FY25 was another challenging budget to develop. While the Commission has established much of the framework for regulating sports wagering, we are still working through many of the day-to-day elements of being a mature and robust sports wagering regulator. The FY25 budget does have some recurring gaming exposures, as well as some new sports wagering exposures. The following are a brief list of exposures:

- Funded the minimum required by our insurance policy for litigation costs in the legal budget.
- Funded MSP overtime at consistent levels and only increased for the CBA rate adjustments.
- Funded only 3 months of consulting support for sports wagering.
- Included only 12 months of outside CPA assistance for reviewing sports wagering vendor applications. There is another potential 9 months of these reviews that could carry into FY26.
- Revenue streams and funding for racing continue to be an item of concern for FY25 and moving forward.
- Built in 50% of the total anticipated costs of the new licensing system and anticipate the build of the system will go into FY26.

Assessments on Licensees

Gaming Control Fund Assessment:

Chapter 23K §56 (a)-(c) defines how the MGC will fund its annual costs related to regulating gaming activities. This chapter was further defined through 205 CMR 121.00. Section 56 (a) requires that the Commission assess a \$600 per machine fee to each licensee for every slot machine approved to be used in the facility on July 1. Staff would then combine the slot fees with any other fees we were projecting to generate in the fiscal year (primarily licensing fees) to determine the total fee revenue for the Gaming Control Fund. Section 56 (c) directs the Commission to determine the difference between the projected budget and the projected fees and assess that difference on licensees in proportion to each licensee's share of the total gaming positions.

The finance staff is currently working with licensees to determine the anticipated number of gaming positions on July 1, 2024. Any adjustments for actual slot machine and gaming position counts will be updated in staff's first FY25 quarterly update to the Commission. After accounting for anticipated revenues from licensing fees and the annual slot fee, we are projecting an assessment of \$36.13M. The tables below represent estimates based on the information as of 5/28/2024.

Slot Fee and Gaming Positions						
Licensee	Slot Machines	Table Games	Table Gaming Positions	Total Gaming Positions	Percentage of Gaming Positions	FY25 Slot Fee
MGM	1,555	63	401	1,956	28.68%	\$933,000.00
Encore	2,556	209	1,326	3,882	56.93%	\$1,533,600.00
Penn	952			981	14.39%	\$571,200.00
TOTAL	5,063	272	1,727	6,819	100.00%	\$3,037,800.00



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Licensee	Percentage of Gaming Positions	Licensee's Allocation of Assessment
MGM	28.68%	10,364,654.04
EBH	56.93%	20,570,341.00
PPC	14.39%	5,198,223.73
TOTAL	100.00%	36,133,218.77

Public Health Trust Fund Assessment from Gaming Operators:

C. 23K Section 56 (e) requires the Commission to annually assess a minimum of \$5M on licensees to be deposited into the Public Health Trust Fund, in the same proportion as the annual assessment for the Gaming Control Fund. The table below demonstrates each licensee's share of the assessment based on gaming positions as of 5/28/2024.

Licensee	Percentage of Gaming Positions	PHTF Allocation of Assessment
MGM	28.68%	1,434,227.89
EBH	56.93%	2,846,458.42
PPC	14.39%	719,313.68
TOTAL	100.00%	5,000,000.00

Sports Wagering Control Fund Assessment:

205 CMR 221.00 describes how the Commission shall assess its operational costs on Sports Wagering licensees, including any increases or decreases that are the result of over or under-spending. 205 CMR 221.01, paragraph 4(a) specifically states:

- (a) An Annual Assessment as provided by M.G.L. c. 23N, § 15(c), to be determined by the Commission and calculated in accordance with M.G.L. c. 23N, § 15(c) to cover costs of the Commission necessary to maintain control over Sports Wagering, in proportion to each licensee's actual or projected Adjusted Gross Sports Wagering receipts; provided, however, that such assessment may be adjusted by the Commission at any time after payment is made where required to reflect the actual Adjusted Gross Sports Wagering Receipts, and accordingly, the payment of additional funds may be required or a credit may be issued towards the payment due the following year;

For the purposes of the FY25 assessment, we recommend using the actual adjusted gross wagering receipt (AGSWR) figures of licensees from July 1, 2023 to the end of May 2024. This will allow the Commission to assess costs and begin regulating sports wagering in FY25, and then revise for actual performance through June 30th (the end of the state fiscal year) when staff provides its first FY25 quarterly update to the Commission.

We are estimating spending of \$11.10M and revenue from fees of \$450K, which would result in an assessment of \$10.65M to be divided between the sports wagering licensees. We are unable to provide a table laying out each operator's share of the assessment until the meeting on June 20th, as we do not release AGSWR for May until June 15th.

Public Health Trust Fund Assessment from Sports Wagering Operators:

C. 23N Section 15(e) requires the Commission to annually assess \$1M on sports wagering to be



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deposited into the Public Health Trust Fund. This \$1M fee is to be distributed proportionately across all sports wagering licensees who are not issued a category 1 sports wagering license. 205 CMR 221.01, paragraph 4(b) specifically states:

- (a) An annual fee, as provided by M.G.L. c. 23N, § 15(e) reflecting each Operator that is not a Category 1 Sports Wagering Licensee's share of \$1,000,000 to be deposited into the Public Health Trust Fund; provided, however, that the Commission shall determine each Operator's share as their proportional share of anticipated or actual Adjusted Gross Sports Wagering Receipts; provided further, however, that such assessment may be adjusted by the Commission at any time after payment is made where required to reflect the actual adjusted gross sports wagering revenue;

Based on the above regulatory requirements, as well as our recommendation for the annual assessment to the Sports Wagering Control Fund, we will use the licensees' AGSWR from July 1, 2023 through May 31, 2024 to determine each licensee's proportional share of the annual \$1M deposit to the Public Health Trust Fund. This assessment will be distributed across the licensees who are not category 1 sports wagering license holders. We are unable to provide a table laying out each operator's share of the assessment until the meeting on June 20th, as we do not release AGSWR for May until June 15th.

Conclusion

We are proposing an FY25 Gaming Control Fund budget of \$39.87M, a Research and Responsible Gaming budget funded from the Public Health Trust Fund of \$5.96M, a Community Mitigation Fund administration and oversight budget of \$483.42K, a Sports Wagering Control Fund budget of \$11.10M and Racing Oversight and Development Fund budget of \$2.12M. We recommend posting the budget documents for public comment and then reconvening on June 20th to adjust or approve the budget based on any discussion today or comments received from the public.

Attachments:

- Attachment A: FY25 Listing of Accounts Spending and Revenue
- Attachment B: Next Year Budget All Departments for Commission
- Attachment C: Next Year Budget by Object Class for Commission



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Attachment A FY25 Listing of Accounts Spending and Revenue

2025		Budget Projections
Row Labels		Initial Projection
10500001--Gaming Control Fund		
MGC Regulatory Cost		
AA REGULAR EMPLOYEE COMPENSATION	\$	8,737,689.97
BB REGULAR EMPLOYEE RELATED EXPEN	\$	95,994.50
CC SPECIAL EMPLOYEES	\$	192,640.00
DD PENSION & INSURANCE RELATED EX	\$	3,828,205.39
EE ADMINISTRATIVE EXPENSES	\$	708,291.92
FF PROGRAM, FACILITY, OPERATIONAL SUPPIES	\$	20,000.00
GG ENERGY COSTS AND SPACE RENTAL	\$	817,235.42
HH CONSULTANT SVCS (TO DEPTS)	\$	988,500.00
JJ OPERATIONAL SERVICES	\$	12,770,229.07
KK Equipment Purchase	\$	62,000.00
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	65,607.90
NN NON-MAJOR FACILITY MAINTENANCE REPAIR	\$	30,000.00
PP STATE AID/POL SUB/OSD	\$	90,000.00
TT PAYMENTS & REFUNDS	\$	-
UU IT Non-Payroll Expenses	\$	4,725,628.83
MGC Regulatory Cost Subtotal:	\$	33,132,023.00
EE--Indirect Costs	\$	2,668,901.53
Office of Attorney General		
ISA to AGO	\$	2,927,384.00
TT Reimbursement for AGO 0810-1024	\$	-
AGO State Police	\$	1,070,710.24
Office of Attorney General Subtotal:	\$	3,998,094.24
ISA to ABCC	\$	75,000.00
Gaming Control Fund Total Costs	\$	39,874,018.77
Revenue Projections		
Revenues		Initial Projection
Gaming Control Fund Beginning Balance 0500	\$	-
EBH Security fees 0500/Independent Monitor	\$	-
ENHANCED EBH Security fees	\$	100,000.00
Category/Region Collection Fees 0500	\$	-
Prior Year Independent Monitory Fees 500	\$	-
IEB background / investigative collections 0500	\$	150,000.00
Phase 1 Refunds 0500	\$	-
Phase 2 Category 1 Collections (restricted) 0500	\$	-
Region C Phase 1 Investigation Collections 0500	\$	-
Region C Phase 2 Category 1 Collections 0500	\$	-
Grant Collections (restricted) 0500	\$	-

Attachment A FY25 Listing of Accounts Spending and Revenue

Region A slot Machine Fee 0500	\$	1,533,600.00
Region B Slot Machine Fee 0500	\$	933,000.00
Slots Parlor Slot Machine Fee 0500	\$	571,200.00
Gaming Employee License Fees (GEL) 3000	\$	180,000.00
Key Gaming Executive (GKE) 3000	\$	10,000.00
Key Gaming Employee (GKS) 3000	\$	75,000.00
Non-Gaming Vendor (NGV) 3000	\$	50,000.00
Vendor Gaming Primary (VGP) 3000	\$	30,000.00
Vendor Gaming Secondary (VGS) 3000	\$	-
Gaming School License (GSB)/LIQ	\$	-
Gaming Service Employee License (SER) 3000	\$	75,000.00
Subcontractor ID Initial License (SUB) 3000	\$	15,000.00
Temporary License Initial License (TEM) 3000	\$	10,000.00
Assessment for PHTF	\$	5,000,000.00
Transfer PHTF Assessment to PHTF	\$	(5,000,000.00)
Veterans Initial License (VET) 3000	\$	-
Transfer of Licensing Fees to CMF 0500	\$	-
Assessment 0500	\$	36,133,218.77
Misc/MCC Grant	\$	-
Miscellaneous 0500	\$	5,000.00
Bank Interest 2700	\$	3,000.00
Grand Total	\$	39,874,018.77

2025	Budget Projections	
Row Labels	Initial Projection	
4000-1101 Research and Responsible Gaming/Public Health Trust Fund		
AA REGULAR EMPLOYEE COMPENSATION	\$	334,980.49
BB REGULAR EMPLOYEE RELATED EXPEN	\$	7,250.00
CC SPECIAL EMPLOYEES	\$	-
DD PENSION & INSURANCE RELATED EX	\$	146,466.23
EE ADMINISTRATIVE EXPENSES	\$	420,902.90
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$	1,000.00
HH CONSULTANT SVCS (TO DEPTS)	\$	3,655,000.00
JJ OPERATIONAL SERVICES	\$	15,000.00
MM PURCHASED CLIENT/PROGRAM SVCS	\$	-
PP STATE AID/POL SUB	\$	1,320,000.00
UU IT Non-Payroll Expenses	\$	-
ISA to DPH	\$	-
Research and Responsible Gaming/Public Health Trust		
Fund Subtotal:	\$	5,900,599.62

Revenue Projections

Attachment A FY25 Listing of Accounts Spending and Revenue

Revenues		Initial Projection
Public Health Trust Fund ISA		\$ 6,000,000.00

Budget Projections	
Row Labels	Initial Projection
1050003	
AA REGULAR EMPLOYEE COMPENSATION	\$ 611,888.13
BB REGULAR EMPLOYEE RELATED EXPEN	\$ 6,000.00
CC SPECIAL EMPLOYEES	\$ 487,240.00
DD PENSION & INSURANCE RELATED EX	\$ 306,251.90
EE ADMINISTRATIVE EXPENSES	\$ 27,060.00
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$ 12,000.00
HH CONSULTANT SVCS (TO DEPTS)	\$ 10,000.00
JJ OPERATIONAL SERVICES	\$ 391,000.00
KK EQUIPMENT PURCHASES	\$ -
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$ 915.00
MM PURCHASED CLIENT/PROGRAM SVCS	\$ 85,000.00
NN INFRASTRUCTURE:	\$ -
TT LOANS AND SPECIAL PAYMENTS	\$ -
UU IT Non-Payroll Expenses	\$ 4,000.00
EE --Indirect Costs	\$ 111,802.56
ISA to DPH	\$ 70,000.00
Grand Total	\$ 2,123,157.59

Revenue Projections	
Revenues	Initial Projection
Racing Oversight and Development Balance Forward	
0131	\$ -
Plainridge Assessment 4800	\$ 60,000.00
Plainridge Daily License Fee 3003	\$ 109,500.00
Plainridge Occupational License 3003/3004	\$ 50,000.00
Plainridge Racing Development Oversight Live 0131	\$ 25,000.00
Plainridge Racing Development Oversight Simulcast 0131	\$ 100,000.00
Raynham Assessment 4800	\$ 55,000.00
Raynham Daily License Fee 3003	\$ 92,700.00
Raynham Racing Development Oversight Simulcast 0131	\$ 75,000.00
Suffolk Assessment 4800	\$ 640,000.00
Suffolk Commission Racing Development Oversight Simulcast 0131	\$ 20,000.00
Suffolk Daily License Fee 3003	\$ 72,600.00
Suffolk Occupational License 3003/3004	\$ -
Suffolk Racing Development Oversight Live 0131	\$ -
Suffolk TVG Commission Live 0131	\$ -
Suffolk TVG Commission Simulcast 0131	\$ 420,000.00

Attachment A FY25 Listing of Accounts Spending and Revenue

Suffolk Twin Spires Commission Live 0131	\$	-
Suffolk Twin Spires Commission Simulcast 0131	\$	200,000.00
Suffolk Xpress Bet Commission Live 0131	\$	-
Suffolk Xpress Bet Commission Simulcast 0131	\$	50,000.00
Suffolk NYRA Bet Commission Live 0131	\$	-
Suffolk NYRA Bet Commission Simulcast 0131	\$	100,000.00
Transfer to General Fund 10500140 0000	\$	-
Wonderland Assessment 4800	\$	-
Wonderland Daily License Fee 3003	\$	-
Wonderland Racing Development Oversight Simulcast 0131	\$	2,000.00
Plainridge fine 2700	\$	25,000.00
Suffolk Fine 2700	\$	-
Plainridge Unclaimed wagers 5009	\$	-
Suffolk Unclaimed wagers 5009	\$	-
Raynham Unclaimed wagers 5009	\$	-
Wonderland Unclaimed wagers 5009	\$	-
Return of Unclaimed wagers	\$	-
Misc/Bank Interest 0131	\$	750.00
Grand Total	\$	2,097,550.00

Row Labels	Budget Projections	
	Initial Projection	
10500004		
AA REGULAR EMPLOYEE COMPENSATION	\$	294,181.02
BB REGULAR EMPLOYEE RELATED EXPEN	\$	5,000.00
DD PENSION & INSURANCE RELATED EX	\$	131,735.34
EE ADMINISTRATIVE EXPENSES	\$	2,500.00
GG ENERGY COSTS AND SPACE RENTAL	\$	-
HH CONSULTANT SVCS (Grant)	\$	-
UU IT Non-Payroll Expenses	\$	50,000.00
Grand Total	\$	483,416.36

Row Labels	Budget Projections	
	Initial Projection	
10501384		
AA REGULAR EMPLOYEE COMPENSATION	\$	4,532,647.42
BB REGULAR EMPLOYEE RELATED EXPEN	\$	18,500.00
CC SPECIAL EMPLOYEES	\$	154,000.00
DD PENSION & INSURANCE RELATED EX	\$	2,009,898.03
EE ADMINISTRATIVE EXPENSES	\$	92,350.00
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$	-
GG ENERGY COSTS AND SPACE RENTAL	\$	311,353.26
HH CONSULTANT SVCS (TO DEPTS)	\$	1,462,214.29
JJ OPERATIONAL SERVICES	\$	461,595.28
KK EQUIPMENT PURCHASES	\$	-

Attachment A FY25 Listing of Accounts Spending and Revenue

LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	-
NN INFRASTRUCTURE:	\$	-
OO--ISA AGO	\$	500,000.00
TT LOANS AND SPECIAL PAYMENTS	\$	-
UU IT Non-Payroll Expenses	\$	1,041,951.94
EE --Indirect Costs	\$	520,356.13
Grand Total	\$	11,104,866.35
		Revenue Projections
	Revenues	Initial Projection
BALANCE FORWARD PRIOR YEAR	\$	-
CATERGORY 1	\$	-
CATERGORY 2	\$	-
CATEROGRY 3 (TETHERED)	\$	-
CATERGORY 3 (UNTETHERED)	\$	-
SW GAMING CONTROL FUND BALANCE 0500	\$	-
EMPLOYEE LICENSING FEES 3000	\$	200,000.00
VENDOR SW FEES 3000	\$	100,000.00
FANTASY FEES 3000	\$	-
ASSESSMENT 0500	\$	10,654,866.35
FINES & PENALTIES 2700	\$	-
MISC 0500	\$	50,000.00
IEB BACKGROUND/INVESTIGATIVE FEES 3000	\$	95,000.00
BANK INTEREST SW	\$	5,000.00
Grand Total		\$11,104,866.35

Attachment B: Next Year Budget All Departments for Commission

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1000	Finance and Administration							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$493,065.26	\$536,457.62	\$43,392.36	8.80%
			Obj Class Totals:				\$493,065.26	\$536,457.62	\$43,392.36	8.80%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
		B02	In-State Travel		Travel	In-State Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
			Obj Class Totals:				\$6,000.00	\$6,000.00	\$0.00	0.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$214,286.16	\$232,608.03	\$18,321.87	8.55%
					Taxes	Tax rate of 2.45%	\$12,080.10	\$13,143.21	\$1,063.11	8.80%
			Obj Class Totals:				\$226,366.26	\$245,751.24	\$19,384.98	8.56%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		Supplies	Adoni Spring Water/Milhench	\$4,000.00	\$4,000.00	\$0.00	0.00%
					Supplies	Cam Office Supplies Increased \$2,500	\$9,500.00	\$12,000.00	\$2,500.00	26.32%
					Supplies	W.B. Mason/Veteran's Business Supply	\$40,000.00	\$40,000.00	\$0.00	0.00%
		E02	Printing Expenses & Supplies		Printing	Millenium/RazzMTazz/MG Products	\$2,500.00	\$2,500.00	\$0.00	0.00%
		E05	Postage Chargeback		Postage	ITD PAD Chargeback for postal Services	\$2,743.92	\$2,743.92	\$0.00	0.00%
		E06	Postage		Postage	Postage for Ashburton Mail Room	\$2,400.00	\$2,400.00	\$0.00	0.00%
					Postage	Postage for Pitney Bowes, Fed Ex, UPS	\$3,000.00	\$3,000.00	\$0.00	0.00%
		E15	Bottled Water		Water	Quench	\$1,500.00	\$1,500.00	\$0.00	0.00%
		E18	State Single Audit Chargeback		Chargeback	Chargeback Single State Audit	\$500.00	\$500.00	\$0.00	0.00%
		E19	Fees, Fines, Licenses, Permits & Chargebacks		Fees, Fines, Licensed, Chargebakcs	EZ Pass/Occupancy/Commissions	\$1,700.00	\$1,700.00	\$0.00	0.00%
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees		Laz Parking/VPNE	Parking at 33 Arch St.	\$54,000.00	\$54,000.00	\$0.00	0.00%
		E30	Credit Card Purchases		Credit Card	Credit Card Incidental Purchases	\$2,000.00	\$2,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel	Travel Agency Fees	\$2,500.00	\$2,500.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees		Conference Registrations	Registration Fees	\$1,125.00	\$1,125.00	\$0.00	0.00%
			Obj Class Totals:				\$127,468.92	\$129,968.92	\$2,500.00	1.96%
		GG	ENERGY COSTS AND SPACE RENTAL							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1000	Finance and Administration							
		G01	Space Rental		Office Lease	101 Federal St. First 6 months \$677,728.64 old lease costs, second 6 months at discount for first year of renewal \$654,850.20, 3 months of old lease for free for renewing 5 years (\$333,864.32). Total FY 25 Lease costs \$988,714.52. 70% to Gaming--\$692,1	\$949,257.12	\$692,100.16	(\$257,156.96)	-27.09%
		G03	Electricity		Electricity	101 Federal St. 12 months	\$23,334.34	\$23,334.34	\$0.00	0.00%
		G05	Fuel For Vehicles		Gas	Wex Bank/Gulf	\$3,000.00	\$3,000.00	\$0.00	0.00%
			Obj Class Totals:				\$975,591.46	\$718,434.50	(\$257,156.96)	-26.36%
		HH	<i>CONSULTANT SVCS (TO DEPTS)</i>							
		H09	Attorneys/Legal Services		Insurance	Comprehensive Insurance Policy	\$163,500.00	\$163,500.00	\$0.00	0.00%
		H19	Management Consultants		Outside Consultant	CPA Firm for Annual Audits consistent with Generally Accepted Auditing Standards	\$70,000.00	\$70,000.00	\$0.00	0.00%
			Obj Class Totals:				\$233,500.00	\$233,500.00	\$0.00	0.00%
		JJ	<i>OPERATIONAL SERVICES</i>							
		J10	Auxiliary Financial Services		Auxiliary Financial Services	Credit Card Fees/BillMatrix	\$200.00	\$200.00	\$0.00	0.00%
		JJ2	Auxiliary Services		Courier	USA Couriers	\$300.00	\$300.00	\$0.00	0.00%
					Shredding	ProShred	\$1,615.00	\$1,615.00	\$0.00	0.00%
			Obj Class Totals:				\$2,115.00	\$2,115.00	\$0.00	0.00%
		LL	<i>EQUIPMENT LEASE-MAINTAIN/REPAR</i>							
		L24	Motorized Vehicle Equipment Rental or Lease		Rental Cars	Enterprise Car Rental	\$500.00	\$500.00	\$0.00	0.00%
		L25	Office Equipment Rental or Lease		Printing	Pitney Bowes	\$607.90	\$607.90	\$0.00	0.00%
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease		Copier	Canon Financial Services Increase @\$1,900 Recurring Payments for 13th floor and IEB Per Click costs of \$2.5K	\$10,100.00	\$12,000.00	\$1,900.00	18.81%
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair		Copier	Canon USA/Maintenance & Repair--Initial Contract Rate Ended	\$5,000.00	\$5,000.00	\$0.00	0.00%
					Xerox Leases	6 Machines average \$300 per month Xerox Leases Recurring Payments of \$11.1K for 3 machines Per Click costs of \$3.2K (avg of this year) Increase \$400	\$21,600.00	\$22,000.00	\$400.00	1.85%
			Obj Class Totals:				\$37,807.90	\$40,107.90	\$2,300.00	6.08%
		NN	<i>INFRASTRUCTURE:</i>							
		N50	Non-Major Facility Infrastructure Maintenance and Repair		Repairs	Office/Building Repairs	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$5,000.00	\$5,000.00	\$0.00	0.00%
		UU	<i>IT Non-Payroll Expenses</i>							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500001	Mass. Gaming Commission										
	MGC Regulatory Costs										
		1000	Finance and Administration								
			U03	Software & Information Technology Licenses (IT)	Software	Software - LinkSquares CLM	\$35,750.00	\$35,750.00	\$0.00	0.00%	
			U05	Information Technology (IT) Temp Staff Augmentation Profs	IT Consultants	Diversity Consultants	\$25,000.00	\$25,000.00	\$0.00	0.00%	
					IT Consultants	Web penetration Testing	\$8,000.00	\$8,000.00	\$0.00	0.00%	
			U10	Information Tech (IT) Equipment Maintenance & Repair	Cable	Cable/Comcast	\$5,500.00	\$5,500.00	\$0.00	0.00%	
			Obj Class Totals:					\$74,250.00	\$74,250.00	\$0.00	0.00%
		Division/Bureau Totals:					\$2,181,164.80	\$1,991,585.18	(\$189,579.62)	-8.69%	
		1100	Human Resources								
		AA	REGULAR EMPLOYEE COMPENSATION								
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$411,669.92	\$416,703.07	\$5,033.15	1.22%	
					Merit Increases	Intern Program that Could Provide Up to 2 regular and 1 graduate intern	\$0.00	\$87,500.00	\$87,500.00	#Div/0!	
					Raises	3% COLA/Incentives/Equity Agency Wide	\$373,232.00	\$281,184.27	(\$92,047.73)	-24.66%	
			Obj Class Totals:					\$784,901.92	\$785,387.34	\$485.42	0.06%
		BB	REGULAR EMPLOYEE RELATED EXPEN								
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Other Out of State Travel-Inclusive Airfare, Hotel, Lodging Gaming Conference	\$500.00	\$500.00	\$0.00	0.00%	
		B02	In-State Travel		Travel	In-state Travel AOC as well as site visits of licensees	\$5,985.00	\$5,985.00	\$0.00	0.00%	
			Obj Class Totals:					\$6,485.00	\$6,485.00	\$0.00	0.00%
		CC	SPECIAL EMPLOYEES								
		C23	Management, Business Professionals & Admin Services		Contract Employee	Administrative Help	\$52,000.00	\$62,640.00	\$10,640.00	20.46%	
			Obj Class Totals:					\$52,000.00	\$62,640.00	\$10,640.00	20.46%
		DD	PENSION & INSURANCE RELATED EX								
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$178,911.75	\$162,348.98	(\$16,562.77)	-9.26%	
					Taxes	Tax rate of 2.45%	\$10,085.91	\$10,209.23	\$123.32	1.22%	
		D15	Workers' Compensation Chargebacks		Worker's Comp Chargeback	Worker's Comp Chargeback	\$5,000.00	\$10,000.00	\$5,000.00	100.00%	
			Obj Class Totals:					\$193,997.66	\$182,558.21	(\$11,439.45)	-5.90%
		EE	ADMINISTRATIVE EXPENSES								
		E02	Printing Expenses & Supplies		Printing	Printing of Reports and Best Practices	\$5,000.00	\$5,000.00	\$0.00	0.00%	
		E12	Subscriptions, Memberships & Licensing Fees		Administrative Expenses	Marketing Sponsorships of Diversity and Opportunity Events GNEMSCD, UMASS, Circa	\$15,000.00	\$15,000.00	\$0.00	0.00%	

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500001	Mass. Gaming Commission			MGC Regulatory Costs							
		1100	Human Resources								
		E12	Subscriptions, Memberships & Licensing Fees	Subscriptions	Human Resource Information System		\$5,000.00	\$5,000.00	\$0.00	0.00%	
				Subscriptions	Subscriptions, Memberships & Licensing Fees SHRM, NEHRA, The Partnership		\$20,000.00	\$20,000.00	\$0.00	0.00%	
		E19	Fees, Fines, Licenses, Permits & Chargebacks	Licenses	Fees, Fines, Licenses, Permits & Chargebacks for HRCMS and HRD		\$9,000.00	\$9,000.00	\$0.00	0.00%	
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees	Conference Incidentals	Conference Incidentals		\$5,000.00	\$5,000.00	\$0.00	0.00%	
				Conferences	Workforce/Diversity Meetings--Digital also		\$7,000.00	\$7,000.00	\$0.00	0.00%	
		E30	Credit Card Purchases	Credit Card Charges	FIA Card		\$3,000.00	\$3,000.00	\$0.00	0.00%	
		E41	Out Of State Travel Expen on Behalf of State Employ	Travel	Travel Agent		\$1,000.00	\$1,000.00	\$0.00	0.00%	
		EE2	Conference, Training and Registration Fees	Conference, Training Registration Fees	GNEMSDC, Umass, Diversity Conferences		\$5,500.00	\$5,500.00	\$0.00	0.00%	
				Training	Conference, Training and Registration Fees		\$500.00	\$500.00	\$0.00	0.00%	
		EE9	Employee Recognition Chargeback	Employee Morale	Employee Recognition Program		\$5,000.00	\$5,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$81,000.00	\$81,000.00	\$0.00	0.00%
		HH	CONSULTANT SVCS (TO DEPTS)								
		H09	Attorneys/Legal Services	Legal Consultants	Employment Lawyers		\$5,000.00	\$5,000.00	\$0.00	0.00%	
				Worker's Comp	Workers Comp Litigation Fees		\$5,000.00	\$5,000.00	\$0.00	0.00%	
		H23	Program Coordinators	Consultants	Diversity Equity and Inclusion RFR or SWC Increased Shifted \$60,000 from LEAF Grant		\$50,000.00	\$110,000.00	\$60,000.00	120.00%	
				Strategic Consultant	Strategic Organizational Consult and Compensation		\$0.00	\$0.00	\$0.00	#Num!	
			Obj Class Totals:					\$60,000.00	\$120,000.00	\$60,000.00	100.00%
		JJ	OPERATIONAL SERVICES								
		J46	Temporary Help Services	Temp Help	Temp help/interns/diversity		\$75,000.00	\$75,000.00	\$0.00	0.00%	
		JJ2	Auxiliary Services	HR Investigations	HR Investigations		\$10,000.00	\$10,000.00	\$0.00	0.00%	
				Testing	Workcare Health Resouces		\$3,000.00	\$3,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$88,000.00	\$88,000.00	\$0.00	0.00%
		PP	STATE AID/POL SUB								
		P01	Grants To Public Entities	Grants	Worforce Development and Diversity Grants Reduced \$60,000 moved to H23		\$150,000.00	\$90,000.00	(\$60,000.00)	-40.00%	
			Obj Class Totals:					\$150,000.00	\$90,000.00	(\$60,000.00)	-40.00%
		UU	IT Non-Payroll Expenses								
		U03	Software & Information Technology Licenses (IT)	Software	Cornerstone HR Employee Performance Review Software Increased to \$16,275		\$10,725.00	\$27,000.00	\$16,275.00	151.75%	
			Obj Class Totals:					\$10,725.00	\$27,000.00	\$16,275.00	151.75%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1100	Human Resources							
		Division/Bureau Totals:					\$1,427,109.58	\$1,443,070.55	\$15,960.97	1.12%
		1200	Legal							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$585,339.16	\$640,612.40	\$55,273.24	9.44%
		Obj Class Totals:					\$585,339.16	\$640,612.40	\$55,273.24	9.44%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel and Training	\$6,250.00	\$6,250.00	\$0.00	0.00%
		B02	In-State Travel		Travel	In State Travel	\$2,400.00	\$2,400.00	\$0.00	0.00%
		B05	Conference, Training, Registration and Membership Dues and L		Professional Licenses	Professional and Bar Licenses	\$6,000.00	\$6,000.00	\$0.00	0.00%
		Obj Class Totals:					\$14,650.00	\$14,650.00	\$0.00	0.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$199,794.49	\$277,769.54	\$77,975.05	39.03%
					Taxes	Tax rate of 2.45%	\$13,146.43	\$15,695.00	\$2,548.57	19.39%
		Obj Class Totals:					\$212,940.93	\$293,464.54	\$80,523.61	37.81%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		Supplies	Office Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees		Subscription	Legal Subscription - Law360	\$3,700.00	\$3,700.00	\$0.00	0.00%
					Subscriptions	Subscriptions and Memberships Westlaw ABA Increase \$4k for Thomson Reuters	\$15,000.00	\$19,000.00	\$4,000.00	26.67%
					Subscriptions	nstatrac Subscription	\$4,650.00	\$4,650.00	\$0.00	0.00%
		E13	Advertising Expenses		Reg Advertising	Advertising of Regs and Meetings Increase \$5k for Racing	\$10,000.00	\$15,000.00	\$5,000.00	50.00%
		E30	Credit Card Purchases		Credit Card	Credit Card Purchases	\$5,000.00	\$5,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Conference, Training, Registration Fees	Conference, Training, Registration Fees \$1,750 Increase for more conferences	\$6,250.00	\$8,000.00	\$1,750.00	28.00%
					Travel	Conference/Trainings Travel and Lodging for FTEs Increase \$2,500 for more travel	\$2,500.00	\$5,000.00	\$2,500.00	100.00%
		Obj Class Totals:					\$52,100.00	\$65,350.00	\$13,250.00	25.43%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H09	Attorneys/Legal Services		Litigation Defense	Outside Counsel Litigation Defense	\$400,000.00	\$400,000.00	\$0.00	0.00%
					Outside Counsel	General Practice, Regulations, Laws, etc.	\$75,000.00	\$75,000.00	\$0.00	0.00%
					Outside Counsel	Increase for Consultation for New Union Initiative Labor Employment Law	\$50,000.00	\$50,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1200	Legal							
			H19	Management Consultants	Hearing Officer	Hearing Officer Increased \$25,000 volume of cases	\$40,000.00	\$65,000.00	\$25,000.00	62.50%
			Obj Class Totals:				\$565,000.00	\$590,000.00	\$25,000.00	4.42%
			JJ	OPERATIONAL SERVICES						
			JJ1	Legal Support Services	Operational Services	Offsite Storage - \$50 per month charge if boxes are pulledIncreased GRM Usage Increased for more digitization of files	\$750.00	\$4,000.00	\$3,250.00	433.33%
			Obj Class Totals:				\$750.00	\$4,000.00	\$3,250.00	433.33%
			Division/Bureau Totals:				\$1,430,780.09	\$1,608,076.94	\$177,296.85	12.39%
		1300	Executive Director							
			AA	REGULAR EMPLOYEE COMPENSATION						
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries	\$384,127.12	\$375,463.96	(\$8,663.16)	-2.26%
			Obj Class Totals:				\$384,127.12	\$375,463.96	(\$8,663.16)	-2.26%
			BB	REGULAR EMPLOYEE RELATED EXPEN						
			B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Conferences Out of State	\$4,500.00	\$4,500.00	\$0.00	0.00%
			B02	In-State Travel	Travel	In-State Mileage and Reimbursements	\$4,023.25	\$4,023.25	\$0.00	0.00%
			Obj Class Totals:				\$8,523.25	\$8,523.25	\$0.00	0.00%
			DD	PENSION & INSURANCE RELATED EX						
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$136,037.28	\$162,801.17	\$26,763.89	19.67%
					Taxes	Tax rate of 2.45%	\$7,668.92	\$9,198.86	\$1,529.94	19.95%
			Obj Class Totals:				\$143,706.20	\$172,000.03	\$28,293.83	19.69%
			EE	ADMINISTRATIVE EXPENSES						
			E12	Subscriptions, Memberships & Licensing Fees	Memberships	NAGR increased \$300 for costs	\$500.00	\$800.00	\$300.00	60.00%
			E30	Credit Card Purchases	Credit Card	Credit Card Purchases	\$5,000.00	\$5,000.00	\$0.00	0.00%
			EE2	Conference, Training and Registration Fees	Travel and Conf	Conference, Training and Registration Fees	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$10,500.00	\$10,800.00	\$300.00	2.86%
			HH	CONSULTANT SVCS (TO DEPTS)						
			H19	Management Consultants	Strategic Consultant	General Consultant needs for Commissioners or Executive Director	\$10,000.00	\$10,000.00	\$0.00	0.00%
			Obj Class Totals:				\$10,000.00	\$10,000.00	\$0.00	0.00%
			JJ	OPERATIONAL SERVICES						
			J50	Instructors/Lecturers/Trainers	Training	Upper Management Training	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$5,000.00	\$5,000.00	\$0.00	0.00%
			Division/Bureau Totals:				\$561,856.57	\$581,787.24	\$19,930.67	3.55%
		1400	Information Technology							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1400	Information Technology							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$1,039,345.34	\$1,291,486.17	\$252,140.83	24.26%
			Obj Class Totals:				\$1,039,345.34	\$1,291,486.17	\$252,140.83	24.26%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel G2E/Gartner increase for more FTE by \$3,125	\$1,875.00	\$5,000.00	\$3,125.00	166.67%
		B02	In-State Travel		Travel	In-state travel increase for more FTEs by \$1,250	\$3,750.00	\$5,000.00	\$1,250.00	33.33%
			Obj Class Totals:				\$5,625.00	\$10,000.00	\$4,375.00	77.78%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$451,635.26	\$559,988.40	\$108,353.14	23.99%
					Taxes	Tax rate of 2.45%	\$25,463.96	\$31,641.41	\$6,177.45	24.26%
			Obj Class Totals:				\$477,099.22	\$591,629.81	\$114,530.59	24.01%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		Supplies	Office and Administrative Supplies increase by \$1,500	\$300.00	\$1,800.00	\$1,500.00	500.00%
		E02	Printing Expenses & Supplies		Printers	Printers @\$250/printer Decrease by 300	\$300.00	\$0.00	(\$300.00)	-100.00%
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Pagefreezer, Gaming Compliance increase for more FTEs and subscription costs by \$10,214	\$18,676.00	\$28,890.00	\$10,214.00	54.69%
		E30	Credit Card Purchases		Credit Card	Credit Card Purchases; \$400 Domain GOV Renewal	\$1,000.00	\$1,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Out of State Travel	Travel Agent - Travel Leaders Additional FTEs budgeting for Travel	\$0.00	\$20,000.00	\$20,000.00	#Div/0!
		EE2	Conference, Training and Registration Fees		Conference	Conference, Training and Registrations Fees Increase for more FTEs by \$2,473	\$2,500.00	\$4,973.00	\$2,473.00	98.92%
			Obj Class Totals:				\$22,776.00	\$56,663.00	\$33,887.00	148.78%
		GG	ENERGY COSTS AND SPACE RENTAL							
		G01	Space Rental		Data Center	Increase \$85,158.72 for IGT move Data Center Costs (Rack Space, maintenance for 2 Data Centers)	\$85,158.72	\$85,158.72	\$0.00	0.00%
			Obj Class Totals:				\$85,158.72	\$85,158.72	\$0.00	0.00%
		JJ	OPERATIONAL SERVICES							
		J46	Temporary Help Services		TEMPORARY HELP SERVICES	SevenStep or other Temp Help	\$0.00	\$30,000.00	\$30,000.00	#Div/0!
		J50	Instructors/Lecturers/Trainers		Training	Technical Training not available on LinkedIn	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$5,000.00	\$35,000.00	\$30,000.00	600.00%
		KK	EQUIPMENT PURCHASE							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1400	Information Technology							
		K07	Office Furnishings		Office Equipment	Creative Office Pavillion	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$5,000.00	\$5,000.00	\$0.00	0.00%
		LL	<i>EQUIPMENT LEASE-MAINTAIN/REPAR</i>							
		L24	Motorized Vehicle Equipment Rental or Lease		MOTORIZED VEHICLE EQUIPMENT RENTAL OR LEASE	Enterprise Rental rental for conferences travel	\$0.00	\$500.00	\$500.00	#Div/0!
			Obj Class Totals:				\$0.00	\$500.00	\$500.00	#Div/0!
		NN	<i>INFRASTRUCTURE:</i>							
		N50	Non-Major Facility Infrastructure Maintenance and Repair		Facilities Maintenance	\$4,450 Annual Main & Support, Parts/HVAC monitoring; Viscom \$1,500 Building Security	\$10,000.00	\$10,000.00	\$0.00	0.00%
			Obj Class Totals:				\$10,000.00	\$10,000.00	\$0.00	0.00%
		UU	<i>IT Non-Payroll Expenses</i>							
		U01	Telecommunications Services Data		TELECOMMUNICAT IONS SERVICES DATA	Surveillance, CMS Primary/Backup Circuits, Lab Line, Windstream Services (VPN, LAN, WAN redundancy) etc decrease of \$144,390,22 from IGT Move	\$372,140.22	\$227,750.00	(\$144,390.22)	-38.80%
		U02	Telecommunications Services - Voice		TELECOMMUNICAT IONS SERVICES - VOICE	OfficeSuite (Voice, HD Meeting, WeConnect), Verizon Wireless, Multi-location fax lines Increase of \$52,422,26	\$80,587.74	\$133,010.00	\$52,422.26	65.05%
		U03	Software & Information Technology Licenses (IT)		SOFTWARE & INFORMATION TECHNOLOGY LICENSES (IT)	Azure Sentinel, M365 G5 Compliance, M365 G5 Security Adobe, Sharepoint, O365, Azure, JIRA, MDM etc Decrease of \$56,129.86	\$387,517.16	\$331,387.30	(\$56,129.86)	-14.48%
		U04	Information Technology Chargeback		INFORMATION TECHNOLOGY CHARGEBACK	EOTSS Offsite Rack Storage and Maintenance	\$0.00	\$65,000.00	\$65,000.00	#Div/0!
		U05	Information Technology (IT) Temp Staff Augmentation Profs		IT Staff Augment	Contract Systems Admin eDiscovery Specialist	\$0.00	\$80,000.00	\$80,000.00	#Div/0!
					IT Staff Augment	Talent Burst It Staff Augment	\$0.00	\$39,750.00	\$39,750.00	#Div/0!
					CMS - \$2,484,206.46	CMS - IGT Intelligen (PPC, MGM, EBH) IGT move adjusted costs down 39,127.83	\$2,326,368.27	\$2,287,240.44	(\$39,127.83)	-1.68%
					CONSULTING - \$75,000	IT Consulting Support (TBD)	\$50,000.00	\$50,000.00	\$0.00	0.00%
					IGT NOC Migration	Increase for data center move and for parts IGT NOC Migration Removed	\$403,961.00	\$0.00	(\$403,961.00)	-100.00%
					Staff Augmentations Professionals	McInnis Consulting Jira Expert Removed	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
		U06	Information Technology (IT) Cabling		IT Cabling	Runs/Cabling	\$3,000.00	\$3,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1400	Information Technology							
		U07	Information Technology (IT) Equipment	Information Technology (IT) Equipment	IT Equipment	IT Equipment, emergency replacements (switches, routers, firewalls) etc Increase of \$91,325	\$103,675.00	\$195,000.00	\$91,325.00	88.09%
		U09	Information Technology (IT) Equip Rental Or Lease	Information Technology (IT) Equip Rental Or Lease	INFORMATION TECHNOLOGY (IT) EQUIP RENTAL OR LEASE	ACS Leases (Refresh) increase of lease costs for more FTEs of \$23,019.08	\$89,871.92	\$112,891.00	\$23,019.08	25.61%
		U10	Information Tech (IT) Equipment Maintenance & Repair	Information Tech (IT) Equipment Maintenance & Repair	IT Maintenance and Repair	Annual M&S Equipment/Services Reduction of \$16,605.88	\$94,238.97	\$77,633.09	(\$16,605.88)	-17.62%
		U11	Information Technology (IT) Contract Services	Information Technology (IT) Contract Services	IT Contract Services	LMS, Gartner, Tallan Servicese increase of \$201,439.85 includes Xfact for Licensing Maintenance	\$193,777.15	\$395,217.00	\$201,439.85	103.95%
						Obj Class Totals:	\$4,115,137.43	\$3,997,878.83	(\$117,258.60)	-2.85%
						Division/Bureau Totals:	\$5,765,141.71	\$6,083,316.53	\$318,174.82	5.52%
		1500	Commissioners							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	Salaries: Inclusive	Employee Compensation	Employee Compensation	\$595,397.04	\$698,593.14	\$103,196.10	17.33%
						Obj Class Totals:	\$595,397.04	\$698,593.14	\$103,196.10	17.33%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel Reimbursements	Travel Reimbursements --In State (6 Commission Meetings a Year, Site Visits) --Out of Pocket Out of State Expenses	\$18,000.00	\$18,000.00	\$0.00	0.00%
						Obj Class Totals:	\$18,000.00	\$18,000.00	\$0.00	0.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$258,759.55	\$302,909.99	\$44,150.44	17.06%
					Taxes	Tax rate of 2.45%	\$14,587.23	\$17,115.53	\$2,528.30	17.33%
						Obj Class Totals:	\$273,346.78	\$320,025.52	\$46,678.74	17.08%
		EE	ADMINISTRATIVE EXPENSES							
		E02	Printing Expenses & Supplies	Printing Expenses & Supplies	Office Supplies	Lane Printing, etc.	\$200.00	\$200.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees	Subscriptions, Memberships & Licensing Fees	Subscriptions	Trade Journals	\$5,950.00	\$5,950.00	\$0.00	0.00%
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees	Temp Use Space/Confer-Incidental Includes Reservation Fees	Meeting Space	Temporary Space @ 6mtgs - \$2K meeting space 6 mtgs and \$5k to stream for 4 of the meetings	\$32,000.00	\$32,000.00	\$0.00	0.00%
					Team Building	Team Building, Agency Conferences	\$8,000.00	\$8,000.00	\$0.00	0.00%
		E30	Credit Card Purchases	Credit Card Purchases	Credit Card	Allowable Credit Card Expenses	\$7,500.00	\$7,500.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ	Out Of State Travel Expen on Behalf of State Employ	Travel Agency Fees	Travel	\$10,000.00	\$10,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500001	Mass. Gaming Commission										
	MGC Regulatory Costs										
		1500	Commissioners								
			EE2	Conference, Training and Registration Fees	Registration Fees	Conference/Trainings	\$7,000.00	\$7,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$70,650.00	\$70,650.00	\$0.00	0.00%
			GG	ENERGY COSTS AND SPACE RENTAL							
			G01	Space Rental	75-101 Parking Garage	Parking 75-101--5 spaces. Two of the spaces are included in the lease. This item pays for 3 of the spaces.	\$13,642.20	\$13,642.20	\$0.00	0.00%	
			Obj Class Totals:					\$13,642.20	\$13,642.20	\$0.00	0.00%
			HH	CONSULTANT SVCS (TO DEPTS)							
			H09	Attorneys/Legal Services	Consultant	N/A	\$61,383.31	\$0.00	(\$61,383.31)	-100.00%	
			H23	Program Coordinators	Consultant	General Consulting	\$10,000.00	\$10,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$71,383.31	\$10,000.00	(\$61,383.31)	-85.99%
			KK	EQUIPMENT PURCHASE							
			K07	Office Furnishings	Office Equipment	Office Furnishings	\$5,000.00	\$5,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$5,000.00	\$5,000.00	\$0.00	0.00%
			Division/Bureau Totals:					\$1,047,419.33	\$1,135,910.86	\$88,491.53	8.45%
		1800	Communications								
			AA	REGULAR EMPLOYEE COMPENSATION							
			A01	Salaries: Inclusive	Employee Compensation	Regular Salaries	\$143,905.41	\$180,187.25	\$36,281.84	25.21%	
			Obj Class Totals:					\$143,905.41	\$180,187.25	\$36,281.84	25.21%
			BB	REGULAR EMPLOYEE RELATED EXPEN							
			B02	In-State Travel	Travel Reimbursement	In-State Travel Reimbursement	\$4,488.75	\$4,488.75	\$0.00	0.00%	
			Obj Class Totals:					\$4,488.75	\$4,488.75	\$0.00	0.00%
			DD	PENSION & INSURANCE RELATED EX							
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$62,541.29	\$78,129.19	\$15,587.90	24.92%	
					Taxes	Tax rate of 2.45%	\$3,525.68	\$4,414.59	\$888.91	25.21%	
			Obj Class Totals:					\$66,066.97	\$82,543.78	\$16,476.81	24.94%
			EE	ADMINISTRATIVE EXPENSES							
			E02	Printing Expenses & Supplies	Printing	Printing	\$6,100.00	\$6,100.00	\$0.00	0.00%	
			E12	Subscriptions, Memberships & Licensing Fees	Subscriptions	Subscriptions, Licensing, Memberships	\$35,650.00	\$35,650.00	\$0.00	0.00%	
			Obj Class Totals:					\$41,750.00	\$41,750.00	\$0.00	0.00%
			HH	CONSULTANT SVCS (TO DEPTS)							
			HH3	Media Design, Editorial and Communication	Website Design	Marketing & Website Design	\$25,000.00	\$25,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$25,000.00	\$25,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500001	Mass. Gaming Commission										
	MGC Regulatory Costs										
		1800	Communications								
			JJ	OPERATIONAL SERVICES							
			JJ2	Auxiliary Services	Streaming	Streaming & Production of Public Meetings	\$23,000.00	\$23,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$23,000.00	\$23,000.00	\$0.00	0.00%
			KK	EQUIPMENT PURCHASE							
			K05	Office Equipment	Equipment Purchases	Increased to purchase additional Photography/Streaming Equipment Net Zero Purchase	\$5,000.00	\$5,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$5,000.00	\$5,000.00	\$0.00	0.00%
			Division/Bureau Totals:					\$309,211.13	\$361,969.78	\$52,758.65	17.06%
		1900	Ombudsman								
			AA	REGULAR EMPLOYEE COMPENSATION							
			A01	Salaries: Inclusive	Employee Compensation	Regular Employees	\$114,521.78	\$56,699.47	(\$57,822.31)	-50.49%	
			Obj Class Totals:					\$114,521.78	\$56,699.47	(\$57,822.31)	-50.49%
			BB	REGULAR EMPLOYEE RELATED EXPEN							
			B02	In-State Travel	In State Travel Reimbursement	In-State Travel Reimbursement and Out of State --Visits to Other Licensee Sites	\$2,992.50	\$2,992.50	\$0.00	0.00%	
			Obj Class Totals:					\$2,992.50	\$2,992.50	\$0.00	0.00%
			DD	PENSION & INSURANCE RELATED EX							
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$49,771.17	\$24,584.90	(\$25,186.27)	-50.60%	
					Taxes	Tax rate of 2.45%	\$2,805.78	\$1,389.14	(\$1,416.64)	-50.49%	
			Obj Class Totals:					\$52,576.95	\$25,974.04	(\$26,602.91)	-50.60%
			Division/Bureau Totals:					\$170,091.23	\$85,666.01	(\$84,425.22)	-49.64%
		5000	Investigations and Enforcement Bureau								
			AA	REGULAR EMPLOYEE COMPENSATION							
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries	\$3,931,409.73	\$4,078,309.25	\$146,899.52	3.74%	
			A08	Overtime Pay	Overtime	Overtime for Gaming Agents.	\$100,000.00	\$0.00	(\$100,000.00)	-100.00%	
			Obj Class Totals:					\$4,031,409.73	\$4,078,309.25	\$46,899.52	1.16%
			BB	REGULAR EMPLOYEE RELATED EXPEN							
			B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out of state travel reimbursements for gaming enforcement agents and non-state police staff	\$15,000.00	\$15,000.00	\$0.00	0.00%	
			B02	In-State Travel	Travel	In-state-travel reimbursements for gaming enforcement agents and non-state police staff	\$7,980.00	\$7,980.00	\$0.00	0.00%	
			Obj Class Totals:					\$22,980.00	\$22,980.00	\$0.00	0.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		5000	Investigations and Enforcement Bureau							
		CC	SPECIAL EMPLOYEES							
		C23	Management, Business Professionals & Admin Services	Contract Employee	Contracted Civilian Investigators		\$124,800.00	\$130,000.00	\$5,200.00	4.17%
			Obj Class Totals:				\$124,800.00	\$130,000.00	\$5,200.00	4.17%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%		\$1,708,290.66	\$1,768,354.90	\$60,064.24	3.52%
				Taxes	Tax rate of 2.45%		\$96,319.54	\$99,918.57	\$3,599.03	3.74%
				Taxes	Taxes on CC Employees 2.45%		\$3,057.60	\$2,697.35	(\$360.25)	-11.78%
			Obj Class Totals:				\$1,807,667.80	\$1,870,970.82	\$63,303.02	3.50%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies	Supplies	Supplies		\$5,000.00	\$5,000.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees	Subscriptions	Lexis Nexis,Hire Authority, Nat.Student Loan Increase of \$500/month for GOLD Subscription Service		\$101,000.00	\$101,000.00	\$0.00	0.00%
		E20	Motor Vehicle Chargeback	Motor Vehcile Lease	OVM Chargeback		\$6,110.00	\$6,110.00	\$0.00	0.00%
		E30	Credit Card Purchases	Credit Card	Credit Card Purchases		\$15,000.00	\$15,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ	Travel Agent	Travel Agent for Trainings and Investigations Decrease of \$20K for costs shared with Sports Wagering		\$100,000.00	\$80,000.00	(\$20,000.00)	-20.00%
		EE2	Conference, Training and Registration Fees	Registrations	Training/Conference Registration Fees. Decreased \$5k for costs shared with Sports Wagering		\$30,000.00	\$25,000.00	(\$5,000.00)	-16.67%
			Obj Class Totals:				\$257,110.00	\$232,110.00	(\$25,000.00)	-9.72%
		FF	FACILITY OPERATIONAL EXPENSES							
		F09	Clothing & Footwear	Programatic Supplies	Clothing and Footwear		\$20,000.00	\$20,000.00	\$0.00	0.00%
			Obj Class Totals:				\$20,000.00	\$20,000.00	\$0.00	0.00%
		JJ	OPERATIONAL SERVICES							
		J25	Laboratory & Pharmaceutical Services	Everett Police	EPDEverett Police GEU 7FTE's Increase of 5% year over year, 4% for salaries		\$1,666,543.75	\$1,748,361.00	\$81,817.25	4.91%
				Finger Prints State Police	Chargeback for Finger Print Costs for Licenses \$50/set and ~4.5K prints		\$50,000.00	\$50,000.00	\$0.00	0.00%
				Plainville Police Salaries	Plainville Local Police Increase 3% for salaries as well as \$17.29k for operational equipment portable radios and body cameras		\$412,743.22	\$441,055.27	\$28,312.05	6.86%
				Springfield Police Salaries	SPDSpringfield Police GEU 7 FTEs Increase of 3% on updated FY24 Budget		\$1,089,648.14	\$1,207,684.31	\$118,036.17	10.83%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
	5000	Investigations and Enforcement Bureau								
	J25	Laboratory & Pharmaceutical Services			State Police	MSP MGC Salaries for MGC Investigations and Background Unit 4% increase plus taxes plus 3 additional FTEs	\$983,275.34	\$1,012,733.60	\$29,458.26	3.00%
					State Police	MSPMGC Staff Costs at MGM 16 FTEs 4% Increase plus taxes	\$1,890,486.33	\$2,062,795.61	\$172,309.28	9.11%
					State Police	MSPMGC State Police Troopers Plainville Straight Time and Payroll Taxes 4% increase plus taxes	\$1,316,353.58	\$1,531,220.58	\$214,867.00	16.32%
					State Police	MSPMGC State Troopers Everett 4% increase plus taxes	\$1,793,626.06	\$1,923,570.47	\$129,944.41	7.24%
					State Police	Racing TroopersShifted Costs to Gaming 4% increase plus taxes	\$388,377.37	\$443,340.30	\$54,962.93	14.15%
					State Police OT & Travel	OT and Travel for Troopers assigned to MGC GEU Increase 4% plus taxes	\$2,056,111.75	\$2,183,475.54	\$127,363.79	6.19%
	J28	Law Enforcement			Lease Vehicles	Plainville Law Enforcement Vehicles	\$8,877.39	\$8,877.39	\$0.00	0.00%
		Obj Class Totals:					\$11,656,042.93	\$12,613,114.07	\$957,071.14	8.21%
	KK	EQUIPMENT PURCHASE								
	K07	Office Furnishings			Office Equipment	Patrol Rifles/Active Shooter Gear-- Replacement/Upgrade of Fingerprint Machines to be Windows Compliant	\$47,000.00	\$47,000.00	\$0.00	0.00%
		Obj Class Totals:					\$47,000.00	\$47,000.00	\$0.00	0.00%
	NN	INFRASTRUCTURE:								
	N50	Non-Major Facility Infrastructure Maintenance and Repair			Non-Major Facility Maintenance & Repair	Office Reconfiguration	\$15,000.00	\$15,000.00	\$0.00	0.00%
		Obj Class Totals:					\$15,000.00	\$15,000.00	\$0.00	0.00%
	UU	IT Non-Payroll Expenses								
	U03	Software & Information Technology Licenses (IT)			Software	ITRACK- OmnigoIncrease \$1k for costs	\$13,000.00	\$14,000.00	\$1,000.00	7.69%
		Obj Class Totals:					\$13,000.00	\$14,000.00	\$1,000.00	7.69%
		Division/Bureau Totals:					\$17,995,010.46	\$19,043,484.14	\$1,048,473.68	5.83%
	7000	Licensing Division								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive			Employee Compensation	Regular Employee Salaries	\$653,328.24	\$577,193.03	(\$76,135.21)	-11.65%
		Obj Class Totals:					\$653,328.24	\$577,193.03	(\$76,135.21)	-11.65%
	BB	REGULAR EMPLOYEE RELATED EXPEN								
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI			Travel	Out-of State Travel Reimbursements	\$1,875.00	\$1,875.00	\$0.00	0.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		7000	Licensing Division							
		B02	In-State Travel		Travel	In-State Travel Reimbursements-- Fingerprinting Reimbursements	\$997.50	\$0.00	(\$997.50)	-100.00%
			Obj Class Totals:				\$2,872.50	\$1,875.00	(\$997.50)	-34.73%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$283,936.45	\$250,270.89	(\$33,665.56)	-11.86%
					Taxes	Tax rate of 2.45%	\$16,006.54	\$14,141.23	(\$1,865.31)	-11.65%
			Obj Class Totals:				\$299,943.00	\$264,412.12	(\$35,530.88)	-11.85%
		EE	ADMINISTRATIVE EXPENSES							
		E02	Printing Expenses & Supplies		Supplies	Supplies	\$7,500.00	\$7,500.00	\$0.00	0.00%
		E06	Postage		Postage	Federal Express Charges	\$1,500.00	\$1,500.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel Agent	Travel Leaders G2E for meetings with Vendors and Licensing of Primaries	\$7,000.00	\$7,000.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees		Conferences	Conference, Training & Registration.	\$4,000.00	\$4,000.00	\$0.00	0.00%
			Obj Class Totals:				\$20,000.00	\$20,000.00	\$0.00	0.00%
		LL	EQUIPMENT LEASE-MAINTAIN/REPAR							
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease		Equipment Leases	Increased for Idemia Scanner Maintenance	\$10,000.00	\$25,000.00	\$15,000.00	150.00%
			Obj Class Totals:				\$10,000.00	\$25,000.00	\$15,000.00	150.00%
		UU	IT Non-Payroll Expenses							
		U03	Software & Information Technology Licenses (IT)		Software	Licensing System Software	\$0.00	\$350,000.00	\$350,000.00	#Div/0!
		U11	Information Technology (IT) Contract Services		IT Consultant	Licensing System Implementation	\$0.00	\$262,500.00	\$262,500.00	#Div/0!
			Obj Class Totals:				\$0.00	\$612,500.00	\$612,500.00	#Div/0!
			Division/Bureau Totals:				\$986,143.74	\$1,500,980.15	\$514,836.42	52.21%
		All	All Divisions							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	N/A	\$169,185.91	\$0.00	(\$169,185.91)	-100.00%
					Regular Employee Compensation	Turnover Savings 5% of payroll	(\$350,000.00)	(\$482,699.66)	(\$132,699.66)	37.91%
			Obj Class Totals:				(\$180,814.09)	(\$482,699.66)	(\$301,885.57)	166.96%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe and Payroll Taxes	Fringe and Payroll Taxes on Turnover Savings (45.81%)	(\$160,335.00)	(\$221,124.72)	(\$60,789.72)	37.91%
					Fringe and Taxes	N/A	\$77,504.07	\$0.00	(\$77,504.07)	-100.00%
			Obj Class Totals:				(\$82,830.93)	(\$221,124.72)	(\$138,293.79)	166.96%
			Division/Bureau Totals:				(\$263,645.02)	(\$703,824.38)	(\$440,179.36)	166.96%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission			MGC Regulatory Costs						
	MGC Regulatory Costs				Totals:		\$31,610,283.62	\$33,132,023.00	\$1,521,739.38	4.81%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Indirect									
		2000	MGC Indirect							
			EE	ADMINISTRATIVE EXPENSES						
			E16	Indirect Cost Recoupment	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$55,756.33	\$0.00	(\$55,756.33)	-100.00%
					Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$2,549,564.19	\$2,668,901.53	\$119,337.34	4.68%
			Obj Class Totals:				\$2,605,320.52	\$2,668,901.53	\$63,581.01	2.44%
			Division/Bureau Totals:				\$2,605,320.52	\$2,668,901.53	\$63,581.01	2.44%
	Indirect			Totals:			\$2,605,320.52	\$2,668,901.53	\$63,581.01	2.44%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Office of Attorney General and AGO MSP									
	9000	Office of the Attorney General								
	JJ	OPERATIONAL SERVICES								
	J25	Laboratory & Pharmaceutical Services			State Police	MSPAGO Straight Time Troopers 4% increase including Payroll Taxes	\$636,238.55	\$687,879.43	\$51,640.88	8.12%
					State Police	MSPAGO State Police OT4% increase plus taxes	\$360,500.00	\$382,830.81	\$22,330.81	6.19%
						Obj Class Totals:	\$996,738.55	\$1,070,710.24	\$73,971.69	7.42%
	OO									
	O99				Attorney General	place holder Funds FTEs assigned to the unit, various percentages of FTEs of support, and management positions, office space, travel, conferences, and investigative costs.	\$2,927,384.00	\$2,927,384.00	\$0.00	0.00%
						Obj Class Totals:	\$2,927,384.00	\$2,927,384.00	\$0.00	0.00%
						Division/Bureau Totals:	\$3,924,122.55	\$3,998,094.24	\$73,971.69	1.89%
	Office of Attorney General and AGO MSP					Totals:	\$3,924,122.55	\$3,998,094.24	\$73,971.69	1.89%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Alcohol and Beverage Control Commission									
		9001								
			00							
			001		ISA with ABCC	ABCC	\$75,000.00	\$75,000.00	\$0.00	0.00%
			Obj Class Totals:				\$75,000.00	\$75,000.00	\$0.00	0.00%
			Division/Bureau Totals:				\$75,000.00	\$75,000.00	\$0.00	0.00%
	Alcohol and Beverage Control Commission Totals:						\$75,000.00	\$75,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
Appropriation Totals							\$38,214,726.69	\$39,874,018.77	\$1,659,292.08	4.34%
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	1000	Finance and Administration								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive			Employee Compensation	Admin Employees Salaries	\$102,489.31	\$90,663.52	(\$11,825.79)	-11.54%
		Obj Class Totals:					\$102,489.31	\$90,663.52	(\$11,825.79)	-11.54%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment			Fringe	Fringe rate of 43.36%	\$44,541.85	\$39,311.70	(\$5,230.15)	-11.74%
					Taxes	Tax rate of 2.45%	\$2,510.99	\$2,221.26	(\$289.73)	-11.54%
		Obj Class Totals:					\$47,052.84	\$41,532.96	(\$5,519.88)	-11.73%
		Division/Bureau Totals:					\$149,542.15	\$132,196.48	(\$17,345.67)	-11.60%
	1100	Human Resources								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive			Employee Compensation	HR Employees Salaries	\$27,166.97	\$13,561.75	(\$13,605.22)	-50.08%
					Raises	3% COLA/Incentives/Equity Agency Wide	\$37,277.01	\$18,910.14	(\$18,366.87)	-49.27%
		Obj Class Totals:					\$64,443.98	\$32,471.89	(\$31,972.09)	-49.61%
	CC	SPECIAL EMPLOYEES								
	C23	Management, Business Professionals & Admin Services			Contract Employee	Administrative Help	\$5,200.00	\$5,200.00	\$0.00	0.00%
		Obj Class Totals:					\$5,200.00	\$5,200.00	\$0.00	0.00%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment			Fringe	Fringe rate of 43.36%	\$11,806.77	\$5,880.37	(\$5,926.40)	-50.19%
					Taxes	Tax rate of 2.45%	\$665.59	\$332.26	(\$333.33)	-50.08%
		Obj Class Totals:					\$12,472.36	\$6,212.63	(\$6,259.73)	-50.19%
		Division/Bureau Totals:					\$82,116.34	\$43,884.52	(\$38,231.82)	-46.56%
	1200	Legal								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive			Employee Compensation	Legal Employees Salaries	\$58,533.91	\$28,684.14	(\$29,849.77)	-51.00%
		Obj Class Totals:					\$58,533.91	\$28,684.14	(\$29,849.77)	-51.00%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment			Fringe	Fringe rate of 43.36%	\$23,304.82	\$12,437.44	(\$10,867.38)	-46.63%
					Taxes	Tax rate of 2.45%	\$1,314.64	\$702.76	(\$611.88)	-46.54%
		Obj Class Totals:					\$24,619.46	\$13,140.20	(\$11,479.26)	-46.63%
		Division/Bureau Totals:					\$83,153.37	\$41,824.34	(\$41,329.03)	-49.70%
	1300	Executive Director								

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversigh									
	MGC Regulatory Costs									
	1300	Executive Director								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	Exec. Dir.	Employees Salaries		\$38,412.71	\$16,174.31	(\$22,238.40)	-57.89%
	Obj Class Totals:						\$38,412.71	\$16,174.31	(\$22,238.40)	-57.89%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%			\$13,603.73	\$7,013.19	(\$6,590.54)	-48.45%
			Taxes	Tax rate of 2.45%			\$766.89	\$396.27	(\$370.62)	-48.33%
	Obj Class Totals:						\$14,370.62	\$7,409.46	(\$6,961.16)	-48.44%
	Division/Bureau Totals:						\$52,783.33	\$23,583.77	(\$29,199.56)	-55.32%
	1400	Information Technology								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	IT	Employees Salaries		\$99,434.49	\$50,863.65	(\$48,570.84)	-48.85%
	Obj Class Totals:						\$99,434.49	\$50,863.65	(\$48,570.84)	-48.85%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%			\$43,207.81	\$22,054.48	(\$21,153.33)	-48.96%
			Taxes	Tax rate of 2.45%			\$2,436.15	\$1,246.15	(\$1,190.00)	-48.85%
	Obj Class Totals:						\$45,643.95	\$23,300.63	(\$22,343.32)	-48.95%
	Division/Bureau Totals:						\$145,078.44	\$74,164.28	(\$70,914.16)	-48.88%
	1500	Commissioners								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	Commissioners	Employees Salaries		\$59,539.70	\$31,280.31	(\$28,259.39)	-47.46%
	Obj Class Totals:						\$59,539.70	\$31,280.31	(\$28,259.39)	-47.46%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%			\$25,875.95	\$13,563.14	(\$12,312.81)	-47.58%
			Taxes	Tax rate of 2.45%			\$1,458.72	\$766.37	(\$692.35)	-47.46%
	Obj Class Totals:						\$27,334.68	\$14,329.51	(\$13,005.17)	-47.58%
	Division/Bureau Totals:						\$86,874.38	\$45,609.82	(\$41,264.56)	-47.50%
	1800	Communications								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	Communications	Employees Salaries		\$14,390.54	\$7,183.75	(\$7,206.79)	-50.08%
	Obj Class Totals:						\$14,390.54	\$7,183.75	(\$7,206.79)	-50.08%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%			\$6,254.13	\$3,114.87	(\$3,139.26)	-50.19%
			Taxes	Tax rate of 2.45%			\$352.57	\$176.00	(\$176.57)	-50.08%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	1800	Communications								
		Obj Class Totals:					\$6,606.70	\$3,290.87	(\$3,315.83)	-50.19%
		Division/Bureau Totals:					\$20,997.24	\$10,474.62	(\$10,522.62)	-50.11%
	3000	Racing Division								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	Regular Employee Salaries		\$322,652.95	\$361,690.94	\$39,037.99	12.10%	
		Obj Class Totals:					\$322,652.95	\$361,690.94	\$39,037.99	12.10%
	BB	REGULAR EMPLOYEE RELATED EXPEN								
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out of State Travel Reimbursement Reduced \$6k		\$10,000.00	\$4,000.00	(\$6,000.00)	-60.00%	
	B02	In-State Travel	Travel	In State Travel Reimbursement Reduced 1K		\$3,000.00	\$2,000.00	(\$1,000.00)	-33.33%	
		Obj Class Totals:					\$13,000.00	\$6,000.00	(\$7,000.00)	-53.85%
	CC	SPECIAL EMPLOYEES								
	C04	Contracted Seasonal Employees	Seasonals	Seasonal Employees		\$482,040.00	\$482,040.00	\$0.00	0.00%	
		Obj Class Totals:					\$482,040.00	\$482,040.00	\$0.00	0.00%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%		\$140,224.97	\$156,829.20	\$16,604.23	11.84%	
			Taxes	Tax rate of 2.45%		\$7,905.00	\$8,861.42	\$956.42	12.10%	
		Obj Class Totals:					\$148,129.97	\$165,690.62	\$17,560.65	11.85%
	EE	ADMINISTRATIVE EXPENSES								
	E01	Office & Administrative Supplies	Supplies	W.B. Mason moved to Finance		\$7,500.00	\$0.00	(\$7,500.00)	-100.00%	
	E02	Printing Expenses & Supplies	Printing	Millineum Printing moved to Finance		\$500.00	\$0.00	(\$500.00)	-100.00%	
	E12	Subscriptions, Memberships & Licensing Fees	Memberships	AA Dority/Organization of Racing Investigators not renewing would fall under IEB		\$5,625.00	\$0.00	(\$5,625.00)	-100.00%	
			Memberships	Assoc. of Racing Regulators		\$18,700.00	\$18,700.00	\$0.00	0.00%	
	E13	Advertising Expenses	Public Hearing Notices	Boston Globe moved to Legal		\$1,000.00	\$0.00	(\$1,000.00)	-100.00%	
			Public Hearing Notices	Boston Herald moved to Legal		\$700.00	\$0.00	(\$700.00)	-100.00%	
	E15	Bottled Water	Water	Belmont Springs/DS Waters of America		\$360.00	\$360.00	\$0.00	0.00%	
	E41	Out Of State Travel Expen on Behalf of State Employ	Travel Agent	Travel		\$5,000.00	\$5,000.00	\$0.00	0.00%	
	EE2	Conference, Training and Registration Fees	Conferences	Assoc. of Racing Comm./Louisiana Racing/Thoroughbred Racing		\$3,000.00	\$3,000.00	\$0.00	0.00%	
		Obj Class Totals:					\$42,385.00	\$27,060.00	(\$15,325.00)	-36.16%
	FF	FACILITY OPERATIONAL EXPENSES								
	F05	Laboratory Supplies	Vet Supplies	Gloves, scrubs etc.		\$2,000.00	\$2,000.00	\$0.00	0.00%	

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500003	MGC Mass Racing Development and Oversight										
	MGC Regulatory Costs										
	3000	Racing Division									
	F09	Clothing & Footwear	Equipment	Misc Facility Equipment Removed from Budget			\$25,000.00	\$0.00	(\$25,000.00)	-100.00%	
			Uniforms	Racing Uniforms for Seasonal Employees Reduced \$15K			\$15,000.00	\$10,000.00	(\$5,000.00)	-33.33%	
		Obj Class Totals:						\$42,000.00	\$12,000.00	(\$30,000.00)	-71.43%
	HH	CONSULTANT SVCS (TO DEPTS)									
	H19	Management Consultants	Hearing Officer	Hearing Officer for Racing Appeals			\$25,000.00	\$10,000.00	(\$15,000.00)	-60.00%	
		Obj Class Totals:						\$25,000.00	\$10,000.00	(\$15,000.00)	-60.00%
	JJ	OPERATIONAL SERVICES									
	J10	Auxiliary Financial Services	Credit Cards	Bank of America credit card terminal fees			\$1,000.00	\$1,000.00	\$0.00	0.00%	
	J25	Laboratory & Pharmaceutical Services	Testing	Workcare Reduced \$500			\$2,000.00	\$1,500.00	(\$500.00)	-25.00%	
	J28	Law Enforcement	State Police	MSP Racing Straight Time Moved to IEB			\$388,377.37	\$0.00	(\$388,377.37)	-100.00%	
			State Police	N/A			(\$388,377.37)	\$0.00	\$388,377.37	-100.00%	
	JJ1	Legal Support Services	Stenographer	Hardeman RealTime Moved to Legal			\$5,000.00	\$0.00	(\$5,000.00)	-100.00%	
	JJ2	Auxiliary Services	Autopsies	Uconn Pathology			\$6,000.00	\$6,000.00	\$0.00	0.00%	
			Testing Lab	Industrial Laboratories or alternate lab			\$382,500.00	\$382,500.00	\$0.00	0.00%	
		Obj Class Totals:						\$396,500.00	\$391,000.00	(\$5,500.00)	-1.39%
	LL	EQUIPMENT LEASE-MAINTAIN/REPAR									
	L46	Print, Photocopying & Micrograph Equipment Maint/Repair	Maintenance Contract	K & A Industries--Badge Printer			\$915.00	\$915.00	\$0.00	0.00%	
		Obj Class Totals:						\$915.00	\$915.00	\$0.00	0.00%
	MM	PURCHASED CLIENT/PROGRAM SVCS									
	M03	Purchased Human & Social Services For Clients/Non Medical	Hardship Payments	Economic Hardship Payments--Statutorily Required			\$20,000.00	\$20,000.00	\$0.00	0.00%	
			Legislative Mandate	Jockey's Guild--Statutory Requirement			\$65,000.00	\$65,000.00	\$0.00	0.00%	
	M04	Services Purch Support of Human/Social Services for Clients	ISA	ISA with DPH Compulsive Gambling--Statutory Requirement			\$70,000.00	\$70,000.00	\$0.00	0.00%	
		Obj Class Totals:						\$155,000.00	\$155,000.00	\$0.00	0.00%
	UU	IT Non-Payroll Expenses									
	U02	Telecommunications Services - Voice	Phones	Verizon/AT&T Reduced \$3,000 removed phone lines			\$5,000.00	\$2,000.00	(\$3,000.00)	-60.00%	
	U05	Information Technology (IT) Temp Staff Augmentation Profs	Database	Racing Licensing System Reduced \$3,000			\$5,000.00	\$2,000.00	(\$3,000.00)	-60.00%	
		Obj Class Totals:						\$10,000.00	\$4,000.00	(\$6,000.00)	-60.00%
	Division/Bureau Totals:							\$1,637,622.92	\$1,615,396.56	(\$22,226.36)	-1.36%
	5000	Investigations and Enforcement Bureau									
	AA	REGULAR EMPLOYEE COMPENSATION									

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	5000	Investigations and Enforcement Bureau								
	A01	Salaries: Inclusive	Employee Compensation	Admin Employees Salaries			\$51,946.51	\$20,233.39	(\$31,713.12)	-61.05%
	Obj Class Totals:						\$51,946.51	\$20,233.39	(\$31,713.12)	-61.05%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%			\$22,575.95	\$20,233.39	(\$2,342.56)	-10.38%
			Taxes	Tax rate of 2.45%			\$1,272.69	\$8,773.20	\$7,500.51	589.34%
	Obj Class Totals:						\$23,848.64	\$29,006.59	\$5,157.95	21.63%
	Division/Bureau Totals:						\$75,795.15	\$49,239.98	(\$26,555.17)	-35.04%
	7000	Licensing Division								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	Regular Employee Salaries			\$4,719.52	\$5,104.63	\$385.11	8.16%
	Obj Class Totals:						\$4,719.52	\$5,104.63	\$385.11	8.16%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%			\$2,051.10	\$2,213.37	\$162.27	7.91%
			Taxes	Tax rate of 2.45%			\$115.63	\$125.06	\$9.43	8.16%
	Obj Class Totals:						\$2,166.73	\$2,338.43	\$171.70	7.92%
	Division/Bureau Totals:						\$6,886.25	\$7,443.06	\$556.81	8.09%
	All	All Divisions								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	N/A			(\$255,202.49)	\$0.00	\$255,202.49	-100.00%
			Regular Employee Compensation	Turnover Savings 5% of payroll			\$0.00	(\$32,462.40)	(\$32,462.40)	#Div/0!
	Obj Class Totals:						(\$255,202.49)	(\$32,462.40)	\$222,740.09	-87.28%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe and Taxes	N/A			(\$116,908.26)	\$0.00	\$116,908.26	-100.00%
	Obj Class Totals:						(\$116,908.26)	\$0.00	\$116,908.26	-100.00%
	Division/Bureau Totals:						(\$372,110.75)	(\$32,462.40)	\$339,648.35	-91.28%
	MGC Regulatory Costs		Totals:				\$1,968,738.82	\$2,011,355.03	\$42,616.21	2.16%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight			Indirect						
		2000	MGC Indirect							
			EE	ADMINISTRATIVE EXPENSES						
			E16	Indirect Cost Recoupment	Indirect	N/A	(\$64,357.99)	\$0.00	\$64,357.99	-100.00%
					Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$204,504.23	\$111,802.56	(\$92,701.67)	-45.33%
				Obj Class Totals:			\$140,146.24	\$111,802.56	(\$28,343.68)	-20.22%
				Division/Bureau Totals:			\$140,146.24	\$111,802.56	(\$28,343.68)	-20.22%
	Indirect			Totals:			\$140,146.24	\$111,802.56	(\$28,343.68)	-20.22%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500003	MGC Mass Racing Development and Oversight										
Appropriation Totals							\$2,108,885.06	\$2,123,157.59	\$14,272.53	0.68%	
10500004	Community Mitigation										
	MGC Regulatory Costs										
	1100	Human Resources									
	AA	REGULAR EMPLOYEE COMPENSATION									
	A01	Salaries: Inclusive			Raises	3% COLA/Incentives/Equity Agency Wide	\$10,188.69	\$6,612.05	(\$3,576.64)	-35.10%	
	Obj Class Totals:						\$10,188.69	\$6,612.05	(\$3,576.64)	-35.10%	
	Division/Bureau Totals:						\$10,188.69	\$6,612.05	(\$3,576.64)	-35.10%	
	1900	Ombudsman									
	AA	REGULAR EMPLOYEE COMPENSATION									
	A01	Salaries: Inclusive			Employee Compensation	Regular Employee Salaries	\$203,773.74	\$287,568.97	\$83,795.23	41.12%	
	Obj Class Totals:						\$203,773.74	\$287,568.97	\$83,795.23	41.12%	
	BB	REGULAR EMPLOYEE RELATED EXPEN									
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI			Travel	In-State Travel	\$5,000.00	\$5,000.00	\$0.00	0.00%	
	Obj Class Totals:						\$5,000.00	\$5,000.00	\$0.00	0.00%	
	DD	PENSION & INSURANCE RELATED EX									
	D09	Fringe Benefit Cost Recoupment			Fringe	Fringe rate of 43.36%	\$88,560.07	\$124,689.90	\$36,129.83	40.80%	
					Taxes	Tax rate of 2.45%	\$4,992.46	\$7,045.44	\$2,052.98	41.12%	
	Obj Class Totals:						\$93,552.52	\$131,735.34	\$38,182.82	40.81%	
	EE	ADMINISTRATIVE EXPENSES									
	E01	Office & Administrative Supplies			Supplies	Supplies Binders	\$2,500.00	\$2,500.00	\$0.00	0.00%	
	E16	Indirect Cost Recoupment			Indirect	Indirect Rate of 10%	\$20,377.37	\$0.00	(\$20,377.37)	-100.00%	
	Obj Class Totals:						\$22,877.37	\$2,500.00	(\$20,377.37)	-89.07%	
	UU	IT Non-Payroll Expenses									
	U07	Information Technology (IT) Equipment			Database	Services Maintenance/Upgrades to Database	\$50,000.00	\$50,000.00	\$0.00	0.00%	
	Obj Class Totals:						\$50,000.00	\$50,000.00	\$0.00	0.00%	
	Division/Bureau Totals:						\$375,203.63	\$476,804.31	\$101,600.68	27.08%	
	MGC Regulatory Costs Totals:						\$385,392.32	\$483,416.36	\$98,024.04	25.43%	

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500004	Community Mitigation									
Appropriation Totals							\$385,392.32	\$483,416.36	\$98,024.04	25.43%
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	1000	Finance and Administration								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	Admin Employees Salaries	\$258,721.78	\$295,541.82	\$36,820.04	14.23%		
	Obj Class Totals:				\$258,721.78	\$295,541.82	\$36,820.04	14.23%		
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$112,440.49	\$128,146.93	\$15,706.44	13.97%		
			Taxes	Tax rate of 2.45%	\$6,338.68	\$7,240.78	\$902.10	14.23%		
	Obj Class Totals:				\$118,779.17	\$135,387.71	\$16,608.54	13.98%		
	GG	ENERGY COSTS AND SPACE RENTAL								
	G01	Space Rental	Office Lease	101 Federal St. First 6 months \$677,728.64 old lease costs, second 6 months at discount for first year of renewal \$654,850.20, 3 months of old lease for free for renewing 5 years (\$333,864.32). Total FY 25 Lease costs \$988,714.52. 70% to Gaming--\$692,1	\$378,375.22	\$296,614.36	(\$81,760.86)	-21.61%		
	G03	Electricity	Electricity	101 Federal St. 12 months	\$9,301.10	\$9,301.10	\$0.00	0.00%		
	Obj Class Totals:				\$387,676.32	\$305,915.46	(\$81,760.86)	-21.09%		
	UU	IT Non-Payroll Expenses								
	U03	Software & Information Technology Licenses (IT)	Software	Software - LinkSquares CLM	\$14,250.00	\$14,250.00	\$0.00	0.00%		
	Obj Class Totals:				\$14,250.00	\$14,250.00	\$0.00	0.00%		
	Division/Bureau Totals:				\$779,427.27	\$751,094.99	(\$28,332.28)	-3.64%		
	1100	Human Resources								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation	HR Employees Salaries	\$159,116.73	\$212,887.49	\$53,770.76	33.79%		
			Merit Increases	Intern Program that Could Provide Up to 2 regular and 1 graduate intern	\$0.00	\$37,500.00	\$37,500.00	#Div/0!		
			Raises	3% COLA/Incentives/Equity Agency Wide	\$151,408.94	\$113,569.85	(\$37,839.09)	-24.99%		
	Obj Class Totals:				\$310,525.67	\$363,957.34	\$53,431.67	17.21%		
	CC	SPECIAL EMPLOYEES								
	C23	Management, Business Professionals & Admin Services	Contract Employee	Administrative Help	\$22,800.00	\$24,000.00	\$1,200.00	5.26%		
	Obj Class Totals:				\$22,800.00	\$24,000.00	\$1,200.00	5.26%		
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$69,152.13	\$92,308.02	\$23,155.89	33.49%		

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	1100	Human Resources								
		D09	Fringe Benefit Cost Recoupment		Taxes	Tax rate of 2.45%	\$3,898.36	\$5,215.74	\$1,317.38	33.79%
			Obj Class Totals:				\$73,050.49	\$97,523.76	\$24,473.27	33.50%
		UU	IT Non-Payroll Expenses							
		U03	Software & Information Technology Licenses (IT)		Software	Software - BambooHR	\$4,275.00	\$0.00	(\$4,275.00)	-100.00%
			Obj Class Totals:				\$4,275.00	\$0.00	(\$4,275.00)	-100.00%
			Division/Bureau Totals:				\$410,651.16	\$485,481.10	\$74,829.94	18.22%
	1200	Legal								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Legal Employees Salaries	\$256,648.70	\$286,841.38	\$30,192.68	11.76%
			Obj Class Totals:				\$256,648.70	\$286,841.38	\$30,192.68	11.76%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$102,182.68	\$124,374.42	\$22,191.74	21.72%
					Taxes	Tax rate of 2.45%	\$5,764.21	\$7,027.61	\$1,263.40	21.92%
			Obj Class Totals:				\$107,946.90	\$131,402.03	\$23,455.13	21.73%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H09	Attorneys/Legal Services		Outside Counsel	Outside Counsel - A&K	\$200,000.00	\$200,000.00	\$0.00	0.00%
			Obj Class Totals:				\$200,000.00	\$200,000.00	\$0.00	0.00%
		UU	IT Non-Payroll Expenses							
		U03	Software & Information Technology Licenses (IT)		Software	Relativity Document Search and PIR Tool Replacement for Relativity	\$155,000.00	\$155,000.00	\$0.00	0.00%
			Obj Class Totals:				\$155,000.00	\$155,000.00	\$0.00	0.00%
			Division/Bureau Totals:				\$719,595.60	\$773,243.41	\$53,647.81	7.46%
	1300	Executive Director								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Exec. Dir. Employees Salaries	\$168,424.97	\$161,743.18	(\$6,681.79)	-3.97%
			Obj Class Totals:				\$168,424.97	\$161,743.18	(\$6,681.79)	-3.97%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$59,647.12	\$86,117.44	\$26,470.32	44.38%
					Taxes	Tax rate of 2.45%	\$3,362.53	(\$12,022.90)	(\$15,385.43)	-457.56%
			Obj Class Totals:				\$63,009.64	\$74,094.54	\$11,084.90	17.59%
		OO								
		O99			Consulting and Payroll	N/A	(\$431,061.33)	\$0.00	\$431,061.33	-100.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	1300	Executive Director								
		O99			Consulting and Payroll	Sports Wagering Set Aside for FY24 Build Out of SW Regulatory Environment	\$750,000.00	\$0.00	(\$750,000.00)	-100.00%
		Obj Class Totals:					\$318,938.67	\$0.00	(\$318,938.67)	-100.00%
	Division/Bureau Totals:						\$550,373.28	\$235,837.72	(\$314,535.56)	-57.15%
	1400	Information Technology								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive		Employee Compensation	IT Employees Salaries		\$663,359.59	\$809,995.31	\$146,635.72	22.11%
		Obj Class Totals:					\$663,359.59	\$809,995.31	\$146,635.72	22.11%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%		\$288,267.92	\$351,213.97	\$62,946.05	21.84%
				Taxes	Tax rate of 2.45%		\$16,252.31	\$19,844.89	\$3,592.58	22.11%
		Obj Class Totals:					\$304,520.23	\$371,058.86	\$66,538.63	21.85%
	UU	IT Non-Payroll Expenses								
	U02	Telecommunications Services - Voice		TELECOMMUNICAT IONS SERVICES - VOICE	OfficeSuite (Voice, HD Meeting, WeConnect), Verizon Wireless, Multi-location fax lines		\$32,122.38	\$32,122.38	\$0.00	0.00%
	U03	Software & Information Technology Licenses (IT)		SOFTWARE & INFORMATION TECHNOLOGY LICENSES (IT)	Increase \$86,671.56 for Azure Sentinel, M365 G5 Compliance, M365 G5 Security Adobe, Sharepoint, O365, Azure, JIRA, MDM etc		\$154,464.88	\$154,464.88	\$0.00	0.00%
	U06	Information Technology (IT) Cabling		IT Cabling	Raynham Build out		\$54,531.48	\$54,531.48	\$0.00	0.00%
				IT Cabling	Suffolk Build out new \$26,050.08 in one time costs Suffolk Build out		\$54,531.48	\$54,531.48	\$0.00	0.00%
	U07	Information Technology (IT) Equipment		IT Equipment	IT Equipment, emergency replacements (switches, routers, firewalls) etc		\$41,325.00	\$41,325.00	\$0.00	0.00%
	U09	Information Technology (IT) Equip Rental Or Lease		INFORMATION TECHNOLOGY (IT) EQUIP RENTAL OR LEASE	ACS Leases (Refresh)		\$35,823.08	\$35,823.08	\$0.01	0.00%
	U10	Information Tech (IT) Equipment Maintenance & Repair		IT Maintenance and Repair	Annual M&S Equipment/Services		\$37,563.79	\$37,563.79	\$0.00	0.00%
	U11	Information Technology (IT) Contract Services		IT Contract Services	LMS, Gartner, Tallan Services		\$77,239.85	\$77,239.85	\$0.01	0.00%
		Obj Class Totals:					\$487,601.93	\$487,601.94	\$0.01	0.00%
	Division/Bureau Totals:						\$1,455,481.75	\$1,668,656.11	\$213,174.36	14.65%
	1500	Commissioners								
	AA	REGULAR EMPLOYEE COMPENSATION								

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	1500	Commissioners								
		A01	Salaries: Inclusive		Employee Compensation	Commissioners Employees Salaries	\$261,058.70	\$312,802.90	\$51,744.20	19.82%
			Obj Class Totals:				\$261,058.70	\$312,802.90	\$51,744.20	19.82%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$113,456.11	\$135,631.34	\$22,175.23	19.55%
					Taxes	Tax rate of 2.45%	\$6,395.94	\$7,663.67	\$1,267.73	19.82%
			Obj Class Totals:				\$119,852.05	\$143,295.01	\$23,442.96	19.56%
		GG	ENERGY COSTS AND SPACE RENTAL							
		G01	Space Rental		75-101 Parking Garage	Parking 75-101--5 spaces. Two of the spaces are included in the lease. This item pays for 3 of the spaces.	\$5,437.80	\$5,437.80	\$0.00	0.00%
			Obj Class Totals:				\$5,437.80	\$5,437.80	\$0.00	0.00%
			Division/Bureau Totals:				\$386,348.55	\$461,535.71	\$75,187.16	19.46%
	1800	Communications								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Communications Employees Salaries	\$63,096.99	\$91,587.60	\$28,490.61	45.15%
			Obj Class Totals:				\$63,096.99	\$91,587.60	\$28,490.61	45.15%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$27,421.95	\$39,712.37	\$12,290.42	44.82%
					Taxes	Tax rate of 2.45%	\$1,545.88	\$2,243.90	\$698.02	45.15%
			Obj Class Totals:				\$28,967.83	\$41,956.27	\$12,988.44	44.84%
			Division/Bureau Totals:				\$92,064.82	\$133,543.87	\$41,479.05	45.05%
	5000	Investigations and Enforcement Bureau								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Admin Employees Salaries	\$769,907.29	\$1,120,577.07	\$350,669.78	45.55%
			Obj Class Totals:				\$769,907.29	\$1,120,577.07	\$350,669.78	45.55%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel Costs for Sports Wagering	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
			Obj Class Totals:				\$0.00	\$10,000.00	\$10,000.00	#Div/0!
		CC	SPECIAL EMPLOYEES							
		C23	Management, Business Professionals & Admin Services		Contract Employee	Civilian Investigators	\$124,800.00	\$130,000.00	\$5,200.00	4.17%
			Obj Class Totals:				\$124,800.00	\$130,000.00	\$5,200.00	4.17%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$47,499.76	\$485,882.22	\$438,382.46	922.92%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	5000	Investigations and Enforcement Bureau								
		D09	Fringe Benefit Cost Recoupment		Taxes	Tax rate of 2.45%	\$305,894.71	\$27,454.14	(\$278,440.57)	-91.02%
					Taxes	Tax rate of 2.45% on Civilian Investigators	\$3,057.60	\$2,697.35	(\$360.25)	-11.78%
					Obj Class Totals:		\$356,452.07	\$516,033.71	\$159,581.64	44.77%
		EE	ADMINISTRATIVE EXPENSES							
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel Agent	Travel for Sports Wagering	\$0.00	\$35,000.00	\$35,000.00	#Div/0!
		EE2	Conference, Training and Registration Fees		Conferences	Conferences for Sports Wagering	\$0.00	\$15,000.00	\$15,000.00	#Div/0!
					Obj Class Totals:		\$0.00	\$50,000.00	\$50,000.00	#Div/0!
		HH	CONSULTANT SVCS (TO DEPTS)							
		HH1	Financial Services		Consultants	Consultants -RSM	\$622,297.00	\$0.00	(\$622,297.00)	-100.00%
					Consultants	Consultants -RSM--Vendor License Reviews for Sports Wagering	\$750,000.00	\$1,242,214.29	\$492,214.29	65.63%
					Obj Class Totals:		\$1,372,297.00	\$1,242,214.29	(\$130,082.71)	-9.48%
		JJ	OPERATIONAL SERVICES							
		J25	Laboratory & Pharmaceutical Services		State Police	adjust down to 4 additional FTE related to Sports Wagering	\$0.00	\$461,595.28	\$461,595.28	#Div/0!
					State Police	shifted costs to 4 additional trooper for Sports Wagering	(\$250,000.00)	\$0.00	\$250,000.00	-100.00%
					State Police	shifted costs to 4 additional trooper for Sports Wagering	\$541,519.27	\$0.00	(\$541,519.27)	-100.00%
					Obj Class Totals:		\$291,519.27	\$461,595.28	\$170,076.01	58.34%
					Division/Bureau Totals:		\$2,914,975.63	\$3,530,420.35	\$615,444.72	21.11%
	5500	Sports Wagering								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	N/A	\$213,333.33	\$0.00	(\$213,333.33)	-100.00%
					Employee Compensation	Regular Employee Salaries	\$631,101.39	\$937,652.92	\$306,551.53	48.57%
					Obj Class Totals:		\$844,434.72	\$937,652.92	\$93,218.20	11.04%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Out of State Travel	Out of State Licensee Visits and Conferences increase for extra FTEs	\$4,000.00	\$5,500.00	\$1,500.00	37.50%
		B02	In-State Travel		In-State Travel	Licensee visits, in-state meetings and conferences Mileage Reimbursements	\$3,000.00	\$3,000.00	\$0.00	0.00%
					Obj Class Totals:		\$7,000.00	\$8,500.00	\$1,500.00	21.43%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 43.36%	\$274,106.66	\$406,566.31	\$132,459.65	48.32%
					Fringe and Taxes	N/A	\$97,728.00	\$0.00	(\$97,728.00)	-100.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	5500	Sports Wagering								
	D09	Fringe Benefit Cost Recoupment	Taxes		Tax rate of 2.45%		\$15,461.99	\$22,972.50	\$7,510.52	48.57%
		Obj Class Totals:					\$387,296.65	\$429,538.81	\$42,242.16	10.91%
	EE	ADMINISTRATIVE EXPENSES								
	E02	Printing Expenses & Supplies	Printing & Administrative Supplies		SW Reports and Ad Hoc Reports Additional \$500 for Reporting		\$1,500.00	\$2,000.00	\$500.00	33.33%
	E12	Subscriptions, Memberships & Licensing Fees	Subscriptions, Memberships & Licensing Fees		SBRA membership, trade journals other subscriptions		\$7,500.00	\$7,500.00	\$0.00	0.00%
	E30	Credit Card Purchases	Credit Card Purchases		Credit Card Purchases		\$5,000.00	\$5,000.00	\$0.00	0.00%
	E41	Out Of State Travel Expen on Behalf of State Employ	Travel Agent		Travel Agency Fees increase for additional FTEs		\$8,000.00	\$13,000.00	\$5,000.00	62.50%
	EE2	Conference, Training and Registration Fees	Conference, Training and Registration Fees		UNLV; G2E; NAGRA or SBRA meeting, GLI Roundtables Increase 2,000 for additional FTEs		\$12,500.00	\$14,850.00	\$2,350.00	18.80%
		Obj Class Totals:					\$34,500.00	\$42,350.00	\$7,850.00	22.75%
	HH	CONSULTANT SVCS (TO DEPTS)								
	H23	Program Coordinators	Consultant		Marketing Audit Consultant		\$0.00	\$20,000.00	\$20,000.00	#Div/0!
			Consultants		N/A		\$120,000.00	\$0.00	(\$120,000.00)	-100.00%
		Obj Class Totals:					\$120,000.00	\$20,000.00	(\$100,000.00)	-83.33%
	UU	IT Non-Payroll Expenses								
	U03	Software & Information Technology Licenses (IT)	software		Incident Tracker Increase for actual cost of @5,000 plus additional modifications		\$3,800.00	\$10,500.00	\$6,700.00	176.32%
	U05	Information Technology (IT) Temp Staff Augmentation Profs	IT Consultant		IT Consultant - GLI		\$60,000.00	\$60,000.00	\$0.00	0.00%
			IT Consultant		IT Consultant - GLI - ICS		\$0.00	\$40,000.00	\$40,000.00	#Div/0!
		Obj Class Totals:					\$63,800.00	\$110,500.00	\$46,700.00	73.20%
		Division/Bureau Totals:					\$1,457,031.37	\$1,548,541.73	\$91,510.36	6.28%
	7000	Licensing Division								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	Employee Compensation		Regular Employee Salaries		\$184,707.70	\$346,909.48	\$162,201.78	87.82%
		Obj Class Totals:					\$184,707.70	\$346,909.48	\$162,201.78	87.82%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	Fringe		Fringe rate of 43.36%		\$4,525.34	\$150,419.95	\$145,894.61	3223.95%
			Taxes		Tax rate of 2.45%		\$80,273.97	\$8,499.28	(\$71,774.69)	-89.41%
		Obj Class Totals:					\$84,799.31	\$158,919.23	\$74,119.93	87.41%
	UU	IT Non-Payroll Expenses								

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	7000	Licensing Division								
		U03	Software & Information Technology Licenses (IT)	Software	Licensing System Software		\$0.00	\$150,000.00	\$150,000.00	#Div/0!
		U11	Information Technology (IT) Contract Services	IT Consultant	Licensing System Implementation		\$0.00	\$112,500.00	\$112,500.00	#Div/0!
			Obj Class Totals:				\$0.00	\$262,500.00	\$262,500.00	#Div/0!
			Division/Bureau Totals:				\$269,507.01	\$768,328.71	\$498,821.71	185.09%
	All	All Divisions								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	Employee Compensation	N/A		\$86,016.58	\$0.00	(\$86,016.58)	-100.00%
				Regular Employee Compensation	Turnover Savings 5% of payroll		\$0.00	(\$194,961.58)	(\$194,961.58)	#Div/0!
			Obj Class Totals:				\$86,016.58	(\$194,961.58)	(\$280,978.16)	-326.66%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	Fringe and Payroll Taxes	Fringe and Payroll Taxes on Turnover Savings (45.81%)		\$0.00	(\$89,311.90)	(\$89,311.90)	#Div/0!
				Fringe and Taxes	N/A		\$39,404.19	\$0.00	(\$39,404.19)	-100.00%
			Obj Class Totals:				\$39,404.19	(\$89,311.90)	(\$128,716.09)	-326.66%
			Division/Bureau Totals:				\$125,420.77	(\$284,273.48)	(\$409,694.25)	-326.66%
	MGC Regulatory Costs		Totals:				\$9,160,877.19	\$10,072,410.22	\$911,533.03	9.95%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	Indirect									
		2000	MGC	Indirect						
			EE	ADMINISTRATIVE EXPENSES						
			E16	Indirect Cost Recoupment	Indirect	Commonwealth Required Indirect Cost Recoupment	\$440,545.25	\$520,356.13	\$79,810.88	18.12%
					Indirect	N/A	\$37,229.70	\$0.00	(\$37,229.70)	-100.00%
			Obj Class Totals:				\$477,774.95	\$520,356.13	\$42,581.18	8.91%
			Division/Bureau Totals:				\$477,774.95	\$520,356.13	\$42,581.18	8.91%
	Indirect			Totals:			\$477,774.95	\$520,356.13	\$42,581.18	8.91%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10501384	Sports Wagering Control Fund										
				Research and Responsible Gaming/PHTF							
			1700	Problem Gambling							
				UU	IT Non-Payroll Expenses						
				U03	Software & Information Technology Licenses (IT)	software	100 VSE database licenses	\$12,100.00	\$12,100.00	\$0.00	0.00%
				Obj Class Totals:			\$12,100.00	\$12,100.00	\$0.00	0.00%	
			Division/Bureau Totals:			\$12,100.00	\$12,100.00	\$0.00	0.00%		
			Research and Responsible Gaming/PHTF	Totals:			\$12,100.00	\$12,100.00	\$0.00	0.00%	

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	Office of Attorney General and AGO MSP									
		9000	Office of the Attorney General							
			OO							
			O99		Attorney General	SW ISA with AGO for Enforcement Activities	\$500,000.00	\$500,000.00	\$0.00	0.00%
			Obj Class Totals:				\$500,000.00	\$500,000.00	\$0.00	0.00%
			Division/Bureau Totals:				\$500,000.00	\$500,000.00	\$0.00	0.00%
	Office of Attorney General and AGO MSP		Totals:				\$500,000.00	\$500,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10501384	Sports Wagering Control Fund										
Appropriation Totals							\$10,150,752.14	\$11,104,866.35	\$954,114.21	9.40%	
40001101											
	MGC Regulatory Costs										
	1100	Human Resources									
		AA	REGULAR EMPLOYEE COMPENSATION								
		A01	Salaries: Inclusive	Raises	3% COLA/Incentives/Equity Agency Wide			\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%
		Obj Class Totals:					\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%	
		Division/Bureau Totals:					\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%	
	MGC Regulatory Costs	Totals:					\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%	

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
40001101										
				Research and Responsible Gaming/PHTF						
			1700	Problem Gambling						
			AA	REGULAR EMPLOYEE COMPENSATION						
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries Possible Intern	\$319,029.04	\$357,771.35	\$38,742.31	12.14%
				Obj Class Totals:			\$319,029.04	\$357,771.35	\$38,742.31	12.14%
			BB	REGULAR EMPLOYEE RELATED EXPEN						
			B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out of State Travel	\$1,250.00	\$1,250.00	\$0.00	0.00%
			B02	In-State Travel	Travel	In-State-Travel Reimbursements	\$6,000.00	\$6,000.00	\$0.00	0.00%
				Obj Class Totals:			\$7,250.00	\$7,250.00	\$0.00	0.00%
			DD	PENSION & INSURANCE RELATED EX						
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 43.36%	\$138,650.02	\$155,129.66	\$16,479.64	11.89%
					Taxes	Tax rate of 2.45%	\$7,816.21	\$8,765.40	\$949.19	12.14%
				Obj Class Totals:			\$146,466.23	\$163,895.06	\$17,428.83	11.90%
			EE	ADMINISTRATIVE EXPENSES						
			E02	Printing Expenses & Supplies	Printing Expenses and Supplies	Printed Materials for Game Sense	\$6,000.00	\$6,000.00	\$0.00	0.00%
			E12	Subscriptions, Memberships & Licensing Fees	Memberships	Memberships - NAADGS, NCPG	\$6,000.00	\$6,000.00	\$0.00	0.00%
			E16	Indirect Cost Recoupment	Indirect Charges	Indirect to EHHS	\$398,902.90	\$403,850.43	\$4,947.53	1.24%
			EE2	Conference, Training and Registration Fees	Conferences	Conference, Training & Registration Fees	\$10,000.00	\$10,000.00	\$0.00	0.00%
				Obj Class Totals:			\$420,902.90	\$425,850.43	\$4,947.53	1.18%
			FF	FACILITY OPERATIONAL EXPENSES						
			F16	Library & Teaching Supplies & Materials	Books	Library/reference books Increase as needed for research	\$1,000.00	\$1,000.00	\$0.00	0.00%
				Obj Class Totals:			\$1,000.00	\$1,000.00	\$0.00	0.00%
			HH	CONSULTANT SVCS (TO DEPTS)						
			H09	Attorneys/Legal Services	Public Safety Research	Public Safety and Human Trafficking Research	\$115,000.00	\$115,000.00	\$0.00	0.00%
			H23	Program Coordinators	Branding	GameSense media buys etc. ASG	\$150,000.00	\$150,000.00	\$0.00	0.00%
					Mass Council	Mass Council on Gaming & Health including employees to man Game Sense booth at PPC EBH and MGM --Staffed 16 hrs per day PPC and MGM, and 24 Hrs/day EBH --VSE --Play My Way --Required by Statute Chapter 194, Section 9	\$3,148,000.00	\$3,148,000.00	\$0.00	0.00%
					Program manager	RG Evaluation including GameSense	\$125,000.00	\$125,000.00	\$0.00	0.00%
					Research Consultant	Research Review Committee	\$30,000.00	\$30,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
40001101											
			Research and Responsible Gaming/PHTF								
			1700	Problem Gambling							
			H23	Program Coordinators	Translations	Knowledge Translation and Exchange	\$25,000.00	\$25,000.00	\$0.00	0.00%	
					VSE Resource Liaison	VSE Resource Liaison	\$62,000.00	\$62,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$3,655,000.00	\$3,655,000.00	\$0.00	0.00%
			JJ	<i>OPERATIONAL SERVICES</i>							
			JJ2	Auxiliary Services	Translations	Document Translations Increase due to greater need for translation and diversity	\$15,000.00	\$15,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$15,000.00	\$15,000.00	\$0.00	0.00%
			PP	<i>STATE AID/POL SUB</i>							
			P01	Grants To Public Entities	Community Driven Research	Community Driven Research	\$210,000.00	\$210,000.00	\$0.00	0.00%	
					Data Storage Grant	MODE DPH	\$75,000.00	\$75,000.00	\$0.00	0.00%	
					SEIGMA	Social & Economic Research(SEIGMA) Follow-up General Population Study	\$995,000.00	\$995,000.00	\$0.00	0.00%	
			PP1	Grants To Non-Public Entities	PMW	Play My Way Incentives	\$40,000.00	\$40,000.00	\$0.00	0.00%	
			Obj Class Totals:					\$1,320,000.00	\$1,320,000.00	\$0.00	0.00%
			Division/Bureau Totals:					\$5,884,648.17	\$5,945,766.84	\$61,118.67	1.04%
			Research and Responsible Gaming/PHTF Totals:					\$5,884,648.17	\$5,945,766.84	\$61,118.67	1.04%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
40001101										
Appropriation Totals							\$5,900,599.62	\$5,956,499.98	\$55,900.36	0.95%

Next Year Budget By Object Class for Commission

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
			MGC Regulatory Costs							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	1000	Employee Compensation	Employee Salaries	\$493,065.26	\$536,457.62	\$43,392.36	8.80%
				1100	Employee Compensation	Employee Salaries	\$411,669.92	\$416,703.07	\$5,033.15	1.22%
				1100	Merit Increases	Intern Program that Could Provide Up to 2 regular and 1 graduate intern	\$0.00	\$87,500.00	\$87,500.00	#Div/0!
				1100	Raises	3% COLA/Incentives/Equity Agency Wide	\$373,232.00	\$281,184.27	(\$92,047.73)	-24.66%
				1200	Employee Compensation	Employee Salaries	\$585,339.16	\$640,612.40	\$55,273.24	9.44%
				1300	Employee Compensation	Employee Salaries	\$384,127.12	\$375,463.96	(\$8,663.16)	-2.26%
				1400	Employee Compensation	Employee Salaries	\$1,039,345.34	\$1,291,486.17	\$252,140.83	24.26%
				1500	Employee Compensation	Employee Compensation	\$595,397.04	\$698,593.14	\$103,196.10	17.33%
				1800	Employee Compensation	Regular Salaries	\$143,905.41	\$180,187.25	\$36,281.84	25.21%
				1900	Employee Compensation	Regular Employees	\$114,521.78	\$56,699.47	(\$57,822.31)	-50.49%
				5000	Employee Compensation	Employee Salaries	\$3,931,409.73	\$4,078,309.25	\$146,899.52	3.74%
				7000	Employee Compensation	Regular Employee Salaries	\$653,328.24	\$577,193.03	(\$76,135.21)	-11.65%
				All	Employee Compensation	N/A	\$169,185.91	\$0.00	(\$169,185.91)	-100.00%
				All	Regular Employee Compensation	Turnover Savings 5% of payroll	(\$350,000.00)	(\$482,699.66)	(\$132,699.66)	37.91%
		A08	Overtime Pay	5000	Overtime	Overtime for Gaming Agents.	\$100,000.00	\$0.00	(\$100,000.00)	-100.00%
			Obj Class Totals:				\$8,644,526.91	\$8,737,689.97	\$93,163.06	1.08%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	1000	Travel	Out of State Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
				1100	Travel	Other Out of State Travel-Inclusive Airfare, Hotel, Lodging Gaming Conference	\$500.00	\$500.00	\$0.00	0.00%
				1200	Travel	Out of State Travel and Training	\$6,250.00	\$6,250.00	\$0.00	0.00%
				1300	Travel	Conferences Out of State	\$4,500.00	\$4,500.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	1400	Travel	Out of State Travel G2E/Gartner increase for more FTE by \$3,125	\$1,875.00	\$5,000.00	\$3,125.00	166.67%
				1500	Travel Reimbursements	Travel Reimbursements --In State (6 Commission Meetings a Year, Site Visits) --Out of Pocket Out of State Expenses	\$18,000.00	\$18,000.00	\$0.00	0.00%
				5000	Travel	Out of state travel reimbursements for gaming enforcement agents and non-state police staff	\$15,000.00	\$15,000.00	\$0.00	0.00%
				7000	Travel	Out-of State Travel Reimbursements	\$1,875.00	\$1,875.00	\$0.00	0.00%
		B02	In-State Travel	1000	Travel	In-State Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
				1100	Travel	In-state Travel AOC as well as site visits of licensees	\$5,985.00	\$5,985.00	\$0.00	0.00%
				1200	Travel	In State Travel	\$2,400.00	\$2,400.00	\$0.00	0.00%
				1300	Travel	In-State Mileage and Reimbursements	\$4,023.25	\$4,023.25	\$0.00	0.00%
				1400	Travel	In-state travel increase for more FTEs by \$1,250	\$3,750.00	\$5,000.00	\$1,250.00	33.33%
				1800	Travel Reimbursement	In-State Travel Reimbursement	\$4,488.75	\$4,488.75	\$0.00	0.00%
				1900	In State Travel Reimbursement	In-State Travel Reimbursement and Out of State --Visits to Other Licensee Sites	\$2,992.50	\$2,992.50	\$0.00	0.00%
				5000	Travel	In-state-travel reimbursements for gaming enforcement agents and non-state police staff	\$7,980.00	\$7,980.00	\$0.00	0.00%
				7000	Travel	In-State Travel Reimbursements--Fingerprinting Reimbursements	\$997.50	\$0.00	(\$997.50)	-100.00%
		B05	Conference, Training, Registration and Membership Dues and L	1200	Professional Licenses	Professional and Bar Licenses	\$6,000.00	\$6,000.00	\$0.00	0.00%
			Obj Class Totals:				\$92,617.00	\$95,994.50	\$3,377.50	3.65%
		CC	SPECIAL EMPLOYEES							
		C23	Management, Business Professionals & Admin Services	1100	Contract Employee	Administrative Help	\$52,000.00	\$62,640.00	\$10,640.00	20.46%
				5000	Contract Employee	Contracted Civilian Investigators	\$124,800.00	\$130,000.00	\$5,200.00	4.17%
			Obj Class Totals:				\$176,800.00	\$192,640.00	\$15,840.00	8.96%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	1000	Fringe	Fringe rate of 43.36%	\$214,286.16	\$232,608.03	\$18,321.87	8.55%
				1000	Taxes	Tax rate of 2.45%	\$12,080.10	\$13,143.21	\$1,063.11	8.80%
				1100	Fringe	Fringe rate of 43.36%	\$178,911.75	\$162,348.98	(\$16,562.77)	-9.26%
				1100	Taxes	Tax rate of 2.45%	\$10,085.91	\$10,209.23	\$123.32	1.22%
				1200	Fringe	Fringe rate of 43.36%	\$199,794.49	\$277,769.54	\$77,975.05	39.03%
				1200	Taxes	Tax rate of 2.45%	\$13,146.43	\$15,695.00	\$2,548.57	19.39%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		D09	Fringe Benefit Cost Recoupment	1300	Fringe	Fringe rate of 43.36%	\$136,037.28	\$162,801.17	\$26,763.89	19.67%
				1300	Taxes	Tax rate of 2.45%	\$7,668.92	\$9,198.86	\$1,529.94	19.95%
				1400	Fringe	Fringe rate of 43.36%	\$451,635.26	\$559,988.40	\$108,353.14	23.99%
				1400	Taxes	Tax rate of 2.45%	\$25,463.96	\$31,641.41	\$6,177.45	24.26%
				1500	Fringe	Fringe rate of 43.36%	\$258,759.55	\$302,909.99	\$44,150.44	17.06%
				1500	Taxes	Tax rate of 2.45%	\$14,587.23	\$17,115.53	\$2,528.30	17.33%
				1800	Fringe	Fringe rate of 43.36%	\$62,541.29	\$78,129.19	\$15,587.90	24.92%
				1800	Taxes	Tax rate of 2.45%	\$3,525.68	\$4,414.59	\$888.91	25.21%
				1900	Fringe	Fringe rate of 43.36%	\$49,771.17	\$24,584.90	(\$25,186.27)	-50.60%
				1900	Taxes	Tax rate of 2.45%	\$2,805.78	\$1,389.14	(\$1,416.64)	-50.49%
				5000	Fringe	Fringe rate of 43.36%	\$1,708,290.66	\$1,768,354.90	\$60,064.24	3.52%
				5000	Taxes	Tax rate of 2.45%	\$96,319.54	\$99,918.57	\$3,599.03	3.74%
				5000	Taxes	Taxes on CC Employees 2.45%	\$3,057.60	\$2,697.35	(\$360.25)	-11.78%
				7000	Fringe	Fringe rate of 43.36%	\$283,936.45	\$250,270.89	(\$33,665.56)	-11.86%
				7000	Taxes	Tax rate of 2.45%	\$16,006.54	\$14,141.23	(\$1,865.31)	-11.65%
				All	Fringe and Payroll Taxes	Fringe and Payroll Taxes on Turnover Savings (45.81%)	(\$160,335.00)	(\$221,124.72)	(\$60,789.72)	37.91%
				All	Fringe and Taxes	N/A	\$77,504.07	\$0.00	(\$77,504.07)	-100.00%
		D15	Workers' Compensation Chargebacks	1100	Worker's Comp Chargeback	Worker's Comp Chargeback	\$5,000.00	\$10,000.00	\$5,000.00	100.00%
			Obj Class Totals:				\$3,670,880.84	\$3,828,205.39	\$157,324.55	4.29%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies	1000	Supplies	Adoni Spring Water/Milhench	\$4,000.00	\$4,000.00	\$0.00	0.00%
				1000	Supplies	Cam Office Supplies Increased \$2,500	\$9,500.00	\$12,000.00	\$2,500.00	26.32%
				1000	Supplies	W.B. Mason/Veteran's Business Supply	\$40,000.00	\$40,000.00	\$0.00	0.00%
				1200	Supplies	Office Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Supplies	Office and Administrative Supplies increase by \$1,500	\$300.00	\$1,800.00	\$1,500.00	500.00%
				5000	Supplies	Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%
		E02	Printing Expenses & Supplies	1000	Printing	Millenium/RazzMTazz/MG Products	\$2,500.00	\$2,500.00	\$0.00	0.00%
				1100	Printing	Printing of Reports and Best Practices	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Printers	Printers @\$250/printer Decrease by 300	\$300.00	\$0.00	(\$300.00)	-100.00%
				1500	Office Supplies	Lane Printing, etc.	\$200.00	\$200.00	\$0.00	0.00%
				1800	Printing	Printing	\$6,100.00	\$6,100.00	\$0.00	0.00%
				7000	Supplies	Supplies	\$7,500.00	\$7,500.00	\$0.00	0.00%
		E05	Postage Chargeback	1000	Postage	ITD PAD Chargeback for postal Services	\$2,743.92	\$2,743.92	\$0.00	0.00%
		E06	Postage	1000	Postage	Postage for Ashburton Mail Room	\$2,400.00	\$2,400.00	\$0.00	0.00%
				1000	Postage	Postage for Pitney Bowes, Fed Ex, UPS	\$3,000.00	\$3,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		E06	Postage	7000	Postage	Federal Express Charges	\$1,500.00	\$1,500.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees	1100	Administrative Expenses	Marketing Sponsorships of Diversity and Opportunity Events GNEMSCD, UMASS, Circa	\$15,000.00	\$15,000.00	\$0.00	0.00%
				1100	Subscriptions	Human Resource Information System	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1100	Subscriptions	Subscriptions, Memberships & Licensing Fees SHRM, NEHRA, The Partnership	\$20,000.00	\$20,000.00	\$0.00	0.00%
				1200	Subscription	Legal Subscription - Law360	\$3,700.00	\$3,700.00	\$0.00	0.00%
				1200	Subscriptions	Subscriptions and Memberships Westlaw ABA Increase \$4k for Thomson Reuters	\$15,000.00	\$19,000.00	\$4,000.00	26.67%
				1200	Subscriptions	nstatrac Subscription	\$4,650.00	\$4,650.00	\$0.00	0.00%
				1300	Memberships	NAGR increased \$300 for costs	\$500.00	\$800.00	\$300.00	60.00%
				1400	Subscriptions	Pagefreezer, Gaming Compliance increase for more FTEs and subscription costs by \$10,214	\$18,676.00	\$28,890.00	\$10,214.00	54.69%
				1500	Subscriptions	Trade Journals	\$5,950.00	\$5,950.00	\$0.00	0.00%
				1800	Subscriptions	Subscriptions, Licensing, Memberships	\$35,650.00	\$35,650.00	\$0.00	0.00%
				5000	Subscriptions	Lexis Nexis, Hire Authority, Nat. Student Loan Increase of \$500/month for GOLD Subscription Service	\$101,000.00	\$101,000.00	\$0.00	0.00%
		E13	Advertising Expenses	1200	Reg Advertising	Advertising of Regs and Meetings Increase \$5k for Racing	\$10,000.00	\$15,000.00	\$5,000.00	50.00%
		E15	Bottled Water	1000	Water	Quench	\$1,500.00	\$1,500.00	\$0.00	0.00%
		E18	State Single Audit Chargeback	1000	Chargeback	Chargeback Single State Audit	\$500.00	\$500.00	\$0.00	0.00%
		E19	Fees, Fines, Licenses, Permits & Chargebacks	1000	Fees, Fines, Licensed, Chargebakcs	EZ Pass/Occupancy/Commissions	\$1,700.00	\$1,700.00	\$0.00	0.00%
				1100	Licenses	Fees, Fines, Licenses, Permits & Chargebacks for HRCMS and HRD	\$9,000.00	\$9,000.00	\$0.00	0.00%
		E20	Motor Vehicle Chargeback	5000	Motor Vehcile Lease	OVM Chargeback	\$6,110.00	\$6,110.00	\$0.00	0.00%
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees	1000	Laz Parking/VPNE	Parking at 33 Arch St.	\$54,000.00	\$54,000.00	\$0.00	0.00%
				1100	Conference Incidentals	Conference Incidentals	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1100	Conferences	Workforce/Diversity Meetings--Digital also	\$7,000.00	\$7,000.00	\$0.00	0.00%
				1500	Meeting Space	Temporary Space @ 6mtgs - \$2K meeting space 6 mtgs and \$5k to stream for 4 of the meetings	\$32,000.00	\$32,000.00	\$0.00	0.00%
				1500	Team Building	Team Building, Agency Conferences	\$8,000.00	\$8,000.00	\$0.00	0.00%
		E30	Credit Card Purchases	1000	Credit Card	Credit Card Incidental Purchases	\$2,000.00	\$2,000.00	\$0.00	0.00%
				1100	Credit Card Charges	FIA Card	\$3,000.00	\$3,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		E30	Credit Card Purchases	1200	Credit Card	Credit Card Purchases	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1300	Credit Card	Credit Card Purchases	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Credit Card	Credit Card Purchases; \$400 Domain GOV Renewal	\$1,000.00	\$1,000.00	\$0.00	0.00%
				1500	Credit Card	Allowable Credit Card Expenses	\$7,500.00	\$7,500.00	\$0.00	0.00%
				5000	Credit Card	Credit Card Purchases	\$15,000.00	\$15,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ	1000	Travel	Travel Agency Fees	\$2,500.00	\$2,500.00	\$0.00	0.00%
				1100	Travel	Travel Agent	\$1,000.00	\$1,000.00	\$0.00	0.00%
				1200	Conference, Training, Registion Fees	Conference, Training, Registion Fees \$1,750 Increase for more conferences	\$6,250.00	\$8,000.00	\$1,750.00	28.00%
				1200	Travel	Conference/Trainings Travel and Lodging for FTEs Increase \$2,500 for more travel	\$2,500.00	\$5,000.00	\$2,500.00	100.00%
				1400	Out of State Travel	Travel Agent - Travel Leaders Additional FTEs budgeting for Travel	\$0.00	\$20,000.00	\$20,000.00	#Div/0!
				1500	Travel Agency Fees	Travel	\$10,000.00	\$10,000.00	\$0.00	0.00%
				5000	Travel Agent	Travel Agent for Trainings and Investigations Decrease of \$20K for costs shared with Sports Wagering	\$100,000.00	\$80,000.00	(\$20,000.00)	-20.00%
				7000	Travel Agent	Travel Leaders G2E for meetings with Vendors and Licensing of Primaries	\$7,000.00	\$7,000.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees	1000	Conference Registrations	Registration Fees	\$1,125.00	\$1,125.00	\$0.00	0.00%
				1100	Conference, Training Registration Fees	GNEMSDC, Umass, Diversity Conferences	\$5,500.00	\$5,500.00	\$0.00	0.00%
				1100	Training	Conference, Training and Registration Fees	\$500.00	\$500.00	\$0.00	0.00%
				1300	Travel and Conf	Conference, Training and Registration Fees	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Conference	Conference, Training and Registrations Fees Increase for more FTEs by \$2,473	\$2,500.00	\$4,973.00	\$2,473.00	98.92%
				1500	Registration Fees	Conference/Trainings	\$7,000.00	\$7,000.00	\$0.00	0.00%
				5000	Registrations	Training/Conference Registration Fees. Decreased \$5k for costs shared with Sports Wagering	\$30,000.00	\$25,000.00	(\$5,000.00)	-16.67%
				7000	Conferences	Conference, Training & Registration.	\$4,000.00	\$4,000.00	\$0.00	0.00%
		EE9	Employee Recognition Chargeback	1100	Employee Morale	Employee Recognition Program	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$683,354.92	\$708,291.92	\$24,937.00	3.65%
		FF	FACILITY OPERATIONAL EXPENSES							
		F09	Clothing & Footwear	5000	Programatic Supplies	Clothing and Footwear	\$20,000.00	\$20,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
			Obj Class Totals:				\$20,000.00	\$20,000.00	\$0.00	0.00%
		GG	ENERGY COSTS AND SPACE RENTAL							
		G01	Space Rental	1000	Office Lease	101 Federal St. First 6 months \$677,728.64 old lease costs, second 6 months at discount for first year of renewal \$654,850.20, 3 months of old lease for free for renewing 5 years (\$333,864.32). Total FY 25 Lease costs \$988,714.52. 70% to Gaming--\$692,1	\$949,257.12	\$692,100.16	(\$257,156.96)	-27.09%
				1400	Data Center	Increase \$85,158.72 for IGT move Data Center Costs (Rack Space, maintenance for 2 Data Centers)	\$85,158.72	\$85,158.72	\$0.00	0.00%
				1500	75-101 Parking Garage	Parking 75-101--5 spaces. Two of the spaces are included in the lease. This item pays for 3 of the spaces.	\$13,642.20	\$13,642.20	\$0.00	0.00%
		G03	Electricity	1000	Electricity	101 Federal St. 12 months	\$23,334.34	\$23,334.34	\$0.00	0.00%
		G05	Fuel For Vehicles	1000	Gas	Wex Bank/Gulf	\$3,000.00	\$3,000.00	\$0.00	0.00%
			Obj Class Totals:				\$1,074,392.38	\$817,235.42	(\$257,156.96)	-23.94%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H09	Attorneys/Legal Services	1000	Insurance	Comprehensive Insurance Policy	\$163,500.00	\$163,500.00	\$0.00	0.00%
				1100	Legal Consultants	Employment Laywers	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1100	Worker's Comp	Workers Comp Litigation Fees	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1200	Litigation Defense	Outside Counsel Litigation Defense	\$400,000.00	\$400,000.00	\$0.00	0.00%
				1200	Outside Counsel	General Practice, Regulations, Laws, etc.	\$75,000.00	\$75,000.00	\$0.00	0.00%
				1200	Outside Counsel	Increase for Consultation for New Union Initiative Labor Employment Law	\$50,000.00	\$50,000.00	\$0.00	0.00%
				1500	Consultant	N/A	\$61,383.31	\$0.00	(\$61,383.31)	-100.00%
		H19	Management Consultants	1000	Outside Consultant	CPA Firm for Annual Audits consistent with Generally Accepted Auditing Standards	\$70,000.00	\$70,000.00	\$0.00	0.00%
				1200	Hearing Officer	Hearing Officer Increased \$25,000 volume of cases	\$40,000.00	\$65,000.00	\$25,000.00	62.50%
				1300	Strategic Consultant	General Consultant needs for Commissioners or Executive Director	\$10,000.00	\$10,000.00	\$0.00	0.00%
		H23	Program Coordinators	1100	Consultants	Diversity Equity and Inclusion RFR or SWC Increased Shifted \$60,000 from LEAF Grant	\$50,000.00	\$110,000.00	\$60,000.00	120.00%
				1100	Strategic Consultant	Strategic Organizational Consult and Compensation	\$0.00	\$0.00	\$0.00	#Num!
				1500	Consultant	General Consulting	\$10,000.00	\$10,000.00	\$0.00	0.00%
		HH3	Media Design, Editorial and Communication	1800	Website Design	Marketing & Website Design	\$25,000.00	\$25,000.00	\$0.00	0.00%
			Obj Class Totals:				\$964,883.31	\$988,500.00	\$23,616.69	2.45%
		JJ	OPERATIONAL SERVICES							

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		J10	Auxiliary Financial Services	1000	Auxiliary Financial Services	Credit Card Fees/BillMatrix	\$200.00	\$200.00	\$0.00	0.00%
		J25	Laboratory & Pharmaceutical Services	5000	Everett Police	EPEverett Police GEU 7FTE's Increase of 5% year over year, 4% for salaries	\$1,666,543.75	\$1,748,361.00	\$81,817.25	4.91%
				5000	Finger Prints State Police	Chargeback for Finger Print Costs for Licenses \$50/set and ~4.5K prints	\$50,000.00	\$50,000.00	\$0.00	0.00%
				5000	Plainville Police Salaries	Plainville Local Police Increase 3% for salaries as well as \$17.29k for operational equipment portable radios and body cameras	\$412,743.22	\$441,055.27	\$28,312.05	6.86%
				5000	Springfield Police Salaries	SPDSpringfield Police GEU 7 FTEs Increase of 3% on updated FY24 Budget	\$1,089,648.14	\$1,207,684.31	\$118,036.17	10.83%
				5000	State Police	MSP MGC Salaries for MGC Investigations and Background Unit 4% increase plus taxes plus 3 additional FTEs	\$983,275.34	\$1,012,733.60	\$29,458.26	3.00%
				5000	State Police	MSPMGC Staff Costs at MGM 16 FTEs 4% Increase plus taxes	\$1,890,486.33	\$2,062,795.61	\$172,309.28	9.11%
				5000	State Police	MSPMGC State Police Troopers Plainville Straight Time and Payroll Taxes 4% increase plus taxes	\$1,316,353.58	\$1,531,220.58	\$214,867.00	16.32%
				5000	State Police	MSPMGC State Troopers Everett 4% increase plus taxes	\$1,793,626.06	\$1,923,570.47	\$129,944.41	7.24%
				5000	State Police	Racing TroopersShifted Costs to Gaming 4% increase plus taxes	\$388,377.37	\$443,340.30	\$54,962.93	14.15%
				5000	State Police OT & Travel	OT and Travel for Troopers assigned to MGC GEU Increase 4% plus taxes	\$2,056,111.75	\$2,183,475.54	\$127,363.79	6.19%
		J28	Law Enforcement	5000	Lease Vehicles	Plainville Law Enforcement Vehicles	\$8,877.39	\$8,877.39	\$0.00	0.00%
		J46	Temporary Help Services	1100	Temp Help	Temp help/interns/diversity	\$75,000.00	\$75,000.00	\$0.00	0.00%
				1400	TEMPORARY HELP SERVICES	SevenStep or other Temp Help	\$0.00	\$30,000.00	\$30,000.00	#Div/0!
		J50	Instructors/Lecturers/Trainers	1300	Training	Upper Management Training	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Training	Technical Training not available on LinkedIn	\$5,000.00	\$5,000.00	\$0.00	0.00%
		JJ1	Legal Support Services	1200	Operational Services	Offsite Storage - \$50 per month charge if boxes are pulledIncreased GRM Usage Increased for more digitization of files	\$750.00	\$4,000.00	\$3,250.00	433.33%
		JJ2	Auxiliary Services	1000	Courier	USA Couriers	\$300.00	\$300.00	\$0.00	0.00%
				1000	Shredding	ProShred	\$1,615.00	\$1,615.00	\$0.00	0.00%
				1100	HR Investigations	HR Investigations	\$10,000.00	\$10,000.00	\$0.00	0.00%
				1100	Testing	Workcare Health Resouces	\$3,000.00	\$3,000.00	\$0.00	0.00%
				1800	Streaming	Streaming & Production of Public Meetings	\$23,000.00	\$23,000.00	\$0.00	0.00%
			Obj Class Totals:				\$11,779,907.93	\$12,770,229.07	\$990,321.14	8.41%
		KK	EQUIPMENT PURCHASE							

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		K05	Office Equipment	1800	Equipment Purchases	Increased to purchase additional Photography/Streaming Equipment Net Zero Purchase	\$5,000.00	\$5,000.00	\$0.00	0.00%
		K07	Office Furnishings	1400	Office Equipment	Creative Office Pavillion	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1500	Office Equipment	Office Furnishings	\$5,000.00	\$5,000.00	\$0.00	0.00%
				5000	Office Equipment	Patrol Riffls/Active Shooter Gear-- Replacement/Upgrade of Fingerprint Machines to be Windows Compliant	\$47,000.00	\$47,000.00	\$0.00	0.00%
		Obj Class Totals:					\$62,000.00	\$62,000.00	\$0.00	0.00%
	LL	<i>EQUIPMENT LEASE-MAINTAIN/REPAR</i>								
		L24	Motorized Vehicle Equipment Rental or Lease	1000	Rental Cars	Enterprise Car Rental	\$500.00	\$500.00	\$0.00	0.00%
				1400	MOTORIZED VEHICLE EQUIPMENT RENTAL OR LEASE	Enterprise Rental rental for conferences travel	\$0.00	\$500.00	\$500.00	#Div/0!
		L25	Office Equipment Rental or Lease	1000	Printing	Pitney Bowes	\$607.90	\$607.90	\$0.00	0.00%
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease	1000	Copier	Canon Financial Services Increase @\$1,900 Recurring Payments for 13th floor and IEB Per Click costs of \$2.5K	\$10,100.00	\$12,000.00	\$1,900.00	18.81%
				7000	Equipment Leases	Increased for Idemia Scanner Maintenance	\$10,000.00	\$25,000.00	\$15,000.00	150.00%
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair	1000	Copier	Canon USA/Maintenance & Repair--Initial Contract Rate Ended	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1000	Xerox Leases	6 Machines average \$300 per month Xerox Leases Recurring Payments of \$11.1K for 3 machines Per Click costs of \$3.2K (avg of this year) Increase \$400	\$21,600.00	\$22,000.00	\$400.00	1.85%
		Obj Class Totals:					\$47,807.90	\$65,607.90	\$17,800.00	37.23%
	NN	<i>INFRASTRUCTURE:</i>								
		N50	Non-Major Facility Infrastructure Maintenance and Repair	1000	Repairs	Office/Building Repairs	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Facilities Maintenance	\$4,450 Annual Main & Support, Parts/HVAC monitoring; Viscom \$1,500 Building Security	\$10,000.00	\$10,000.00	\$0.00	0.00%
				5000	Non-Major Facility Maintenance & Repair	Office Reconfiguration	\$15,000.00	\$15,000.00	\$0.00	0.00%
		Obj Class Totals:					\$30,000.00	\$30,000.00	\$0.00	0.00%
	PP	<i>STATE AID/POL SUB</i>								
		P01	Grants To Public Entities	1100	Grants	Worforce Development and Diversity Grants Reduced \$60,000 moved to H23	\$150,000.00	\$90,000.00	(\$60,000.00)	-40.00%
		Obj Class Totals:					\$150,000.00	\$90,000.00	(\$60,000.00)	-40.00%
	UU	<i>IT Non-Payroll Expenses</i>								

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		U01	Telecommunications Services Data	1400	TELECOMMUNICAT IONS SERVICES DATA	Surveillance, CMS Primary/Backup Circuits, Lab Line, Windstream Services (VPN, LAN, WAN redundancy) etc decrease of \$144,390,22 from IGT Move	\$372,140.22	\$227,750.00	(\$144,390.22)	-38.80%
		U02	Telecommunications Services - Voice	1400	TELECOMMUNICAT IONS SERVICES - VOICE	OfficeSuite (Voice, HD Meeting, WeConnect), Verizon Wireless, Multi-location fax lines Increase of \$52,422,26	\$80,587.74	\$133,010.00	\$52,422.26	65.05%
		U03	Software & Information Technology Licenses (IT)	1000	Software	Software - LinkSquares CLM	\$35,750.00	\$35,750.00	\$0.00	0.00%
				1100	Software	Cornerstone HR Employee Performance Review Software Increased to \$16,275	\$10,725.00	\$27,000.00	\$16,275.00	151.75%
				1400	SOFTWARE & INFORMATION TECHNOLOGY LICENSES (IT)	Azure Sentinel, M365 G5 Compliance, M365 G5 Security Adobe, Sharepoint, O365, Azure, JIRA, MDM etc Decrease of \$56,129.86	\$387,517.16	\$331,387.30	(\$56,129.86)	-14.48%
				5000	Software	ITRACK- Omnigoincrease \$1k for costs	\$13,000.00	\$14,000.00	\$1,000.00	7.69%
				7000	Software	Licensing System Software	\$0.00	\$350,000.00	\$350,000.00	#Div/0!
		U04	Information Technology Chargeback	1400	INFORMATION TECHNOLOGY CHARGEBACK	EOTSS Offsite Rack Storage and Maintenance	\$0.00	\$65,000.00	\$65,000.00	#Div/0!
		U05	Information Technology (IT) Temp Staff Augmentation Profs	1000	IT Consultants	Diversity Consultants	\$25,000.00	\$25,000.00	\$0.00	0.00%
				1000	IT Consultants	Web penetration Testing	\$8,000.00	\$8,000.00	\$0.00	0.00%
				1400	IT Staff Augment	Contract Systems Admin eDiscovery Specialist	\$0.00	\$80,000.00	\$80,000.00	#Div/0!
				1400	IT Staff Augment	Talent Burst It Staff Augment	\$0.00	\$39,750.00	\$39,750.00	#Div/0!
				1400	CMS - \$2,484,206.46	CMS - IGT Intelligen (PPC, MGM, EBH) IGT move adjusted costs down 39,127.83	\$2,326,368.27	\$2,287,240.44	(\$39,127.83)	-1.68%
				1400	CONSULTING - \$75,000	IT Consulting Support (TBD)	\$50,000.00	\$50,000.00	\$0.00	0.00%
				1400	IGT NOC Migration	Increase for data center move and for parts IGT NOC Migration Removed	\$403,961.00	\$0.00	(\$403,961.00)	-100.00%
				1400	Staff Augmentations Professionals	McInnis Consulting Jira Expert Removed	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
		U06	Information Technology (IT) Cabling	1400	IT Cabling	Runs/Cabling	\$3,000.00	\$3,000.00	\$0.00	0.00%
		U07	Information Technology (IT) Equipment	1400	IT Equipment	IT Equipment, emergency replacements (switches, routers, firewalls) etc Increase of \$91,325	\$103,675.00	\$195,000.00	\$91,325.00	88.09%
		U09	Information Technology (IT) Equip Rental Or Lease	1400	INFORMATION TECHNOLOGY (IT) EQUIP RENTAL OR LEASE	ACS Leases (Refresh) increase of lease costs for more FTEs of \$23,019.08	\$89,871.92	\$112,891.00	\$23,019.08	25.61%
		U10	Information Tech (IT) Equipment Maintenance & Repair	1000	Cable	Cable/Comcast	\$5,500.00	\$5,500.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		U10	Information Tech (IT) Equipment Maintenance & Repair	1400	IT Maintenance and Repair	Annual M&S Equipment/Services Reduction of \$16,605.88	\$94,238.97	\$77,633.09	(\$16,605.88)	-17.62%
		U11	Information Technology (IT) Contract Services	1400	IT Contract Services	LMS, Gartner, Tallan Servicese increase of \$201,439.85 includes Xfact for Licensing Maintenance	\$193,777.15	\$395,217.00	\$201,439.85	103.95%
				7000	IT Consultant	Licensing System Implementation	\$0.00	\$262,500.00	\$262,500.00	#Div/0!
		Obj Class Totals:					\$4,213,112.43	\$4,725,628.83	\$512,516.40	12.16%
	MGC Regulatory Costs	Totals:					\$31,610,283.62	\$33,132,023.00	\$1,521,739.38	4.81%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Indirect									
		EE	ADMINISTRATIVE EXPENSES							
		E16	Indirect Cost Recoupment	2000	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$55,756.33	\$0.00	(\$55,756.33)	-100.00%
				2000	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$2,549,564.19	\$2,668,901.53	\$119,337.34	4.68%
			Obj Class Totals:				\$2,605,320.52	\$2,668,901.53	\$63,581.01	2.44%
	Indirect		Totals:				\$2,605,320.52	\$2,668,901.53	\$63,581.01	2.44%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Office of Attorney General and AGO MSP									
		JJ	OPERATIONAL SERVICES							
		J25	Laboratory & Pharmaceutical Services	9000	State Police	MSPAGO Straight Time Troopers 4% increase including Payroll Taxes	\$636,238.55	\$687,879.43	\$51,640.88	8.12%
				9000	State Police	MSPAGO State Police OT4% increase plus taxes	\$360,500.00	\$382,830.81	\$22,330.81	6.19%
			Obj Class Totals:				\$996,738.55	\$1,070,710.24	\$73,971.69	7.42%
		OO								
		O99		9000	Attorney General	place holder Funds FTEs assigned to the unit, various percentages of FTEs of support, and management positions, office space, travel, conferences, and investigative costs.	\$2,927,384.00	\$2,927,384.00	\$0.00	0.00%
			Obj Class Totals:				\$2,927,384.00	\$2,927,384.00	\$0.00	0.00%
	Office of Attorney General and AGO MSP		Totals:				\$3,924,122.55	\$3,998,094.24	\$73,971.69	1.89%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500001	Mass. Gaming Commission										
	Alcohol and Beverage Control Commission										
		00									
		001		9001	ISA with ABCC	ABCC	\$75,000.00	\$75,000.00	\$0.00	0.00%	
		Obj Class Totals:						\$75,000.00	\$75,000.00	\$0.00	0.00%
	Alcohol and Beverage Control Commission	Totals:						\$75,000.00	\$75,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
Appropriation Totals							\$38,214,726.69	\$39,874,018.77	\$1,659,292.08	4.34%
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	AA		REGULAR EMPLOYEE COMPENSATION							
	A01		Salaries: Inclusive	1000	Employee Compensation	Admin Employees Salaries	\$102,489.31	\$90,663.52	(\$11,825.79)	-11.54%
				1100	Employee Compensation	HR Employees Salaries	\$27,166.97	\$13,561.75	(\$13,605.22)	-50.08%
				1100	Raises	3% COLA/Incentives/Equity Agency Wide	\$37,277.01	\$18,910.14	(\$18,366.87)	-49.27%
				1200	Employee Compensation	Legal Employees Salaries	\$58,533.91	\$28,684.14	(\$29,849.77)	-51.00%
				1300	Employee Compensation	Exec. Dir. Employees Salaries	\$38,412.71	\$16,174.31	(\$22,238.40)	-57.89%
				1400	Employee Compensation	IT Employees Salaries	\$99,434.49	\$50,863.65	(\$48,570.84)	-48.85%
				1500	Employee Compensation	Commissioners Employees Salaries	\$59,539.70	\$31,280.31	(\$28,259.39)	-47.46%
				1800	Employee Compensation	Communications Employees Salaries	\$14,390.54	\$7,183.75	(\$7,206.79)	-50.08%
				3000	Employee Compensation	Regular Employee Salaries	\$322,652.95	\$361,690.94	\$39,037.99	12.10%
				5000	Employee Compensation	Admin Employees Salaries	\$51,946.51	\$20,233.39	(\$31,713.12)	-61.05%
				7000	Employee Compensation	Regular Employee Salaries	\$4,719.52	\$5,104.63	\$385.11	8.16%
				All	Employee Compensation	N/A	(\$255,202.49)	\$0.00	\$255,202.49	-100.00%
				All	Regular Employee Compensation	Turnover Savings 5% of payroll	\$0.00	(\$32,462.40)	(\$32,462.40)	#Div/0!
			Obj Class Totals:				\$561,361.13	\$611,888.13	\$50,527.00	9.00%
	BB		REGULAR EMPLOYEE RELATED EXPEN							
	B01		Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	3000	Travel	Out of State Travel Reimbursement Reduced \$6k	\$10,000.00	\$4,000.00	(\$6,000.00)	-60.00%
	B02		In-State Travel	3000	Travel	In State Travel Reimbursement Reduced 1K	\$3,000.00	\$2,000.00	(\$1,000.00)	-33.33%
			Obj Class Totals:				\$13,000.00	\$6,000.00	(\$7,000.00)	-53.85%
	CC		SPECIAL EMPLOYEES							
	C04		Contracted Seasonal Employees	3000	Seasonals	Seasonal Employees	\$482,040.00	\$482,040.00	\$0.00	0.00%
	C23		Management, Business Professionals & Admin Services	1100	Contract Employee	Administrative Help	\$5,200.00	\$5,200.00	\$0.00	0.00%
			Obj Class Totals:				\$487,240.00	\$487,240.00	\$0.00	0.00%
	DD		PENSION & INSURANCE RELATED EX							
	D09		Fringe Benefit Cost Recoupment	1000	Fringe	Fringe rate of 43.36%	\$44,541.85	\$39,311.70	(\$5,230.15)	-11.74%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	D09		Fringe Benefit Cost Recoupment	1000	Taxes	Tax rate of 2.45%	\$2,510.99	\$2,221.26	(\$289.73)	-11.54%
				1100	Fringe	Fringe rate of 43.36%	\$11,806.77	\$5,880.37	(\$5,926.40)	-50.19%
				1100	Taxes	Tax rate of 2.45%	\$665.59	\$332.26	(\$333.33)	-50.08%
				1200	Fringe	Fringe rate of 43.36%	\$23,304.82	\$12,437.44	(\$10,867.38)	-46.63%
				1200	Taxes	Tax rate of 2.45%	\$1,314.64	\$702.76	(\$611.88)	-46.54%
				1300	Fringe	Fringe rate of 43.36%	\$13,603.73	\$7,013.19	(\$6,590.54)	-48.45%
				1300	Taxes	Tax rate of 2.45%	\$766.89	\$396.27	(\$370.62)	-48.33%
				1400	Fringe	Fringe rate of 43.36%	\$43,207.81	\$22,054.48	(\$21,153.33)	-48.96%
				1400	Taxes	Tax rate of 2.45%	\$2,436.15	\$1,246.15	(\$1,190.00)	-48.85%
				1500	Fringe	Fringe rate of 43.36%	\$25,875.95	\$13,563.14	(\$12,312.81)	-47.58%
				1500	Taxes	Tax rate of 2.45%	\$1,458.72	\$766.37	(\$692.35)	-47.46%
				1800	Fringe	Fringe rate of 43.36%	\$6,254.13	\$3,114.87	(\$3,139.26)	-50.19%
				1800	Taxes	Tax rate of 2.45%	\$352.57	\$176.00	(\$176.57)	-50.08%
				3000	Fringe	Fringe rate of 43.36%	\$140,224.97	\$156,829.20	\$16,604.23	11.84%
				3000	Taxes	Tax rate of 2.45%	\$7,905.00	\$8,861.42	\$956.42	12.10%
				5000	Fringe	Fringe rate of 43.36%	\$22,575.95	\$20,233.39	(\$2,342.56)	-10.38%
				5000	Taxes	Tax rate of 2.45%	\$1,272.69	\$8,773.20	\$7,500.51	589.34%
				7000	Fringe	Fringe rate of 43.36%	\$2,051.10	\$2,213.37	\$162.27	7.91%
				7000	Taxes	Tax rate of 2.45%	\$115.63	\$125.06	\$9.43	8.16%
				All	Fringe and Taxes	N/A	(\$116,908.26)	\$0.00	\$116,908.26	-100.00%
			Obj Class Totals:				\$235,337.69	\$306,251.90	\$70,914.21	30.13%
	EE	ADMINISTRATIVE EXPENSES								
	E01		Office & Administrative Supplies	3000	Supplies	W.B. Mason moved to Finance	\$7,500.00	\$0.00	(\$7,500.00)	-100.00%
	E02		Printing Expenses & Supplies	3000	Printing	Millineum Printing moved to Finance	\$500.00	\$0.00	(\$500.00)	-100.00%
	E12		Subscriptions, Memberships & Licensing Fees	3000	Memberships	AA Dority/Organization of Racing Investigators not renewing would fall under IEB	\$5,625.00	\$0.00	(\$5,625.00)	-100.00%
				3000	Memberships	Assoc. of Racing Regulators	\$18,700.00	\$18,700.00	\$0.00	0.00%
	E13		Advertising Expenses	3000	Public Hearing Notices	Boston Globe moved to Legal	\$1,000.00	\$0.00	(\$1,000.00)	-100.00%
				3000	Public Hearing Notices	Boston Herald moved to Legal	\$700.00	\$0.00	(\$700.00)	-100.00%
	E15		Bottled Water	3000	Water	Belmont Springs/DS Waters of America	\$360.00	\$360.00	\$0.00	0.00%
	E41		Out Of State Travel Expen on Behalf of State Employ	3000	Travel Agent	Travel	\$5,000.00	\$5,000.00	\$0.00	0.00%
	EE2		Conference, Training and Registration Fees	3000	Conferences	Assoc. of Racing Comm./Louisiana Racing/Thoroughbred Racing	\$3,000.00	\$3,000.00	\$0.00	0.00%
			Obj Class Totals:				\$42,385.00	\$27,060.00	(\$15,325.00)	-36.16%
	FF	FACILITY OPERATIONAL EXPENSES								

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	F05	Laboratory Supplies	3000	Vet Supplies	Gloves, scrubs etc.	\$2,000.00	\$2,000.00	\$0.00	0.00%	
	F09	Clothing & Footwear	3000	Equipment	Misc Facility Equipment Removed from Budget	\$25,000.00	\$0.00	(\$25,000.00)	-100.00%	
			3000	Uniforms	Racing Uniforms for Seasonal Employees Reduced \$15K	\$15,000.00	\$10,000.00	(\$5,000.00)	-33.33%	
	Obj Class Totals:					\$42,000.00	\$12,000.00	(\$30,000.00)	-71.43%	
	HH	CONSULTANT SVCS (TO DEPTS)								
	H19	Management Consultants	3000	Hearing Officer	Hearing Officer for Racing Appeals	\$25,000.00	\$10,000.00	(\$15,000.00)	-60.00%	
	Obj Class Totals:					\$25,000.00	\$10,000.00	(\$15,000.00)	-60.00%	
	JJ	OPERATIONAL SERVICES								
	J10	Auxiliary Financial Services	3000	Credit Cards	Bank of America credit card terminal fees	\$1,000.00	\$1,000.00	\$0.00	0.00%	
	J25	Laboratory & Pharmaceutical Services	3000	Testing	Workcare Reduced \$500	\$2,000.00	\$1,500.00	(\$500.00)	-25.00%	
	J28	Law Enforcement	3000	State Police	MSP Racing Straight Time Moved to IEB	\$388,377.37	\$0.00	(\$388,377.37)	-100.00%	
			3000	State Police	N/A	(\$388,377.37)	\$0.00	\$388,377.37	-100.00%	
	JJ1	Legal Support Services	3000	Stenographer	Hardeman RealTime Moved to Legal	\$5,000.00	\$0.00	(\$5,000.00)	-100.00%	
	JJ2	Auxiliary Services	3000	Autopsies	Uconn Pathology	\$6,000.00	\$6,000.00	\$0.00	0.00%	
			3000	Testing Lab	Industrial Laboratories or alternate lab	\$382,500.00	\$382,500.00	\$0.00	0.00%	
	Obj Class Totals:					\$396,500.00	\$391,000.00	(\$5,500.00)	-1.39%	
	LL	EQUIPMENT LEASE-MAINTAIN/REPAR								
	L46	Print, Photocopying & Micrograph Equipment Maint/Repair	3000	Maintenance Contract	K & A Industries--Badge Printer	\$915.00	\$915.00	\$0.00	0.00%	
	Obj Class Totals:					\$915.00	\$915.00	\$0.00	0.00%	
	MM	PURCHASED CLIENT/PROGRAM SVCS								
	M03	Purchased Human & Social Services For Clients/Non Medical	3000	Hardship Payments	Economic Hardship Payments--Statutorily Required	\$20,000.00	\$20,000.00	\$0.00	0.00%	
			3000	Legislative Mandate	Jockey's Guild--Statutory Requirement	\$65,000.00	\$65,000.00	\$0.00	0.00%	
	M04	Services Purch Support of Human/Social Services for Clients	3000	ISA	ISA with DPH Compulsive Gambling--Statutory Requirement	\$70,000.00	\$70,000.00	\$0.00	0.00%	
	Obj Class Totals:					\$155,000.00	\$155,000.00	\$0.00	0.00%	
	UU	IT Non-Payroll Expenses								
	U02	Telecommunications Services - Voice	3000	Phones	Verizon/AT&T Reduced \$3,000 removed phone lines	\$5,000.00	\$2,000.00	(\$3,000.00)	-60.00%	
	U05	Information Technology (IT) Temp Staff Augmentation Profs	3000	Database	Racing Licensing System Reduced \$3,000	\$5,000.00	\$2,000.00	(\$3,000.00)	-60.00%	
	Obj Class Totals:					\$10,000.00	\$4,000.00	(\$6,000.00)	-60.00%	
	MGC Regulatory Costs Totals:					\$1,968,738.82	\$2,011,355.03	\$42,616.21	2.16%	

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	Indirect									
		EE	ADMINISTRATIVE EXPENSES							
		E16	Indirect Cost Recoupment	2000	Indirect	N/A	(\$64,357.99)	\$0.00	\$64,357.99	-100.00%
				2000	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$204,504.23	\$111,802.56	(\$92,701.67)	-45.33%
			Obj Class Totals:				\$140,146.24	\$111,802.56	(\$28,343.68)	-20.22%
	Indirect		Totals:				\$140,146.24	\$111,802.56	(\$28,343.68)	-20.22%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversigh									
Appropriation Totals							\$2,108,885.06	\$2,123,157.59	\$14,272.53	0.68%
10500004	Community Mitigation									
	MGC Regulatory Costs									
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	1100	Raises	3% COLA/Incentives/Equity Agency Wide	\$10,188.69	\$6,612.05	(\$3,576.64)	-35.10%	
			1900	Employee Compensation	Regular Employee Salaries	\$203,773.74	\$287,568.97	\$83,795.23	41.12%	
	Obj Class Totals:						\$213,962.43	\$294,181.02	\$80,218.59	37.49%
	BB	REGULAR EMPLOYEE RELATED EXPEN								
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	1900	Travel	In-State Travel	\$5,000.00	\$5,000.00	\$0.00	0.00%	
	Obj Class Totals:						\$5,000.00	\$5,000.00	\$0.00	0.00%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment	1900	Fringe	Fringe rate of 43.36%	\$88,560.07	\$124,689.90	\$36,129.83	40.80%	
			1900	Taxes	Tax rate of 2.45%	\$4,992.46	\$7,045.44	\$2,052.98	41.12%	
	Obj Class Totals:						\$93,552.52	\$131,735.34	\$38,182.82	40.81%
	EE	ADMINISTRATIVE EXPENSES								
	E01	Office & Administrative Supplies	1900	Supplies	Supplies Binders	\$2,500.00	\$2,500.00	\$0.00	0.00%	
	E16	Indirect Cost Recoupment	1900	Indirect	Indirect Rate of 10%	\$20,377.37	\$0.00	(\$20,377.37)	-100.00%	
	Obj Class Totals:						\$22,877.37	\$2,500.00	(\$20,377.37)	-89.07%
	UU	IT Non-Payroll Expenses								
	U07	Information Technology (IT) Equipment	1900	Database	Services Maintenance/Upgrades to Database	\$50,000.00	\$50,000.00	\$0.00	0.00%	
	Obj Class Totals:						\$50,000.00	\$50,000.00	\$0.00	0.00%
MGC Regulatory Costs Totals:							\$385,392.32	\$483,416.36	\$98,024.04	25.43%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500004	Community Mitigation									
Appropriation Totals							\$385,392.32	\$483,416.36	\$98,024.04	25.43%
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive		1000	Employee Compensation	Admin Employees Salaries	\$258,721.78	\$295,541.82	\$36,820.04	14.23%
				1100	Employee Compensation	HR Employees Salaries	\$159,116.73	\$212,887.49	\$53,770.76	33.79%
				1100	Merit Increases	Intern Program that Could Provide Up to 2 regular and 1 graduate intern	\$0.00	\$37,500.00	\$37,500.00	#Div/0!
				1100	Raises	3% COLA/Incentives/Equity Agency Wide	\$151,408.94	\$113,569.85	(\$37,839.09)	-24.99%
				1200	Employee Compensation	Legal Employees Salaries	\$256,648.70	\$286,841.38	\$30,192.68	11.76%
				1300	Employee Compensation	Exec. Dir. Employees Salaries	\$168,424.97	\$161,743.18	(\$6,681.79)	-3.97%
				1400	Employee Compensation	IT Employees Salaries	\$663,359.59	\$809,995.31	\$146,635.72	22.11%
				1500	Employee Compensation	Commissioners Employees Salaries	\$261,058.70	\$312,802.90	\$51,744.20	19.82%
				1800	Employee Compensation	Communications Employees Salaries	\$63,096.99	\$91,587.60	\$28,490.61	45.15%
				5000	Employee Compensation	Admin Employees Salaries	\$769,907.29	\$1,120,577.07	\$350,669.78	45.55%
				5500	Employee Compensation	N/A	\$213,333.33	\$0.00	(\$213,333.33)	-100.00%
				5500	Employee Compensation	Regular Employee Salaries	\$631,101.39	\$937,652.92	\$306,551.53	48.57%
				7000	Employee Compensation	Regular Employee Salaries	\$184,707.70	\$346,909.48	\$162,201.78	87.82%
				All	Employee Compensation	N/A	\$86,016.58	\$0.00	(\$86,016.58)	-100.00%
				All	Regular Employee Compensation	Turnover Savings 5% of payroll	\$0.00	(\$194,961.58)	(\$194,961.58)	#Div/0!
				Obj Class Totals:			\$3,866,902.69	\$4,532,647.42	\$665,744.73	17.22%
	BB	REGULAR EMPLOYEE RELATED EXPEN								
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		5000	Travel	Out of State Travel Costs for Sports Wagering	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
				5500	Out of State Travel	Out of State Licensee Visits and Conferences increase for extra FTEs	\$4,000.00	\$5,500.00	\$1,500.00	37.50%
	B02	In-State Travel		5500	In-State Travel	Licensee visits, in-state meetings and conferences Mileage Reimbursements	\$3,000.00	\$3,000.00	\$0.00	0.00%
				Obj Class Totals:			\$7,000.00	\$18,500.00	\$11,500.00	164.29%
	CC	SPECIAL EMPLOYEES								

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
		C23	Management, Business Professionals & Admin Services	1100	Contract Employee	Administrative Help	\$22,800.00	\$24,000.00	\$1,200.00	5.26%
				5000	Contract Employee	Civilian Investigators	\$124,800.00	\$130,000.00	\$5,200.00	4.17%
		Obj Class Totals:					\$147,600.00	\$154,000.00	\$6,400.00	4.34%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment								
		1000	Fringe	1000	Fringe	Fringe rate of 43.36%	\$112,440.49	\$128,146.93	\$15,706.44	13.97%
		1000	Taxes	1000	Taxes	Tax rate of 2.45%	\$6,338.68	\$7,240.78	\$902.10	14.23%
		1100	Fringe	1100	Fringe	Fringe rate of 43.36%	\$69,152.13	\$92,308.02	\$23,155.89	33.49%
		1100	Taxes	1100	Taxes	Tax rate of 2.45%	\$3,898.36	\$5,215.74	\$1,317.38	33.79%
		1200	Fringe	1200	Fringe	Fringe rate of 43.36%	\$102,182.68	\$124,374.42	\$22,191.74	21.72%
		1200	Taxes	1200	Taxes	Tax rate of 2.45%	\$5,764.21	\$7,027.61	\$1,263.40	21.92%
		1300	Fringe	1300	Fringe	Fringe rate of 43.36%	\$59,647.12	\$86,117.44	\$26,470.32	44.38%
		1300	Taxes	1300	Taxes	Tax rate of 2.45%	\$3,362.53	(\$12,022.90)	(\$15,385.43)	-457.56%
		1400	Fringe	1400	Fringe	Fringe rate of 43.36%	\$288,267.92	\$351,213.97	\$62,946.05	21.84%
		1400	Taxes	1400	Taxes	Tax rate of 2.45%	\$16,252.31	\$19,844.89	\$3,592.58	22.11%
		1500	Fringe	1500	Fringe	Fringe rate of 43.36%	\$113,456.11	\$135,631.34	\$22,175.23	19.55%
		1500	Taxes	1500	Taxes	Tax rate of 2.45%	\$6,395.94	\$7,663.67	\$1,267.73	19.82%
		1800	Fringe	1800	Fringe	Fringe rate of 43.36%	\$27,421.95	\$39,712.37	\$12,290.42	44.82%
		1800	Taxes	1800	Taxes	Tax rate of 2.45%	\$1,545.88	\$2,243.90	\$698.02	45.15%
		5000	Fringe	5000	Fringe	Fringe rate of 43.36%	\$47,499.76	\$485,882.22	\$438,382.46	922.92%
		5000	Taxes	5000	Taxes	Tax rate of 2.45%	\$305,894.71	\$27,454.14	(\$278,440.57)	-91.02%
		5000	Taxes	5000	Taxes	Tax rate of 2.45% on Civilian Investigators	\$3,057.60	\$2,697.35	(\$360.25)	-11.78%
		5500	Fringe	5500	Fringe	Fringe rate of 43.36%	\$274,106.66	\$406,566.31	\$132,459.65	48.32%
		5500	Fringe and Taxes	5500	Fringe and Taxes	N/A	\$97,728.00	\$0.00	(\$97,728.00)	-100.00%
		5500	Taxes	5500	Taxes	Tax rate of 2.45%	\$15,461.99	\$22,972.50	\$7,510.52	48.57%
		7000	Fringe	7000	Fringe	Fringe rate of 43.36%	\$4,525.34	\$150,419.95	\$145,894.61	3223.95%
		7000	Taxes	7000	Taxes	Tax rate of 2.45%	\$80,273.97	\$8,499.28	(\$71,774.69)	-89.41%
		All	Fringe and Payroll Taxes	All	Fringe and Payroll Taxes	Fringe and Payroll Taxes on Turnover Savings (45.81%)	\$0.00	(\$89,311.90)	(\$89,311.90)	#Div/0!
		All	Fringe and Taxes	All	Fringe and Taxes	N/A	\$39,404.19	\$0.00	(\$39,404.19)	-100.00%
		Obj Class Totals:								
							\$1,684,078.51	\$2,009,898.03	\$325,819.52	19.35%
	EE	ADMINISTRATIVE EXPENSES								
	E02	Printing Expenses & Supplies								
		5500	Printing & Administrative Supplies	5500	Printing & Administrative Supplies	SW Reports and Ad Hoc Reports Additional \$500 for Reporting	\$1,500.00	\$2,000.00	\$500.00	33.33%
	E12	Subscriptions, Memberships & Licensing Fees								
		5500	Subscriptions, Memberships & Licensing Fees	5500	Subscriptions, Memberships & Licensing Fees	SBRA membership, trade journals other subscriptions	\$7,500.00	\$7,500.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10501384	Sports Wagering Control Fund										
	MGC Regulatory Costs										
		E30	Credit Card Purchases	5500	Credit Card Purchases	Credit Card Purchases	\$5,000.00	\$5,000.00	\$0.00	0.00%	
		E41	Out Of State Travel Expen on Behalf of State Employ	5000	Travel Agent	Travel for Sports Wagering	\$0.00	\$35,000.00	\$35,000.00	#Div/0!	
				5500	Travel Agent	Travel Agency Fees increase for additional FTEs	\$8,000.00	\$13,000.00	\$5,000.00	62.50%	
		EE2	Conference, Training and Registration Fees	5000	Conferences	Conferences for Sports Wagering	\$0.00	\$15,000.00	\$15,000.00	#Div/0!	
				5500	Conference, Training and Registration Fees	UNLV; G2E; NAGRA or SBRA meeting, GLI Roundtables Increase 2,000 for additional FTEs	\$12,500.00	\$14,850.00	\$2,350.00	18.80%	
		Obj Class Totals:						\$34,500.00	\$92,350.00	\$57,850.00	167.68%
	GG	ENERGY COSTS AND SPACE RENTAL									
		G01	Space Rental	1000	Office Lease	101 Federal St. First 6 months \$677,728.64 old lease costs, second 6 months at discount for first year of renewal \$654,850.20, 3 months of old lease for free for renewing 5 years (\$333,864.32). Total FY 25 Lease costs \$988,714.52. 70% to Gaming--\$692,1	\$378,375.22	\$296,614.36	(\$81,760.86)	-21.61%	
				1500	75-101 Parking Garage	Parking 75-101--5 spaces. Two of the spaces are included in the lease. This item pays for 3 of the spaces.	\$5,437.80	\$5,437.80	\$0.00	0.00%	
		G03	Electricity	1000	Electricity	101 Federal St. 12 months	\$9,301.10	\$9,301.10	\$0.00	0.00%	
		Obj Class Totals:						\$393,114.12	\$311,353.26	(\$81,760.86)	-20.80%
	HH	CONSULTANT SVCS (TO DEPTS)									
		H09	Attorneys/Legal Services	1200	Outside Counsel	Outside Counsel - A&K	\$200,000.00	\$200,000.00	\$0.00	0.00%	
		H23	Program Coordinators	5500	Consultant	Marketing Audit Consultant	\$0.00	\$20,000.00	\$20,000.00	#Div/0!	
				5500	Consultants	N/A	\$120,000.00	\$0.00	(\$120,000.00)	-100.00%	
		HH1	Financial Services	5000	Consultants	Consultants -RSM	\$622,297.00	\$0.00	(\$622,297.00)	-100.00%	
				5000	Consultants	Consultants -RSM--Vendor License Reviews for Sports Wagering	\$750,000.00	\$1,242,214.29	\$492,214.29	65.63%	
		Obj Class Totals:						\$1,692,297.00	\$1,462,214.29	(\$230,082.71)	-13.60%
	JJ	OPERATIONAL SERVICES									
		J25	Laboratory & Pharmaceutical Services	5000	State Police	adjust down to 4 additonal FTE related to Sports Wagering	\$0.00	\$461,595.28	\$461,595.28	#Div/0!	
				5000	State Police	shifted costs to 4 additional trooper for Sports Wagering	(\$250,000.00)	\$0.00	\$250,000.00	-100.00%	
				5000	State Police	shifted costs to 4 additional trooper for Sports Wagering	\$541,519.27	\$0.00	(\$541,519.27)	-100.00%	
		Obj Class Totals:						\$291,519.27	\$461,595.28	\$170,076.01	58.34%
	OO										
		O99		1300	Consulting and Payroll	N/A	(\$431,061.33)	\$0.00	\$431,061.33	-100.00%	

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	MGC Regulatory Costs									
		O99		1300	Consulting and Payroll	Sports Wagering Set Aside for FY24 Build Out of SW Regulatory Environment	\$750,000.00	\$0.00	(\$750,000.00)	-100.00%
		Obj Class Totals:					\$318,938.67	\$0.00	(\$318,938.67)	-100.00%
	UU	IT Non-Payroll Expenses								
	U02	Telecommunications Services - Voice		1400	TELECOMMUNICAT IONS SERVICES - VOICE	OfficeSuite (Voice, HD Meeting, WeConnect), Verizon Wireless, Multi-location fax lines	\$32,122.38	\$32,122.38	\$0.00	0.00%
	U03	Software & Information Technology Licenses (IT)		1000	Software	Software - LinkSquares CLM	\$14,250.00	\$14,250.00	\$0.00	0.00%
				1100	Software	Software - BambooHR	\$4,275.00	\$0.00	(\$4,275.00)	-100.00%
				1200	Software	Relativity Document Search and PIR Tool Replacement for Relativity	\$155,000.00	\$155,000.00	\$0.00	0.00%
				1400	SOFTWARE & INFORMATION TECHNOLOGY LICENSES (IT)	Increase \$86,671.56 for Azure Sentinel, M365 G5 Compliance, M365 G5 Security Adobe, Sharepoint, O365, Azure, JIRA, MDM etc	\$154,464.88	\$154,464.88	\$0.00	0.00%
				5500	software	Incident Tracker Increase for actual cost of @5,000 plus additional modifications	\$3,800.00	\$10,500.00	\$6,700.00	176.32%
				7000	Software	Licensing System Software	\$0.00	\$150,000.00	\$150,000.00	#Div/0!
	U05	Information Technology (IT) Temp Staff Augmentation Profs		5500	IT Consultant	IT Consultant - GLI	\$60,000.00	\$60,000.00	\$0.00	0.00%
				5500	IT Consultant	IT Consultant - GLI - ICS	\$0.00	\$40,000.00	\$40,000.00	#Div/0!
	U06	Information Technology (IT) Cabling		1400	IT Cabling	Raynham Build out	\$54,531.48	\$54,531.48	\$0.00	0.00%
				1400	IT Cabling	Suffolk Build out new \$26,050.08 in one time costs Suffolk Build out	\$54,531.48	\$54,531.48	\$0.00	0.00%
	U07	Information Technology (IT) Equipment		1400	IT Equipment	IT Equipment, emergency replacements (switches, routers, firewalls) etc	\$41,325.00	\$41,325.00	\$0.00	0.00%
	U09	Information Technology (IT) Equip Rental Or Lease		1400	INFORMATION TECHNOLOGY (IT) EQUIP RENTAL OR LEASE	ACS Leases (Refresh)	\$35,823.08	\$35,823.08	\$0.01	0.00%
	U10	Information Tech (IT) Equipment Maintenance & Repair		1400	IT Maintenance and Repair	Annual M&S Equipment/Services	\$37,563.79	\$37,563.79	\$0.00	0.00%
	U11	Information Technology (IT) Contract Services		1400	IT Contract Services	LMS, Gartner, Tallan Services	\$77,239.85	\$77,239.85	\$0.01	0.00%
				7000	IT Consultant	Licensing System Implementation	\$0.00	\$112,500.00	\$112,500.00	#Div/0!
		Obj Class Totals:					\$724,926.93	\$1,029,851.94	\$304,925.01	42.06%
	MGC Regulatory Costs		Totals:				\$9,160,877.19	\$10,072,410.22	\$911,533.03	9.95%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	Indirect									
		EE	ADMINISTRATIVE EXPENSES							
		E16	Indirect Cost Recoupment	2000	Indirect	Commonwealth Required Indirect Cost Recoupment	\$440,545.25	\$520,356.13	\$79,810.88	18.12%
				2000	Indirect	N/A	\$37,229.70	\$0.00	(\$37,229.70)	-100.00%
			Obj Class Totals:				\$477,774.95	\$520,356.13	\$42,581.18	8.91%
	Indirect		Totals:				\$477,774.95	\$520,356.13	\$42,581.18	8.91%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	Research and Responsible Gaming/PHTF									
		UU	IT Non-Payroll Expenses							
		U03	Software & Information Technology Licenses (IT)	1700	software	100 VSE database licenses	\$12,100.00	\$12,100.00	\$0.00	0.00%
		Obj Class Totals:					\$12,100.00	\$12,100.00	\$0.00	0.00%
	Research and Responsible Gaming/PHTF	Totals:					\$12,100.00	\$12,100.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
	Office of Attorney General and AGO MSP									
		00								
		099		9000	Attorney General	SW ISA with AGO for Enforcement Activities	\$500,000.00	\$500,000.00	\$0.00	0.00%
		Obj Class Totals:					\$500,000.00	\$500,000.00	\$0.00	0.00%
	Office of Attorney General and AGO MSP					Totals:	\$500,000.00	\$500,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10501384	Sports Wagering Control Fund									
Appropriation Totals							\$10,150,752.14	\$11,104,866.35	\$954,114.21	9.40%
40001101	MGC Regulatory Costs									
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive	1100	Raises	3% COLA/Incentives/Equity Agency Wide	\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%	
	Obj Class Totals:					\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%	
MGC Regulatory Costs		Totals:				\$15,951.45	\$10,733.14	(\$5,218.31)	-32.71%	

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
40001101										
Research and Responsible Gaming/PHTF										
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	1700	Employee Compensation	Employee Salaries Possible Intern	\$319,029.04	\$357,771.35	\$38,742.31	12.14%
		Obj Class Totals:					\$319,029.04	\$357,771.35	\$38,742.31	12.14%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	1700	Travel	Out of State Travel	\$1,250.00	\$1,250.00	\$0.00	0.00%
		B02	In-State Travel	1700	Travel	In-State-Travel Reimbursements	\$6,000.00	\$6,000.00	\$0.00	0.00%
		Obj Class Totals:					\$7,250.00	\$7,250.00	\$0.00	0.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	1700	Fringe	Fringe rate of 43.36%	\$138,650.02	\$155,129.66	\$16,479.64	11.89%
				1700	Taxes	Tax rate of 2.45%	\$7,816.21	\$8,765.40	\$949.19	12.14%
		Obj Class Totals:					\$146,466.23	\$163,895.06	\$17,428.83	11.90%
		EE	ADMINISTRATIVE EXPENSES							
		E02	Printing Expenses & Supplies	1700	Printing Expenses and Supplies	Printed Materials for Game Sense	\$6,000.00	\$6,000.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees	1700	Memberships	Memberships - NAADGS, NCPG	\$6,000.00	\$6,000.00	\$0.00	0.00%
		E16	Indirect Cost Recoupment	1700	Indirect Charges	Indirect to EHHS	\$398,902.90	\$403,850.43	\$4,947.53	1.24%
		EE2	Conference, Training and Registration Fees	1700	Conferences	Conference, Training & Registration Fees	\$10,000.00	\$10,000.00	\$0.00	0.00%
		Obj Class Totals:					\$420,902.90	\$425,850.43	\$4,947.53	1.18%
		FF	FACILITY OPERATIONAL EXPENSES							
		F16	Library & Teaching Supplies & Materials	1700	Books	Library/reference books Increase as needed for research	\$1,000.00	\$1,000.00	\$0.00	0.00%
		Obj Class Totals:					\$1,000.00	\$1,000.00	\$0.00	0.00%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H09	Attorneys/Legal Services	1700	Public Safety Research	Public Safety and Human Trafficking Research	\$115,000.00	\$115,000.00	\$0.00	0.00%
		H23	Program Coordinators	1700	Branding	GameSense media buys etc. ASG	\$150,000.00	\$150,000.00	\$0.00	0.00%
				1700	Mass Council	Mass Council on Gaming & Health including employees to man Game Sense booth at PPC EBH and MGM --Staffed 16 hrs per day PPC and MGM, and 24 Hrs/day EBH --VSE --Play My Way --Required by Statute Chapter 194, Section 9	\$3,148,000.00	\$3,148,000.00	\$0.00	0.00%
				1700	Program manager	RG Evaluation including GameSense	\$125,000.00	\$125,000.00	\$0.00	0.00%
				1700	Research Consultant	Research Review Committee	\$30,000.00	\$30,000.00	\$0.00	0.00%
				1700	Translations	Knowledge Translation and Exchange	\$25,000.00	\$25,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
40001101										
Research and Responsible Gaming/PHTF										
		H23	Program Coordinators	1700	VSE Resource Liaison	VSE Resource Liaison	\$62,000.00	\$62,000.00	\$0.00	0.00%
Obj Class Totals:							\$3,655,000.00	\$3,655,000.00	\$0.00	0.00%
<i>JJ OPERATIONAL SERVICES</i>										
		JJ2	Auxiliary Services	1700	Translations	Document Translations Increase due to greater need for translation and diversity	\$15,000.00	\$15,000.00	\$0.00	0.00%
Obj Class Totals:							\$15,000.00	\$15,000.00	\$0.00	0.00%
<i>PP STATE AID/POL SUB</i>										
		P01	Grants To Public Entities	1700	Community Driven Research	Community Driven Research	\$210,000.00	\$210,000.00	\$0.00	0.00%
				1700	Data Storage Grant	MODE DPH	\$75,000.00	\$75,000.00	\$0.00	0.00%
				1700	SEIGMA	Social & Economic Research(SEIGMA) Follow-up General Population Study	\$995,000.00	\$995,000.00	\$0.00	0.00%
		PP1	Grants To Non-Public Entities	1700	PMW	Play My Way Incentives	\$40,000.00	\$40,000.00	\$0.00	0.00%
Obj Class Totals:							\$1,320,000.00	\$1,320,000.00	\$0.00	0.00%
Research and Responsible Gaming/PHTF Totals:							\$5,884,648.17	\$5,945,766.84	\$61,118.67	1.04%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
40001101										
Appropriation Totals							\$5,900,599.62	\$5,956,499.98	\$55,900.36	0.95%



TO: Acting Chair Jordan Maynard
Commissioner Brad Hill
Commissioner Eileen O'Brien
Commissioner Nakisha Skinner

FROM: Justin Stempeck, Deputy General Counsel
Judi Young, Associate General Counsel
Mina Makarious, Esq., Anderson & Kreiger
Paul Kominers, Esq., Anderson & Kreiger

CC: Dean Serpa, Executive Director
Todd Grossman, General Counsel

DATE: May 31, 2024

RE: 205 CMR 16.00

In Acts 2023, c. 26, §§ 3-6, the Legislature amended G.L. c. 128C, § 2 so that each existing entity authorized to simulcast (Suffolk Downs, Raynham Park, Wonderland Greyhound Track, and Plainridge Park Casino; collectively, “licensed simulcasters”) may simulcast “at any location in [its] county approved by the commission.” Previously, each licensed simulcaster was bound to the location where it was previously authorized to hold races (with the unusual exception of Wonderland, following disciplinary action).

The proposed 205 CMR 16.00 governs the process by which the Commission receives, reviews, and determines requests for approval to simulcast at a new location. The regulation borrows many structural and process elements from the sports wagering licensing regulations, and substantive elements from the racing meeting license application, 205 CMR 15.00, but adapts them for this distinct context: licensed simulcasters seeking authorization to operate at a new location. The regulation is particularly concerned with input from the community or communities where the proposed facility will be located.

In January, an earlier draft was approved by the Commission for publication and distribution. The draft received helpful comment letters from Sterling Suffolk Racecourse and UNITED HERE Local 26. The recommended revisions shown in the enclosed draft are based on those comment letters. The letters are also included in the packet, and the reasons for recommending or not recommending the adoption of specific comments in those letters will be discussed at the meeting.



Massachusetts Gaming Commission



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May 16, 2024

BY ELECTRONIC MAIL

Executive Director Dean Serpa
Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110
dean.serpa@massgaming.gov

Dear Executive Director Serpa:

I write to provide supplemental comments of Sterling Suffolk Racecourse, LLC (“SSR”) on proposed new regulation 205 CMR 16.00, entitled Procedures for the Approval of a Simulcast-Only Facility (the “Proposed Regulation”). SSR’s initial comments were submitted on March 6, 2024. The Proposed Regulation is slated to be back before the Commission on June 6, 2024.

SSR understands that the Commission has received comments on the Proposed Regulation advocating for additions to the Proposed Regulation that, it is suggested, would allow the Commission to fully understand and evaluate a proposed simulcast-only facility. SSR respectfully submits that the proposed additions are not necessary to the Commission’s review and approval of a site approval application and recommends that they not be added to an already-detailed regulation. SSR also notes that the suggestion that the Commission should compare a simulcast-only facility to a Category 1 or Category 2 gaming establishment under Chapter 23K is wholly inappropriate.

In crafting the Proposed Regulation, the Commission has focused on providing opportunities for community input, including from the municipal government of the host community as well as the public. The Proposed Regulation contemplates multiple public meetings regarding the site approval application, and it requires that the Commission provide the host community’s mayor and city council with a copy of the application. (Proposed 205 CMR 16.05.) As a practical matter, SSR (and any other well advised applicant) will be collaborating with the host community long before filing the site approval application with the Commission.

The Proposed Regulation also recognizes that a simulcast-only facility will be subject to applicable federal, state and local permits, licenses, and approvals and requires the applicant to provide a schedule of them as part of the application for site approval. (Proposed 205 CMR 16.02(2)(e).) Those processes, determined by those jurisdictions to be sufficient to meet their regulatory interests, will provide still further opportunities for public input on the project.

Moreover, when evaluating the application for site approval, the Commission is to consider “[a]ny support or opposition voiced by the municipal government or residents of the host community.” (Proposed 205 CMR 16.06(3)(f).)

In light of the Proposed Regulation’s existing focus on local input, it is unnecessary for the Commission to add a separate evaluation factor for endorsements by community groups, unions, and

other organizations in the host city, as has been suggested. It is also unnecessary to the modify the required contents of the site approval application itself to specify that the applicant should disclose any agreements with construction or hospitality unions and any mechanisms in place to avoid labor disputes. Such agreements and mechanisms are not relevant to the Commission's approval of the location of a simulcast facility, which is the statutory mandate being implemented by the Proposed Regulation. While the suggested additions to the Proposed Regulation would not require that an applicant have such agreements and mechanisms, expressly including references to them in the list of application contents could lead to an implication that they are nonetheless expected or that the application should be judged inferior if they are absent.

SSR's recommendation that the Commission not add unnecessary elements to the site approval application process is consistent with its long-held pro-worker values. SSR has had a decades-long and mutually beneficial relationship the IBEW Locals that have represented its work force since it reopened Suffolk Downs in the early 1990s. The company looks forward to continuing that relationship when SSR relocates its simulcasting operations to a new facility in Suffolk County.

The Commission should also reject the suggestion that it add, as an evaluation factor, an assessment of the quality of permanent jobs at the simulcast-only facility in comparison to those at other nearby licensed gaming facilities. SSR understands this proposal is inspired by the evaluation factors directed by the Legislature in the Expanded Gaming Act in the context of the competition for gaming establishment licenses. See, for example, M.G.L. Chapter 23K, Section 18(12), which requires an evaluation of whether the proposal would "provide a high number of quality jobs in the gaming establishment." As the Commission has recognized, the approval of the location for a simulcast-only facility, like the award of a Category 2 sports wagering license, is not a competitive process. There is no reason, and no basis in the governing statutes, to compare the jobs at a simulcast-only facility to those at a Chapter 23K gaming establishment as part of the evaluation of a site approval application under the Proposed Regulation.

For SSR, the comparison invited by the proposed evaluation factor would be to Encore Boston Harbor, a fully-fledged casino. The notion that the quality of jobs or any other aspect of the construction or operation of a simulcast-only facility should be comparable to corresponding elements of a casino ignores the dramatically different revenue generation and profitability of the two enterprises. For all of these reasons, the Commission should reject the proposed evaluation factor.

SSR appreciates the opportunity to provide these further comments on the Proposed Regulation. Please do not hesitate to contact me if you have any questions.

Sincerely,



Bruce S. Barnett

cc: Acting Chair Jordan Maynard
Commissioner Bradford Hill
Commissioner Eileen O'Brien
Commissioner Nakisha Skinner
General Counsel Todd Grossman
Deputy General Counsel Justin Stempeck
Director of Racing Alexandra Lightbown
Mr. Michael Buckley, COO, Sterling Suffolk Racecourse, LLC



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March 6, 2024

BY ELECTRONIC MAIL

Acting Executive Director Todd Grossman
Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110
todd.grossman@massgaming.gov

Dear Acting Executive Director Grossman:

I write to provide comments of Sterling Suffolk Racecourse, LLC (“SSR”) on proposed new regulation 205 CMR 16.00, entitled Procedures for the Approval of a Simulcast-Only Facility (the “Proposed Regulation”).

SSR has been a racing meeting licensee in Massachusetts for over 30 years, although it has not conducted live races since 2019. SSR currently operates a simulcasting-only facility at the Suffolk Downs property pursuant to legislative authorization in Chapter 26 of the Acts of 2023. As the Commission is aware, SSR sold the Suffolk Downs property to a real estate development company in 2017 and has been a tenant in a portion of the property since that transaction. The redevelopment of Suffolk Downs will include demolition of the existing clubhouse building in which SSR operates and will require SSR to find a new home for its simulcasting operations.

By virtue of its status as a racing meeting licensee that was conducting simulcasting as of December 31, 2020, SSR is entitled to receive a Category 2 sports wagering license. The Sports Wagering Act authorizes SSR to conduct sports wagering at a location where it is legally authorized to conduct simulcasting. See M.G.L. ch. 23N, § 3. Last year, the Legislature confirmed that the existing racing licensees, including SSR, may relocate from their legacy racetrack locations to new sites within their respective counties. See St. 2023, Ch. 26, §§ 3-6.

In light of these legislative developments, SSR is pursuing a new simulcasting and sports wagering facility within Suffolk County. The company has been working diligently to find both the best location and a world-class sports wagering partner to launch its retail simulcasting and sports wagering business. SSR is thus particularly interested in the processes and standards for approval of a simulcast-only facility set forth in the Proposed Regulation and offers the following comments.

205 CMR 16.02—Application Requirements

SSR encourages the Commission to not require that the simulcast facility application include a traffic study in all instances. Simulcast-only facilities will be very different from the gaming establishments licensed under Chapter 23N or any legacy or new racetracks that the Commission has or will regulate under Chapter 128A. This is particularly true with respect to the size of the facilities

and the number of people expected to patronize them, key factors that affect traffic. For example, from the perspective of the public and the surrounding neighborhood, a new facility in an urban location could be comparable to a restaurant or sports bar at which patrons are able to place wagers not just on their phones but also in person with a teller or at a kiosk. Traffic studies are expensive and time consuming. SSR believes that the Commission should rely on the existing state and local zoning and permitting processes to determine whether traffic analysis is required for the facility and, therefore, should either not require a traffic study as part of the application or require provision of a study to the Commission only if one has been required by some other state or local permit granting authority. SSR notes that a traffic study is not required by either the application for a sports wagering license or the Commission's regulations regarding construction of a Category 2 sports wagering facility (205 CMR 222.00). There is no reason why the approval of a simulcast-only facility under Chapter 128C should be any different.

SSR also notes that the Proposed Regulation contemplates that the Commission will develop an application form for simulcast-only facility approvals and looks forward to participating with the Commission's staff in the development of that form.

205 CMR 16.05—Public Meetings Regarding the Site Approval Application

SSR appreciates the Commission's need to receive public feedback on the site approval application and agrees that a forum for public comment should be provided within the host municipality. However, the mandatory meeting requirements stated in the Proposed Regulation could prove excessive in certain cases, and SSR encourages the Commission to revise the Proposed Regulation in a way that avoids mandating unnecessary process while preserving the Commission's ability to ensure necessary public input.

Section 16.05(1) of the Proposed Regulation requires a minimum of two public meetings—one in the host community and at least one other, presumably outside of the host community—and suggests that each is limited to receiving public feedback. Section 16.05(2) suggests that a third meeting would be required if the applicant wishes to make a public presentation or respond to questions or public comments. SSR believes that it would be sufficient to require, *in the Proposed Regulation*, only one public meeting, with the Commission retaining the ability to require, through Section 16.05(2), an additional meeting or meetings if it believes the circumstances of a particular application warrant it. It is unclear to SSR why it would necessarily be the case that a second public feedback meeting would be required for all applications such that it should be mandated in the Proposed Regulation. SSR notes that the Commission's regulations for approval of a new racetrack *require* only one mandatory public meeting for a venture that would be much more burdensome on a community than would be a simulcast-only facility, see 205 CMR 15.03(4), and that the regulations for evaluation of a sports wagering license application do not *require* any public-feedback sessions, see 205 CMR 218.05.

Furthermore, in recognition of the fact that existing racing licensees such as SSR may present concurrent applications for approval of a simulcast-only facility and for the award of Category 2 sports wagering license, SSR encourages the Commission to clarify in the Proposed Regulation that it can combine any public feedback meeting under Section 16.05 with any public feedback meeting under 205 CMR 218.05.

205 CMR 16.06—Evaluation of the Site Approval Application by the Commission

SSR agrees that is appropriate for the Commission to consider a proposed simulcast-only facility's contribution to state revenues but believes it is inappropriate in this non-competitive context to evaluate whether the project would "maximize" such revenues, as proposed in Section 16.06(3)(b). The reference to maximization of state revenue is presumably borrowed from the evaluation criteria for racing meeting license applications set forth in M.G.L. ch. 128A, § 3, but those applications are potentially competitive, as the statute puts a cap on the total number of racing days to be allocated among all licensees. See M.G.L. ch. 128A, § 3, para. 3, cl. (a). In those circumstances, it is appropriate to consider which of the competing proposals would maximize revenues relative to the others. Here, there is no competition. The Legislature has authorized only the Commonwealth's existing racing licensees to operate simulcast-only facilities, and each such licensee is authorized to relocate only within its respective county. In this context, SSR believes the evaluation criteria should be phrased neutrally, such as "effect on state revenues," rather than in a way that suggests the Commission should determine whether the project is maximizing state revenues relative to some unspecified and unknown standard. SSR notes that the evaluation factors for sports wagering licenses, which include both noncompetitive applications (Categories 1 & 2) and competitive applications (Category 3), use neutral phrasing with respect to the effect on state revenues. See 205 CMR 218.06(5)(b) (referring to "the economic impact and other benefits to the Commonwealth" including "tax revenue to the Commonwealth").

205 CMR 16.10—Application Fee &

205 CMR 16.11—Interaction with Other Provisions of 205 CMR

Where a racing licensee seeks approval of a simulcast-only facility in conjunction with an application for a Category 2 retail sports wagering license to be operated at the same location, as SSR expects it will be doing, there will be considerable overlap in the evaluation of the two proposals. SSR appreciates that the Proposed Regulation provides that the Commission shall not unreasonably withhold approval of elements of a proposed simulcasting facility that have been disclosed and approved in connection with other requests to the Commission, such as in a project plan for a Category 2 sports wagering facility under 205 CMR 222. See Section 16.11(1). However, this provision appears to come into play only when the simulcast facility approval request follows some other application that was already approved by the Commission.

SSR believes that the Proposed Regulation should go further to expressly provide the Commission with flexibility to adjust the provisions 205 CMR 16.00, if appropriate, to address procedural or substantive overlap in the context of concurrent requests for approval of the different aspects of a combined simulcasting and sports wagering facility. SSR suggests two additions to the Proposed Regulation. First, in Section 16.10 regarding the application fee, it would be appropriate for the Commission to treat the two non-refundable application fees—\$200,000 for the sports wagering license application and, as proposed, \$20,000 for the simulcast facility approval—as a combined pool of funds to be exhausted before the applicant is charged for review costs in excess of the fees. Second, in Section 16.11 regarding interaction of the simulcast facility application with other Commission regulations, the Commission should expressly reserve to itself the ability to adjust the requirements 205 CMR 16.00 in light of other Commission activities or requirements under the sports wagering regulations or to combine elements of the evaluation process for approval of a simulcasting facility with those for review of a sports wagering license application or of a project plan for construction of a Category 2 sports wagering facility.

* * *

Acting Executive Director Todd Grossman

March 6, 2024

Page 4 _____

SSR appreciates the opportunity to provide comments on the Proposed Regulation and reserves the right to comment further as the promulgation process unfolds. Please do not hesitate to contact me if you have any questions.

Sincerely,



Bruce S. Barnett

cc: Chair Cathy Judd-Stein
Commissioner Bradford Hill
Commissioner Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Nakisha Skinner
Associate General Counsel Justin Stempeck
Director of Racing Alexandra Lightbown
Mr. Michael Buckley, COO, Sterling Suffolk Racecourse, LLC

UNITEHERE! LOCAL 26

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February 13, 2024

Cathy Judd-Stein
Massachusetts Gaming Chair
101 Federal St., 12th Floor
Boston, MA 02110

By Email: MGCComments@massgaming.gov

Dear Chair Judd-Stein,

UNITE HERE Local 26 represents over 12,000 hospitality workers in Massachusetts and Rhode Island including 1400 at the Encore Casino and Bally's Rhode Island. UNITE HERE Local 26 is pleased to have the opportunity to comment on the draft 205 CMR 16 regulations.

As these facilities have the potential to impact host communities, surrounding communities and existing gaming facilities, we support the Massachusetts Gaming Commission taking a thorough approach to regulation and mitigation of such facilities and their potential impacts. In order to understand and adequately evaluate these impacts, we ask the following **in bold** be included in the revised draft:

In 16.02 Section 2:

*f. Any agreements, written or otherwise, that the applicant has made or executed with racing governing bodies, the municipality where the applicant proposes to hold racing meetings, other municipalities, **construction unions and hospitality labor unions**, or any other entities;*

*(g) A project schedule, including a date for the proposed simulcasting facility to become open for wagering, and a date for each proposed amenity or attraction to become available to the public **as well as any mechanisms in place to avoid labor disputes that could disrupt efficient operations;***


In 16.06 Section 3:

*(j) **Quality of permanent jobs in comparison to other nearby licensed gaming facilities***

*(k) **Endorsements of community groups, construction and hospitality labor organizations, and other organizations active in the host city.***

Please do not hesitate to contact UNITE HERE Local 26 General Agent Jaimie McNeil at jmcneil@unitehere.org if you have any questions.

Sincerely,



Carlos Aramayo, President
UNITE HERE Local 26

205 CMR 16: PROCEDURES FOR THE APPROVAL OF A SIMULCAST-ONLY FACILITY

16.01	Authority and Definitions
16.02	Application Requirements
16.03	Administrative Sufficiency Review
16.04	Review Procedures
16.05	Public Meetings Regarding the Site Approval Application
16.06	Evaluation of the Site Approval Application by the Commission
16.07	Site Approval Determinations
16.08	Provisions Applicable to All Site Approval Determinations
16.09	Conditions
16.10	Application fee
16.11	Interaction with Other Provisions of 205 CMR

16.01 Authority and Definitions

- (1) Authority. 205 CMR 16.00 is issued pursuant to M.G.L. c. 128C, §§ 2, 8.
- (2) Definitions. As used in 205 CMR 16.00, 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 them in M.G.L. c. 128A and M.G.L. c. 128C, unless the context clearly requires otherwise. Words and phrases not defined below or in M.G.L. c. 128A or M.G.L. c. 128C shall have the meaning given to them in 205 CMR 102.00 or 205 CMR 202.00, unless the context clearly requires otherwise.

Applicant means a racing meeting licensee who applies for site approval in accordance with this 205 CMR 16.00.

Host community means a municipality in which a simulcasting facility is located or in which an applicant has proposed locating a new simulcasting facility.

Simulcasting Facility means a facility operated by a racing meeting licensee and approved by the Commission for simulcast wagering.

Site approval application shall mean a racing meeting licensee's application for site approval.

Site approval shall mean authorization in accordance with M.G.L. c. 128C, § 2 to conduct simulcast wagering at a particular location.

Surrounding community means a municipality abutting a host community.

16.02 Application Requirements

- (1) A site approval application shall be submitted using the appropriate application form or forms issued by the Commission, and in accordance with the instructions included in the application form.
- (2) The site approval application form shall require the following:
 - (a) The location of the proposed simulcasting facility;
 - (b) A detailed description of the proposed simulcasting facility;
 - (c) An explanation of the ownership of the real property on which the proposed simulcasting facility is proposed to be constructed or operated, and the applicant's rights to construct or operate the simulcasting facility on said real property;
 - (d) Information relative to any proposed responsible gaming initiatives to be offered on the premises;
 - (e) A schedule of any other state, municipal, or Federal environmental, land use, hospitality-related, or other permits, licenses, or approvals required for the development and operation of the proposed simulcasting facility;
 - (f) Any agreements, written or otherwise, that the applicant has made or executed with racing governing bodies, the municipality where the applicant proposes to hold racing meetings, other municipalities, labor unions, or any other entities;
 - (g) A project schedule, including a date for the proposed simulcasting facility to become open for wagering, and a date for each proposed amenity or attraction to become available to the public;
 - (h) The projected costs of developing the facility;
 - (i) ~~A traffic study performed for the proposed simulcasting facility;~~
 - (j) An attestation signed and sworn to that the applicant will comply, should site approval be granted, with all applicable laws and with all applicable rules and regulations prescribed by the Commission, and that the applicant shall have an affirmative obligation to abide by every statement made in the application to the Commission should it be awarded a license;
 - (k) An attestation signed and sworn to that the applicant will comply, should site approval be granted, with all affirmative representations, promises or inducements made to government officials of the host or and surrounding communities or local organizations and any mitigation agreements, formal or informal; and

- (1) Any other information required by the Commission.
- (3) The site approval application form issued by the Commission may include information regarding how certain materials submitted in the course of the application may be withheld from public disclosure pursuant to M.G.L. c. 66, § 10.
- (4) Pre-Application Consultation. The Commission or its designees may conduct one or more consultation meetings or information sessions with an applicant or prospective applicant to provide guidance on application procedures, including the requirements of G.L. c. 128A or 128C, or 205 CMR 16.00. In addition, the Commission may use other methods to respond to inquiries regarding the application process, such as publishing responses to questions submitted by any applicant.

16.03 Administrative Sufficiency Review

- (1) The Division of Licensing will review each site approval application for administrative sufficiency.
- (2) If a site approval application is determined to be insufficient:
 - (a) The Division shall notify the applicant by email. The notification shall specifically identify the deficiencies.
 - (b) The applicant shall have the right to submit supplemental or corrected information to cure the deficiencies within sixty days.
 - (c) Failure to cure the deficiencies may result in the administrative closure of the site approval application.
 - (d) In the event that a site approval application is administratively closed under 205 CMR 16.03(2), the Division of Licensing or the Bureau will notify the applicant of the determination in writing.
- (3) A positive determination of administrative sufficiency shall not constitute a finding with respect to the accuracy of the information submitted, and shall not bar a request for further information by the Commission, the Bureau or their agents and employees with respect to the application.

16.04 Review Procedures

- (1) In reviewing the merits of the site approval application, the Commission may, at such times and in such order as the Commission deems appropriate, take some or all of the following actions:
 - (a) Refer the application, or any parts thereof, for advice and recommendations, to any or all of the following:

- (i) The Executive Director;
 - (ii) The Bureau;
 - (iii) Any office, agency, board, council, commission, authority, department, instrumentality or division of the commonwealth;
 - (iv) Commission staff; and
 - (v) Any consultant retained by the Commission to aid in the review of the application;
- (b) Retain, or authorize the Executive Director or the Executive Director's designee to retain, using the application fee and investigation reimbursements described in 205 CMR 16.10, such professional consultants (including without limitation financial and accounting experts, legal experts, racing experts, contractor investigators, and other qualified professionals) as the Commission in its discretion deems necessary and appropriate to review the request and make recommendations; and
 - (c) Require or permit, in the Commission's discretion, the applicant to provide additional information and documents.

16.05 Public Meetings Regarding the Site Approval Application

- (1) The Commission shall conduct the following public meetings:
 - (a) one meeting in each host community to receive public feedback from members of ~~the that host community or communities~~; and
 - (b) at least one other meeting to receive public feedback.
- (2) The Commission may conduct one or more additional meetings to:
 - (a) receive additional public feedback on the site approval application;
 - (b) allow the applicant to make a presentation; or
 - (c) allow the applicant approval to respond to questions or public comments.
- (3) At least two weeks prior to any meeting held in accordance with 205 CMR 16.05(1)(a), the Commission shall provide a copy of the site approval application to the host community's mayor and city council, town council, or select board. The site approval application may be redacted consistent with the Massachusetts Public Records Law, G.L. c. 66, and other sources of law.
- (4) Prior to any meeting held in accordance with this 205 CMR 16.05, the Commission will prescribe the manner in which it will receive comments from members of the public.

~~(4)~~(5) Any meeting held in accordance with this 205 CMR 216.05 may, as appropriate and in the Commission's discretion, be combined with a meeting held in accordance with 205 CMR 218.05.

16.06 Evaluation of the Site Approval Application by the Commission

- (1) Once a submitted site approval application is deemed administratively complete, the Commission shall commence a substantive evaluation of its contents. The Commission may utilize any technical assistance it deems necessary to aid in its review.
- (2) The Commission shall deliberate on site approval applications in an adjudicatory proceeding pursuant to 205 CMR 101.01.
- (3) The Commission shall analyze the factors and considerations set out in 205 CMR 16.05(5) in no particular order, and giving any particular weights, or no weight, to any factor. Those factors include but are not limited to:
 - (a) The financial ability of the applicant to develop and operate the proposed simulcasting facility;
 - (b) The ~~maximization effect on~~ state revenues;
 - (c) The circumstance that simulcast wagering patrons require safe and convenient facilities;
 - (d) The interest of members of the public in simulcast wagering honestly managed and of good quality;
 - (e) The necessity of according fair treatment to the economic interest and investments of those who in good faith have provided and maintained simulcasting facilities;
 - (f) The applicant's business practices and business ability to establish and maintain a successful simulcasting facility;
 - (g) Any support or opposition voiced by the municipal government, ~~or~~ residents of the host community or communities, community groups, or labor unions;
 - (h) Any projected benefits to, or impacts on, the host community or communities, and surrounding communities;
 - ~~(h)~~(i) Other benefits to the Commonwealth including employment opportunities within the Commonwealth; -and
 - ~~(i)~~(j) Any other appropriate and pertinent factors.

16.07 Site Approval Determinations

- (1) After evaluating the site approval application in accordance with 205 CMR 16.06, the Commission may:
 - (a) Approve the application;
 - (b) Deny the application; or
 - (c) Postpone decision pending further analysis or the provision of additional information by the applicant, Commission staff, consultants to the Commission, or any other person.

16.08 Provisions Applicable to All Site Approval Determinations

- (1) Upon granting an application, the Commission shall prepare and file its decision, and shall issue a statement of the reasons for the approval, including specific findings of fact, and noting any conditions of approval imposed under 205 CMR 16.09.
- (2) Upon denial of an application, the Commission shall prepare and file its decision and, if requested by the applicant, shall further prepare and file a statement of the reasons for the denial, including specific findings of fact.
- (3) Site approval shall be deemed to have occurred immediately upon a majority vote by the Commission to approve the site, unless otherwise determined by the Commission.

16.09 Conditions

- (1) All site approvals shall be issued subject to the following conditions:
 - (a) That the licensee comply with all terms and conditions of the site approval;
 - (b) That the licensee comply with M.G.L. c. 128A, c. 128C, and all rules and regulations of the Commission;
 - (c) That the licensee consents to the Commission or its representative physically inspecting the progress of construction or development, subject to reasonable construction site safety rules, to determine the licensee's compliance with the terms and conditions of the site approval, M.G.L. c. 128A, M.G.L. c. 128C, or 205 CMR;
 - (d) That the licensee shall grant access to, at any time, plans, specifications, submittals, contracts, financing documents or other records concerning the construction of the project or related infrastructure. The licensee shall

provide the requested materials to the Commission or its representative within ten days of the Commission's request for such documents;

- (e) That the licensee shall not conduct simulcast wagering at the proposed simulcasting facility without an operation certificate, which shall not issue until the licensee has demonstrated to the Commission that it has complied with all requirements of M.G.L. c. 128A, M.G.L. c. 128C, 205 CMR, and all applicable laws. Such compliance includes, but is not limited to:
 - (i) The simulcasting facility has been built and is of a superior quality and complies with any applicable conditions of site approval;
 - (ii) A copy of an emergency response plan that includes, but is not limited to, the elements listed in 205 CMR 151.01(3)(g) and which is filed with the Commission and with fire department and police department of the Host Community; or an update to such plan already filed pursuant to 205 CMR 151.01 or 205 CMR 251.01(3)(d);
 - (iii) A copy of the certificate of occupancy issued by a building commissioner or inspector of buildings of the host community in accordance with 780 CMR 111.00: Certificate of Occupancy that includes an approval under 521 CMR: Architectural Access Board, indicating the necessary use and occupancy to operate the simulcasting facility; as well as copies of any other permits required to be issued by the host community prior to the opening of a like facility;
 - (iv) Compliance with any other condition imposed by the Commission to secure the objectives of M.G.L. c. 23N and 205 CMR.
- (2) The Commission may impose any other conditions on particular site approvals that it determines are appropriate to secure the objectives of M.G.L. c. 128A, M.G.L. c. 128C, and 205 CMR.

16.10 Application fee

- (1) General provisions
 - (a) An applicant shall pay the Commission a nonrefundable application fee of \$25,000 to defray the costs associated with the processing and review of the site approval application; provided, however, that if the costs of processing and review exceed the initial application fee, the applicant shall pay the additional amount to the Commission within 30 days after notification of insufficient fees or the site approval application shall be rejected.

- (b) The applicant shall pay the non-refundable application fee of \$25,000 by certified check or secure electronic funds transfer made payable to the “Massachusetts Gaming Commission.” The applicant shall submit this non-refundable application fee with or before its site approval application.
 - (c) All required application fees shall be non-refundable, due and payable notwithstanding the withdrawal or abandonment of any site approval application.
 - (d) All fees in this section 205 CMR 16.10 shall be deposited into the Racing Development and Oversight Trust Fund.
- (2) Additional processing fees
- (a) Pursuant to 205 CMR 16.10(1), the applicant shall be responsible for paying to the Commission all costs incurred by the Commission, directly or indirectly, for processing and reviewing the site approval application. As required by the procedure established pursuant to 205 CMR 114.04(5), the applicant shall pay to or reimburse the Commission for all such review costs that exceed the initial application fee.
 - (b) For purposes of 205 CMR 16.10, the costs for processing and review shall include, without limitation:
 - (i) All fees for services, disbursements, out of pocket costs, allocated overhead, processing charges, administrative expenses, professional fees, and
 - (ii) other costs directly or indirectly incurred by the Commission, including without limitation all such amounts incurred by the Commission to and through the Bureau, the Division, the Gaming Enforcement Unit, the Gaming Liquor Enforcement Unit, and any contract investigator.
 - (c) The Commission in its discretion shall establish, and, post on its website, a schedule of hourly fees, wages, applicable fringe benefits, payroll taxes, overhead rates and other charges to be assessed by the Commission to applicants for in-house personnel, services and work of the Commission, the Bureau, the Division, the Gaming Enforcement Unit, and the Gaming Liquor Enforcement Unit.
 - (d) The Commission shall assess to the applicant all other costs paid by or for the Commission, directly or indirectly, to any other person for conducting an investigation into an applicant, plus an appropriate percent for overhead, processing and administrative expenses.

16.11 Interaction with Other Provisions of 205 CMR

- (1) The Commission shall not unreasonably withhold approval of elements of the licensee's proposed simulcasting facility that are consistent with information disclosed to and approved by the Commission in accordance with 205 CMR 222, 238, or any other statute, regulation, license condition, or comparable source of authority administered by the Commission.

DRAFT



Legal Division

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 promulgation of **205 CMR 16.00 - Procedures for the Approval of a Simulcast-Only Facility**. A public hearing on this regulation was held on March 5, 2024, at 9:30am.

The proposed regulation would govern the process by which the Commission receives, reviews, and determines requests from existing licensees who have been authorized to simulcast races, for approval to simulcast from a new location. These applicants will likely be existing entities. Accordingly, this proposed regulation is not likely to have a negative impact on small businesses. This regulation is governed by G.L. c. 128A, § 3(i), and G.L. c. 128C, § 2.

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:

At present, there are no less stringent compliance or reporting requirements for small businesses.

2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

The proposed regulation does not impose any reporting requirements for small businesses; however, it does require submission of application materials, as well as submission of suitability materials in a reasonably timely manner.

3. Consolidating or simplifying compliance or reporting requirements for small businesses:

This regulation largely impacts the Commission and existing simulcast entities. Accordingly, it has not imposed nor consolidated any reporting requirements for small businesses.

4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:



Massachusetts Gaming Commission

The proposed regulation is prescriptive, and performance based, to ensure uniformity of information submitted to the Commission. They are appropriate in this instance to allow for transparency to prospective applicants.

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

This regulation could encourage the formation of new businesses in the Commonwealth as it may encourage new businesses within the racing industry or vendors or contractors in adjacent industries.

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

This regulation is not likely to adversely impact small businesses.

Massachusetts Gaming Commission
By:

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

Dated: June 6, 2024



Massachusetts Gaming Commission



Legal Division

To: Interim Chair Jordan Maynard
Commissioner Brad Hill
Commissioner Eileen O'Brien
Commissioner Nakisha Skinner

From: Carrie Torrisi, Deputy General Counsel
Mina Makarious, Anderson & Kreiger

Re: Amendments to 205 CMR 257: Data Privacy

Date: June 6, 2024

On March 11, 2024, the Commission reviewed proposed amendments to 205 CMR 257 regarding data privacy and voted to begin the promulgation process. A public hearing was held on May 21, 2024. The Commission did not receive any comments at the public hearing, nor have we received any written comments. We are now seeking approval to finalize the regulation promulgation process and file the amended 205 CMR 257 with the Secretary of State's office.

As a reminder, 205 CMR 257 regarding data privacy was drafted and promulgated via the standard regulatory promulgation process in the summer of 2023, and took effect on September 1, 2023. However, the Commission granted several waivers to operators in the fall of 2023 that extended the deadlines to comply with several of the provisions of 205 CMR 257 to accommodate operators' needs to engage internal and external technology teams to implement the data protection aspects of the regulation.

During the discussion of those waivers on November 16, 2023, the Commission's legal team, the Sports Wagering Division, and outside counsel also noted examples of portions of the regulations where operators had asked for clarification as to their obligations, rather than a waiver. The Commission discussed at the time the possibility of bringing the regulation back for further consideration in the winter of 2023/2024 to discuss whether any of the clarifications provided by the Commission during that conversation should be reflected in changes to the regulation.

On February 1, 2024, the Commission's legal team provided some potential clarifications to the regulation that could be made by the Commission to provide that additional clarity. The Commission reviewed those changes then and asked for time to discuss the regulation again at a later meeting following further review by the legal team, and the legal team's consultation with the Attorney General's Office, which has now occurred. The Commission then further reviewed



Massachusetts Gaming Commission

and discussed those changes at its meeting on March 11, 2024, and voted to begin the promulgation process.

The clarifications are as follows:

- **257.02(1) and (4); 257.03; 257.04:** Changes are suggested to confirm the intention of the regulation to permit Sports Wagering Operators to utilize Personally Identifiable Information and Confidential Information for legitimate business purposes of the Operator, including permissible advertising to patrons. In addition, a proposed addition is made to permit the use of such information in the conduct of due diligence associated with corporate transactions. To avoid unintentional differences in regulatory scope between sections of this regulation, data “retention” is now covered under 257.02(1), and changes are made throughout the rest of the regulation to align the permissible purposes for the use, retention and sharing of data, as well as instances when data may be deleted or anonymized.

Based on the Commission’s February 1 discussion, the Legal Team does not believe the addition of the modifier “reasonably” in addition to “legitimate business purposes” is necessary to clarify the scope of permissible uses and would therefore not recommend that modification.

- **257.02(2):** A slight reorganization is suggested to emphasize that patron consent may be given for *categories* of permissible uses and is not required for each specific use. This is a matter of emphasis only, rather than a change, and is being made as this was an issue of significant discussion in waiver applications.
- **257.02(3)(a):** An amendment was offered in February to clarify that the Commission will not consider seasonal advertising to a patron that has demonstrated an interest in a particular type of wagering to be considered advertising based on account “dormancy.”

However, based on the discussion at the February 1 meeting, the proposed amendment appears to introduce unnecessary ambiguity and we therefore do not recommend this modification. The Legal Team believes that the original language adequately describes the Commission’s intent that operators should not utilize Personally Identifiable Information or Confidential Information to target advertisements directly at patrons who have not used operators’ platforms in some time based on their non-use.

- **257.02(3)(e):** An amendment is proposed to clarify that the regulation only prohibits the use of algorithms automated decision-making, machine learning, artificial intelligence, or similar system that is known or reasonably expected by the *Sports Wagering Operator* or a vendor to the *Sports Wagering Operator* to make the gaming platform more addictive.



Massachusetts Gaming Commission

If the use of a particular method or product is being used, but the Operator or its vendor have no basis to know it may have an addictive effect, this would not result in a violation.

- **257.02(5):** This section is proposed to be amended at the request of the Responsible Gaming division to make clear that the Commission could request and use individualized data to address responsible gaming issues. A provision was also added to avoid the inadvertent disclosure of Confidential Information or Personally Identifiable Information.
- **257.03(4):** The proposed language alerts operators that they may seek permission from the Commission to utilize data protection methods other than encryption and hashing.
- **257.05:** Changes are made throughout this section to make clear that an Operator may offer to anonymize rather than delete patron data. In addition, 257.02 is amended to make clear that an Operator's data privacy policy should not include information that may make the Operator's data privacy program vulnerable to attack.



Massachusetts Gaming Commission

205 CMR 257: SPORTS WAGERING DATA PRIVACY

- 257.01: Definitions
- 257.02: Data Use and Retention
- 257.03: Data Sharing
- 257.04: Patron Access
- 257.05: Data Program Responsibilities
- 257.06: Data Breaches

257.01: Definitions

As used in 205 CMR 257.00, the following words and phrases shall have the following meanings, unless the context clearly indicates otherwise:

Data Breach means Breach of Security as that phrase is defined in M.G.L. c. 93H, § 1.

Confidential Information means information related to a Sports Wagering Account, the placing of any Wager or any other sensitive information related to the operation of Sports Wagering including the amount credited to, debited from, withdrawn from, or present in any particular Sports Wagering Account; the amount of money Wagered by a particular patron on any event or series of events; the unique patron ID or username and authentication credentials that identify the patron; the identities of particular Sporting Events on which the patron is Wagering or has Wagered, or the location from which the patron is Wagering, has Wagered, or has accessed their Sports Wagering Account. Confidential Information may also include Personally Identifiable Information.

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 patron, individual or household. Personally Identifiable Information includes, but is not limited to, Personal Information as that phrase is defined in M.G.L. c. 93H and 201 CMR 17.00. Personally Identifiable Information may also include Confidential Information.

257.02: Data Use and Retention

- (1) A Sports Wagering Operator shall only use **and retain** Confidential Information and Personally Identifiable Information **for legitimate business purposes** **reasonably** necessary to operate **or advertise** a Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform, or to comply with M.G.L. c. 23N, 205 CMR, or any other applicable law, regulation, court order, subpoena or civil investigative demand of a governmental entity, to detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity; or prosecute those responsible for that activity, debug to identify and repair errors, to investigate, respond to and defend against filed **or reasonably anticipated** legal claims, and for other reasonable safety and security purposes. In addition, use and retention of a patron's Confidential Information or Personally Identifiable Information may be permissible where necessary to conduct commercially reasonable review of a Sports Wagering Operator's assets in the context of the sale of all or a portion of the Sports Wagering Operator's business.

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(2) If a Sports Wagering Operator seeks to use a patron's Confidential Information or Personally Identifiable Information for purposes beyond those specified in 257.02(1), a Sports Wagering Operator shall obtain the patron's consent, which may be withdrawn at any time.

(a) Consent may be obtained for categories of uses, rather than specific instances of such uses.

~~(a)~~(b) Such consent must be clear, conspicuous, and received apart from any other agreement or approval of the patron. Acceptance of general or broad terms of use or similar documents that purport to permit the sharing of Confidential Information or Personally Identifiable Information in the same document shall not constitute adequate consent, nor shall hovering over, muting, pausing, pre-selecting, or closing a given piece of content without affirmative indication of consent.

~~(b)~~(c) Consent shall not be deemed to be a waiver of any of the patron's other rights.

~~(c)~~ The option to withdraw such consent must be clearly and conspicuously available to the patron on the Sports Wagering Operator's Sports Wagering Platform. A patron shall not be required to confirm withdrawal of consent more than once, and no intervening pages (other than those needed to confirm withdrawal of consent) or offers will be presented to the patron before such confirmation is presented to the patron.

~~(d) A Sports Wagering Operator may obtain consent for categories of uses for which it seeks consent for use of a patron's Personally Identifiable Information or Confidential Information, rather than specific instances of such uses.~~

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(3) A Sports Wagering Operator may not use a patron's Personally Identifiable Information or Confidential Information, or any information derived from it, to promote or encourage specific wagers or promotional offers based on:

~~(a)~~ a period of dormancy or non-use of a Sports Wagering Platform, other than a period of non-use associated with the seasonality of Wagers on particular events are available pursuant to 205 CMR 247 (e.g., the National Football League season);

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(b) the wagers made or promotional offers accepted by other patrons with a known or predicted social connection to the patron;

(c) the communications of the patron with any third party other than the Operator;

(d) the patron's actual or predicted;

- i. income, debt, net worth, credit history, or status as beneficiary of governmental programs;
 - ii. medical status or conditions; or
 - iii. occupation.
- (e) Any computerized algorithm, automated decision-making, machine learning, artificial intelligence, or similar system that is known or reasonably expected by the Sports Wagering Operator or a vendor to the Sports Wagering Operator to make the gaming platform more addictive;
 - (f) Engagement or utilization of play management options, including type of limit, frequency of engagement or utilization of play management options, and frequency of changing limits;
 - (g) Engagement or utilization of cooling-off options, including duration of cooling-off period, frequency of engagement or utilization of cooling-off options, and frequency of changing cooling-off periods;
 - (h) Engagement or utilization of any measure in addition to those described in 205 CMR 257.02(3)(f)-(g) intended to promote responsible gaming.

~~(4)~~ A Sports Wagering Operator shall only retain a patron's Confidential Information and Personally Identifiable Information as necessary to operate a Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform or to comply with M.G.L. c. 23N, 205 CMR, or any other applicable law, regulation, court order, subpoena or civil investigative demand of a governmental entity, to detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity; or prosecute those responsible for that activity, debug to identify and repair errors, to investigate, respond to and defend against filed or reasonably anticipated legal claims, and for other reasonable safety and security purposes.

~~(5)~~(4) A Sports Wagering Operator shall collect ~~and aggregate~~ patrons' Confidential Information and Personally Identifiable Information to analyze patron behavior for the purposes of identifying and developing programs and interventions to promote responsible gaming and support problem gamblers, and to monitor and deter Sports Wagering in violation of G.L. c. 23N and 205 CMR. The Sports Wagering Operator shall provide a report to the Commission at least every six months on the Sports Wagering Operator's compliance with this subsection, including the trends observed in this data and the Sports wagering Operator's efforts to mitigate potential addictive behavior, but shall not, in such report provide patrons' Confidential Information or Personally Identifiable Information except if specifically requested by the Commission.

257.03: Data Sharing

- (1) A Sports Wagering Operator shall not share a patron's Confidential Information or Personally Identifiable Information with any third party except ~~for as necessary, legitimate business purposes~~ reasonably necessary to operate ~~or advertise~~ a Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform or to comply with M.G.L. c. 23N, 205 CMR, or any other applicable law, regulation, court order, subpoena, or civil investigative demand of a governmental entity, to detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity; or prosecute those responsible for that activity, debug to identify and repair errors, to investigate, respond to and defend against filed ~~or reasonably anticipated~~ legal claims, and for other reasonable safety and security purposes. In addition, sharing of a patron's Confidential Information or Personally Identifiable Information may be permissible where necessary to conduct commercially reasonable review of a Sports Wagering Operator's assets in the context of the sale of all or a portion of the Sports Wagering Operator's business.
- (2) If a Sports Wagering Operator shares a patron's Confidential Information or Personally Identifiable Information pursuant to 257.03(1), the Operator shall take commercially reasonable measures to ensure the party receiving a patron's Confidential Information or Personally Identifiable Information keeps such data private and confidential, except as required ~~to comply with M.G.L. c. 23N, 205 CMR, or any other applicable law, regulation, court order, subpoena, or civil investigative demand of a governmental entity for the authorized use or purpose pursuant to 205 CMR 257.03(1)~~. The party receiving such data shall only use a patron's Confidential Information or Personally Identifiable Information for the purpose(s) for which the data was shared.
- (3) If a Sports Wagering Operator deems it necessary to share a patron's Confidential Information or Personally Identifiable Information with a Sports Wagering Vendor, Sports Wagering Subcontractor, or Sports Wagering Registrant ~~in order to operate its Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform or to comply with M.G.L. c. 23N, 205 CMR, any other applicable law, regulation, court order, subpoena, or civil investigative demand of a governmental entity~~, a Sports Wagering Operator shall enter into a written agreement with the Sports Wagering Vendor, Sports Wagering Subcontractor or Sports Wagering Registrant, which shall include, at a minimum, the following obligations:
 - (a) The protection of all Confidential Information or Personally Identifiable Information that may come into the third party's custody or control against a Data Breach;
 - (b) The implementation and maintenance of a comprehensive data-security program for the protection of Confidential Information and Personally Identifiable Information, which shall include, at a minimum, the following:

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- i. A security policy for employees relating to the storage, access and transportation of Confidential Information or Personally Identifiable Information;
 - ii. Restrictions on access to Personally Identifying Information and Confidential Information, including the area where such records are kept, secure passwords for electronically stored records and the use of multi-factor authentication;
 - iii. A process for reviewing data security policies and measures at least annually; and
 - iv. An active and ongoing employee security awareness program for all employees who may have access to Confidential Information or Personally Identifiable Information that, at a minimum, advises such employees of the confidentiality of the data, the safeguards required to protect the data and ~~any~~ potentially applicable civil and criminal penalties for noncompliance pursuant to state and federal law.
- (c) The implementation, maintenance, and update of security and breach investigation and incident response procedures that are reasonably designed to protect Confidential Information and Personally Identifiable Information from unauthorized access, use, modification, disclosure, manipulation or destruction; and
- (d) A requirement that the maintenance of all Confidential Information and Personally Identifiable Information by a Vendor, Subcontractor or Registrant must meet the standards provided in 257.0203.
- (4) Sports Wagering Operators shall encrypt or hash and protect, including through the use of multi-factor authentication, from incomplete transmission, misrouting, unauthorized message modification, disclosure, duplication or replay all Confidential Information and Personally Identifiable Information within their possession, custody or control. An Operator may request approval by the Commission to protect Confidential Information and Personally Identifiable Information in another manner that is equally protective of the information in question.

257.04: Patron Access

- (1) Patrons shall be provided with a method to make the requests in 205 CMR 257.04(1)(a)-(e). The request must be clearly and conspicuously available to the patron online through the Sports Wagering Operator's Sports Wagering Platform. A patron shall not be required to confirm their request more than once, and no intervening pages (other than those needed to confirm withdrawal of consent) or offers will be presented to the patron before such confirmation is presented to the patron.

- (a) A description as to how their Confidential Information or Personally Identifiable Information is being used, including confirmation that such Confidential Information or Personally Identifiable Information is being used in accordance with this Section 205 CMR 257;
 - (b) Access to a copy of their Confidential Information or Personally Identifiable Information maintained by the Operator or a Vendor, Subcontractor, or Registrant of the Operator;
 - (c) Updates to their Confidential Information or Personally Identifiable Information;
 - (d) The imposition of additional restriction on the use of their Confidential Information or Personally Identifiable Information for particular uses; and
 - (e) That their Confidential Information or Personally Identifiable Information be erased or anonymized so it is no longer associated, traceable to the patron with them when it is no longer required to be retained by applicable law or Court order. The Sports Wagering Operator may choose to offer either erasure, anonymization, or both as an option pursuant to this subsection.
- (2) A Sports Wagering Operator shall provide a written response to a request submitted pursuant to 257.04(1) that either grants or denies the request.
- (a) If the Sports Wagering Operator grants the patron's request to access a copy of their Personally Identifiable Information, the Sports Wagering Operator shall provide the patron their Confidential Information or Personally Identifiable Information in a structured, commonly used and machine readable format.
 - (b) If the Sports Wagering Operator denies the request, the Sports Wagering Operator shall provide in its written response specific reason(s) supporting the denial and directions on how the patron may file a complaint regarding the denial with the Commission.
- (3) A Sports Wagering Operator shall grant the patron's request to impose a restriction or erase or anonymize their Confidential Information or Personally Identifiable Information if it is no longer necessary to retain the patron's Confidential Information or Personally Identifiable Information (or to retain the patron's Confidential Information or Personally Identifiable Information without the requested restriction) to operate a Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform, or for any other purpose authorized pursuant to 205 CMR 257.01, or to comply with M.G.L. c. 23N, 205 CMR, or any other applicable law, regulation, court order, subpoena or civil investigative demand of a governmental entity, to detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity; or prosecute those responsible for that activity, debug to identify and repair errors, to investigate, respond to and defend

~~against filed or reasonably anticipated legal claims, and for other reasonable safety and security purposes;~~ and

- (a) The patron withdraws their consent to the Sports Wagering Operator's retention of their Confidential Information or Personally Identifiable Information;
 - (b) There is no overriding legal interest to retaining the patron's Confidential Information or Personally Identifiable Information;
 - (c) The patron's Confidential Information or Personally Identifiable Information was used in violation of 205 CMR 257.00; or
 - (d) Restriction, anonymization or erasure is necessary to comply with an order from the Commission or a court.
- (4) If the Sports Wagering Operator grants the patron's request to erase or anonymize their Confidential Information or Personally Identifiable Information, the Sports Wagering Operator shall erase or anonymize the patron's Personally Identifiable Information or Confidential from all storage media it is currently using to operate a Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform, including HDD, SDD, flash, mobile, cloud, virtual, RAID, LUN, hard disks, solid state memory, and other devices. The Sports Wagering Operator shall also request commercially reasonable confirmation of deletion or anonymization from any Vendor, Registrant, or Subcontractor who received the patron's Confidential Information or Personally Identifiable Information from the Sports Wagering Operator. Notwithstanding, the foregoing, the Sports Wagering Operator shall not erase or anonymize a patron's Confidential Information or Personally Identifiable Information on backup or storage media used to ensure the integrity of the Sports Wagering Area, Sports Wagering Facility or Sports Wagering Platform from technology failure or to comply with its data retention schedule or to comply with M.G.L. c. 23N, 205 CMR, or any other applicable law, regulation, court order, subpoena or civil investigative demand of a governmental entity.
- (5) An Operator, or a Vendor, Registrant or Subcontractor of an Operator shall not require a Patron to enter into an agreement waiving any of the Patron's rights under this Section 257.

257.05: Data Program Responsibilities

- (1) A Sports Wagering Operator shall develop, implement and maintain comprehensive administrative, technical and physical data privacy and security policies appropriate to the size and scope of business and addressing, at a minimum:
- (a) Practices to protect the confidentiality, integrity and accessibility of Confidential Information or Personally Identifiable Information;

- (b) The secure storage, access and transportation of Confidential Information or Personally Identifiable Information in the Sports Wagering Operator's possession, custody or control, including the use of encryption and multi-factor authentication;
- (c) The secure and timely disposal or anonymization of Confidential Information or Personally Identifiable Information, including data retention policies;
- (d) Employee training on data privacy and cybersecurity for employees who may have access to Confidential Information or Personally Identifiable Information that, at a minimum, advises such employees of the confidentiality of the data, the safeguards required ~~the~~to protect the data and any applicable civil and criminal penalties for noncompliance pursuant to state and federal law;
- (e) Restrictions on access to Personally Identifying Information or Confidential Information, including the area where such records are kept, secure passwords for electronically stored records and the use of multi-factor authentication;
- (f) Reasonable monitoring of systems, for unauthorized use of or access to Confidential Information or Personally Identifying Information;
- (g) Reasonably up-to-date versions of system security agent software which must include malware protection and reasonably up-to-date patches and virus definitions, or a version of such software that can still be supported with up-to-date patches and virus definitions, and is set to receive the most current security updates on a regular basis;
- (h) Cybersecurity insurance, which shall include, at a minimum, coverage for data compromise response, identity recovery, computer attack, cyber extortion and network security;
- (i) Data Breach investigation and incident response procedures;
- (j) Imposing disciplinary measures for violations of Confidential Information and Personally Identifiable Information policies;
- (k) Active oversight and auditing of compliance by Vendors, Registrants, or Subcontractors with 257.03(3) and with the Operator's Confidential Information and Personally Identifying Information policies.
- (l) Quarterly information system audits; and
- (m) A process for reviewing and, if necessary, updating data privacy policies at least annually.

- (2) A Sports Wagering Operator shall maintain on its website and Sports Wagering Platform a readily accessible copy of a written policy explaining to a patron the Confidential Information and Personally Identifiable Information that is required to be collected by the Sports Wagering Operator, the purpose for which Confidential Information or Personally Identifiable Information is being collected, the conditions under which a patron's Confidential Information or Personally Identifiable Information may be disclosed, and the measures implemented to otherwise protect a patron's Confidential Information or Personally Identifiable Information. A Sports Wagering Operator shall require a patron to agree to the policy prior to collecting any Confidential Information or Personally Identifiable Information, and require a patron to agree to any material updates. Agreement to this policy shall not constitute required consent for any additional uses of information. The Sports Wagering Operator shall not be required to include in the publicly available version of such policy any information which might compromise the policy's effectiveness in protecting and safeguarding Confidential Information, Personally Identifiable Information.
- (3) A Sports Wagering Operator, Sports Wagering Vendor, Sports Wagering Subcontractor, Sports Wagering Registrant, or Person to whom an Occupational License is issued shall comply with all applicable state and federal requirements for data security, including M.G.L. c. 93A, M.G.L. c. 93H, 940 CMR 3.00, 940 CMR 6.00 and 201 CMR 17.00.

257.06: Data Breaches

- (1) In the event of a suspected Data Breach involving a patron's Confidential Information or Personally Identifiable Information, a Sports Wagering Operator shall immediately notify the Commission and commence an investigation of the suspected Data Breach, which shall be commenced no less than five (5) days from the discovery of the suspected breach, and completed as soon as reasonably practicable thereafter.
- (2) Following completion of the investigation specified pursuant to 205 CMR 257.06(1), the Sports Wagering Operator shall submit a written report to the Commission describing the suspected Data Breach and stating whether any patron's Confidential Information or Personally Identifying Information was subjected to unauthorized access. Unless the Sports Wagering Operator shows that unauthorized access did not occur, the Sports Wagering Operator's written report shall also detail the Operator's plan to remediate the Data Breach, mitigate its effects, and prevent Data Breaches of a similar nature from occurring in the future.
- (3) Upon request by the Commission, the Sports Wagering Operator shall provide a report from a qualified third-party forensic examiner, the cost of which shall be borne by the Sports Wagering Operator being examined.w
- (4) In addition to the other provisions of this 205 CMR 257.06, the Sports Wagering Operator shall be required to comply with any other legal requirements applicable

to such Data Breaches or suspected Data Breaches, including its obligations pursuant to G.L. c. 93H and 201 CMR 17.00.



Legal Division

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 amendment of **205 CMR 257.00: Sports Wagering Data Privacy**, for which a public hearing was held on **May 21, 2024, at 9:30am EST**.

The promulgation of 205 CMR 257.00 was developed within the Commission's regulatory framework, governing the operation of Sports Wagering in the Commonwealth. This regulation is authorized by G.L. c. 23N, §4.

205 CMR 257.00 applies to Sports Wagering Operators, who are not small businesses, and the Commission. It sets forth requirements regarding an operator’s obligations for permissible advertising to patrons, and to protect and secure the *Confidential Information* and *Personally Identifiable Information* of patrons, and the required policies and conduct of operators in the event of a data breach. Accordingly, this regulation is unlikely to impact small businesses.

Pursuant to 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, no small businesses will be negatively impacted by this amendment, as it governs licensed operators and the Commission.

2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

None of the schedules or deadlines for compliance or reporting requirements established within 205 CMR 257.00 would pertain to small businesses.

3. Consolidating or simplifying compliance or reporting requirements for small businesses:

The reporting requirements and compliance requirements within this regulation do not affect small businesses. Accordingly, reporting requirements within 257.00 have not been consolidated.

4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:



Massachusetts Gaming Commission

This regulation utilizes performance-based standards for sports wagering operators.

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

205 CMR 257.00 is unlikely to deter or encourage the formation of new businesses within the Commonwealth, as it is limited in its impact on the larger business community.

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

The amended version of 205 CMR 257.00 is not expected to create any adverse impacts upon small businesses.

Massachusetts Gaming Commission
By:

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

Dated: June 6, 2024



Massachusetts Gaming Commission



TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Brad Hill
Commissioner Nakisha Skinner

FROM: Crystal Beauchemin, Sports Wagering Business Manager
Bruce Band, Director

DATE: May 30, 2024

RE: Waivers related to Data Privacy - 205 CMR 257.03 (4)

BACKGROUND:

On August 8, 2023, the Commission voted to finalize the draft of 205 CMR 257: Sports Wagering Data Privacy, and to begin the formal regulation process. These regulations went into effect September 1, 2023. Several waivers were granted in relation to various components of the regulation due to technological impacts and process implementation on August 24, 2023. A majority of those waivers expire on June 30, 2024 (although 205 CMR 257.03 (4) is under waiver through July 31, 2024.) All revisions to 205 CMR 257 which were just revised in March, are also anticipated to be in effect by the end of June (June 21, 2024.)

All operators have all confirmed with MGC staff that they already are or will be in compliance with waiver requests and all other aspects of 205 CMR 257 by the effective dates.

205 CMR 257.03 (4) is the only regulation that remains under waiver beyond the end of June, expiring July 31, 2024. For this regulation, both BetMGM and DraftKings have requested the Commission's review of a variance to their process/proposal for protecting CII and PII, which the revised regulation allows:

*Sports Wagering Operators shall encrypt or hash and protect, including through the use of multi-factor authentication, from incomplete transmission, misrouting, unauthorized message modification, disclosure, duplication or replay all Confidential Information and Personally Identifiable Information within their possession, custody or control. **An Operator may request approval by the Commission to protect Confidential Information and Personally Identifiable Information in another manner that is equally protective of the information in question.***

Those waivers/variance requests have been provided to the Commission, and the operators are prepared to discuss their requests and specific plans/processes related to the measures in place for the protection of CI and PII in executive session.



MASSACHUSETTS GAMING COMMISSION WAIVER/VARIANCE REQUEST FORM

In accordance with 205 CMR 202.03; 205 CMR 102.03(4)

Please fill out and address all areas of the form with blue section headers. If a specific line does not apply to the request, please place 'NA' in the response field. Each section will extend to accommodate large answers.

CONTACT INFORMATION

DATE: 05/22/2024

NAME OF LICENSEE / OPERATOR (REQUESTING ENTITY): BetMGM

NAME OF INDIVIDUAL COMPILING REQUEST: Sarah Brennan

TITLE OF INDIVIDUAL COMPILING REQUEST: Senior Director, Compliance

CONTACT EMAIL ADDRESS: sarah.brennan@betmgm.com

CONTACT PHONE NUMBER: 732-782-5125

EMAIL/PHONE NUMBER FOR PROVIDING DECISION (IF DIFFERENT FROM CONTACT):

alexis.cocco@betmgm.com, robvn.bowers@betmgm.com

REGULATION INFORMATION

SPECIFIC REGULATION (#) FOR WHICH WAIVER IS REQUESTED: 205 CMR 257.00: Sports wagering data privacy.

REGULATION SECTION TITLE: 257.03(4)

REGULATION LANGUAGE/TEXT:

257.03(4)

(4) Sports Wagering Operators shall encrypt or hash and protect, including through the use of multi-factor authentication, from incomplete transmission, misrouting, unauthorized message modification, disclosure, duplication or replay all Confidential Information and Personally Identifiable Information within their possession, custody or control. An Operator may request approval by the Commission to protect Confidential Information and Personally Identifiable Information in another manner that is equally protective of the information in question.



REASON FOR REQUEST OF WAIVER

DATE(S)/ TIMEFRAME WAIVER IS REQUESTED THROUGH: Until the proposed changes in 257.03(4) are finalized and published in the Massachusetts Registry.

Per 205 CMR 102.03(4)(b)

PLEASE EXPLAIN THE BASIS FOR THE PROPOSED WAIVER/VARIANCE SOUGHT:

These proposed changes require significant technical and product development, and the variance will not adversely affect the public interest.

Per 205 CMR 102.03 (4)(a)(4)

PLEASE INDICATE THE SUBSTANTIAL HARDSHIP/IMPACT YOUR ENTITY WOULD INCUR IF WAIVER/VARIANCE IS NOT APPROVED BY COMMISSION:

BetMGM would not fully comply with this section of 205 CMR 257 Sports Wagering Data Privacy.

ADDITIONAL JUSTIFICATION/EXPLANATION FOR REQUEST:

On November 1, 2023, BetMGM requested a permanent waiver. As stated in this original variance request, BetMGM complies with GLI 33, ISO 27001 and PCI DSS. Additionally, as required by the MGC, BetMGM conducts a yearly cybersecurity assessment which the final report is submitted to the MGC staff along with the remediation plan. BetMGM maintains security controls that validate that information protected utilizing various security measures. Furthermore, during data transit, all data is encrypted.

The proposed amendment to 257.03(4) will permit operators to submit alternative information to demonstrate appropriate security standards for Confidential Information and Personally Identifiable Information.

BetMGM is requesting a variance to (a) avoid noncompliance before this proposed language is finalized and published on the Massachusetts Registry and (b) ensure future compliance under the terms in the proposed regulation. BetMGM is happy to discuss more specific technical details with MGC in executive session.



DETERMINATION

Pursuant to 205 CMR 102.03(4)(a), and 205 CMR 202.03(2), the Commission may waive or grant a variance if the Commission finds that:

1. Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K and c. 23N;
2. Granting the waiver or variance will not interfere with the ability of the commission or the bureau to fulfill its duties;
3. Granting the waiver or variance will not adversely affect the public interest; and
4. Not granting the waiver or variance would cause a substantial hardship to the person requesting the waiver or variance.

Pursuant to 205 CMR 102.03 (4)(c), any waiver request not acted on by the Commission within 60 days of filing shall be deemed denied.





MASSACHUSETTS GAMING COMMISSION WAIVER/VARIANCE REQUEST FORM

In accordance with 205 CMR 202.03; 205 CMR 102.03(4)

Please fill out and address all areas of the form with blue section headers. If a specific line does not apply to the request, please place 'NA' in the response field. Each section will extend to accommodate large answers.

CONTACT INFORMATION

DATE: 6/3/2024

NAME OF LICENSEE / OPERATOR (REQUESTING ENTITY): Crown MA Gaming / DraftKings

NAME OF INDIVIDUAL COMPILING REQUEST: Kevin Nelson

TITLE OF INDIVIDUAL COMPILING REQUEST: Senior Manager, Regulatory Operations

CONTACT EMAIL ADDRESS: Knelson@draftkings.com

CONTACT PHONE NUMBER: 518 – 727 – 4624

EMAIL/PHONE NUMBER FOR PROVIDING DECISION (IF DIFFERENT FROM CONTACT):

REGULATION INFORMATION

SPECIFIC REGULATION (#) FOR WHICH WAIVER IS REQUESTED:

REGULATION SECTION TITLE:

Data Use and Retention, 257.03(4) - Proposed

REGULATION LANGUAGE/TEXT:

Sports Wagering Operators shall encrypt or hash and protect, including through the use of multi-factor authentication, from incomplete transmission, misrouting, unauthorized message modification, disclosure, duplication or replay all Confidential Information and Personally Identifiable Information within their possession, custody or control. An Operator may request approval by the Commission to protect Confidential Information and Personally Identifiable Information in another manner that is equally protective of the information in question.



REASON FOR REQUEST OF WAIVER

DATE(S)/ TIMEFRAME WAIVER IS REQUESTED THROUGH:

DraftKings is not requesting a waiver. DraftKings is seeking approval by the Commission to protect Confidential Information and Personally Identifiable Information in a manner that is equally protective of the information in question as contemplated by the proposed amendments to 257.03(4) which are expected to be voted on by the Commission June 21st, 2024.

Per 205 CMR 102.03(4)(b)

PLEASE EXPLAIN THE BASIS FOR THE PROPOSED WAIVER/VARIANCE SOUGHT:

DraftKings is seeking approval by the Commission to protect Confidential Information and Personally Identifiable Information in a manner that is equally protective of the information in question as contemplated by the proposed amendments to 257.03(4) which are expected to be voted on by the Commission June 21st, 2024. Requiring all such data to be encrypted/hashed as the regulation is written is not possible to implement, as it would require all locally stored PII on a patron's device to be encrypted. In addition, communication with third parties would become impossible, as they would need an ability to decrypt this information to provide required services. DraftKings is skeptical as to whether it would be left with a usable platform were compliance with the letter of the regulation be required, even after several years of development work. The regulation impacts a large portion of DraftKings' databases, services, and other systems. Without accommodations, it would require data pipelines and storage systems to be rebuilt to filter a wide range of data that is not within the definition of PII in any other North America jurisdiction's data statutes. Numerous systems, including backup systems, would need to be refactored to support an encryption and decryption mechanism. Considering the broad definition of PII in the rules, substantial volumes of data would be subject to encryption or hashing requirements impacting services across the enterprise and requiring significant development work and a wide-scale testing initiative. Initiatives of this magnitude would also impact overall database latency and platform performance which could lead to a severely degraded offering of our wagering platform.

PLEASE INDICATE THE SUBSTANTIAL HARDSHIP/IMPACT YOUR ENTITY WOULD INCUR IF WAIVER/VARIANCE IS NOT APPROVED BY COMMISSION:

If our proposal is not granted by the Commission it would result in DraftKings non-compliance with 205 CMR 257.03(4) and additional waiver requests. Throughout the past several months DraftKings has worked with the Commission to seek clarity on 205 CMR 257 to ensure application of requirement is well defined as we scope project timelines and deliverables to ensure continued compliance in the Commonwealth.

ADDITIONAL JUSTIFICATION/EXPLANATION FOR REQUEST:



DETERMINATION

Pursuant to 205 CMR 102.03(4)(a), and 205 CMR 202.03(2), the Commission may waive or grant a variance if the Commission finds that:

1. Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K and c. 23N;
2. Granting the waiver or variance will not interfere with the ability of the commission or the bureau to fulfill its duties;
3. Granting the waiver or variance will not adversely affect the public interest; and
4. Not granting the waiver or variance would cause a substantial hardship to the person requesting the waiver or variance.

Pursuant to 205 CMR 102.03 (4)(c), any waiver request not acted on by the Commission within 60 days of filing shall be deemed denied.





Sports Wagering Division

CONCLUDING STATEMENT:

The Sports Wagering Division confirms all requirements have been met under 205 CMR 247.02 and has no reservations approving these changes.

Part C – Specific Sports Rules

1. American Football

1.1. General Rules

- Abandoned or postponed games must be resumed or rescheduled within 60 hours of the initial kickoff time for bets to have action, otherwise bets will be voided. The initial kick off time will be determined based upon the NFL's schedule of the game time during the current scheduling week, and will not include any prior rescheduling. For example: A Playoff game between the Bills and Steelers is moved from Saturday at 1pm EST to Monday at 4:30pm EST will have action and all bets will be settled as per results, are void unless played within 48 hours. In the event of a change of venue, all bets will be void. All bets on a game that is officially deemed a forfeit will be void.

1.3. Overview of Specific Markets

- Quarter Player Props – Winning selections are determined by statistics acquired by the player in the specific listed quarter. If a player is ejected from the game, or officially deemed unable to return to the game due to injury, bets placed after the player's last official snap will be void. Otherwise, bets have action, regardless of whether the player takes part in a snap in the listed quarter. Coaching decisions, player rotation, and drive length will not impact bets being deemed to have action.
- Player Related Drive Markets:
 - Player related drive markets include Player to Catch a Pass on "X" drive, Player Props on "X" drive (yardage attained), Player to Score a TD on "X" drive and Play Caller
 - Winning selections are determined by statistics accrued by the player in the specific listed drive, not full game statistics.
 - There must be at least one offensive snap for bets on player related drive markets to be considered action, otherwise bets will be voided. A Quarterback kneel down will not count as an offensive snap for settlement purposes.
 - If a player is ejected from the game, or officially deemed unable to return to the game due to injury, bets placed on the player for any drives after the player's last official snap will be void. Otherwise, bets are action, regardless of whether the player takes part in a snap on the listed drive. Coaching decisions, player rotations, and drive length will not impact bets being deemed to have action.
- Futures/Season Prop Bets:
 - For season long player prop bets, the nominated player must play at least one snap during the regular season for bets to have action.
 - For Comeback Player of the Year, all bets are action, regardless of whether or not the listed player takes the field in the specified season. For other bets on season-long award markets, the selected player must play at least one snap in any game for the specified season in order for bets to have action.
 - For the Super Bowl MVP, all bets have action, regardless of if the specified player's team takes part in the Super Bowl. For teams that make the Super Bowl, players must play at least one snap in the Super Bowl for bets to have action. For example, if Lamar Jackson is playing for the Baltimore Ravens at the start of the Playoffs, and the Ravens are eliminated before the Super Bowl and Lamar Jackson is not named Super Bowl MVP, then bets on Lamar Jackson will be settled as losers. If the Ravens take part in the Super Bowl, and Lamar Jackson does not play a snap in the game and is not named the Super Bowl MVP, wagers on him will be voided.
 - Player to Be Named All Pro: Wagers will be settled based of the Associated Press recognitions for the specified season, and player award bets, the nominated player must be involved in at least one snap during the regular season game for bets to have action.
- Next Play from Scrimmage
 - Plays listed as "No Play" on NFL.com do not count for settlement purposes. Bets on plays as "No Play" will be settled on the next completed play that is not listed as "No Play".
 - Sacks are considered a rushing attempt.
- Player Caller
 - First Downs due to enforced penalty (as per official player by play data provided by relevant league) will count for settlement purposes.
- FanDuel Squares
 - FanDuel Squares – Any Quarter: Winning selections are based on the last digit of each team's total game points at the end of every quarter and overtime. Winning selections will only be paid one time at the odds that bets are placed at, regardless of how many times the selection may

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occur throughout the game at the end of each period. Winning selections are paid in full, dead heating does not apply.

- FanDuel Squares – Final Score: Winning selections are based on the last digit of each team's score at the end of the game, inclusive of any overtime periods.
- FanDuel Squares – X Quarter and First Half: Winning selections are based on the last digit of each team's total game score at the end of the listed period, not the total points that are scored in the listed period. For example, if the score at the end of the 3rd quarter is Jets 17 and Dolphins 10, the winning selection for FanDuel Squares – 3rd Quarter is Jets 7 – Dolphins 0, no matter how many points each team scored in the 3rd quarter.
- Player to Have a X+ Yard Catch in the Game
 - If a player does not record a catch in the game, bets will still have action.

4. Baseball

4.3. Player Props

- Alternate Strikeouts: Listed Pitcher must start for bets to stand. If the opposing Listed Pitcher does not start, then bets will still stand.
- Pitcher Player Performance Doubles: Listed Pitcher must start for bets to stand. If the opposing Listed Pitcher does not start, then bets will still stand.
- 1st Inning Strikeouts: A change to the status of either listed pitcher, or to either line-up, will have no bearing on the settlement of this market. For the "Each Starting Pitcher 1+ Strikeouts in the First Inning" market, strikeouts will only count if accrued by the pitchers that begin the game.
- Each Team to Record 1+ Strikeouts in X Inning: A change to the status of either listed Pitcher, or to either lineup, will have no bearing on the settlement of this market. These markets refer to the 2nd Inning and beyond, where strikeouts accrued by all pitchers (not just those who begin the game) in the listed inning will count towards settlement.
- Each Team to Record 1+ Hit in X Inning: A change to the status of either listed Pitcher, or to either lineup, will have no bearing on the settlement of this market.
- Player to Hit First Home Run of Day: Listed players must be in the starting lineup for bets to have action. Any non-starters will be voided. Settlement will be determined on the time of day in which the first home run is hit, rather than the elapsed time/inning within an individual game.
- Player to Score the Last Run in Extra Innings on Winning Team: All-In Betting. Settled upon the player to score the last run in extra innings on the winning team.
- Player to Record the Last RBI in Extra Inning on Winning Team: All-In Betting. Settled upon the player to record the last RBI in extra innings on the winning team.
- 1-▪ Home Team Comes Behind in Extra Innings to Win: for bets to be settled as winning wagers, the Home Team must trail from the 10th Inning onward and win the game.
- Pitches Per Plate Appearance: Automatic balls/strikes that result from pitcher/batter violations will count as pitches for settlement purposes. A pitch must be thrown in the plate appearance for bets to be action. If no pitch is thrown in the plate appearance (i.e., the pitching team elect to intentionally walk the batter before any pitches are thrown) bets on the market will be void. Should the listed plate appearance not occur, bets on the market will be voided. For bets to have action, a plate appearance must occur to completion (e.g. if the batter is mid plate appearance and a third out occurs to end the inning, the market will only be settled off the pitches that are thrown in the official plate appearance that occurs to begin the next inning).
- Method of First/Next Out: Settled upon mlb.com play by play within the provided selections (Strikeout, Groundout, Flyout/Lineout, Any Other Recorded Out). "Any Other Recorded Out" encompasses all additional ways to record an out not listed as a selection option. Flyouts, Lineouts, and Pop Outs, including batted balls determined to be Infield Fly's, will be deemed the same for settlement purposes. In the case of a walk-off (or any other situation where three outs in an inning do not occur), remaining markets will be void.
- 2-▪ Method of Last Out: Settled upon mlb.com play by play within the provided selections (Strikeout, Groundout, Flyout/Lineout, Any Other Recorded Out) "Any Other Recorded Out" encompasses all additional ways to record an out not listed as a selection option. Flyouts, Lineouts, and Pop Outs, including batted balls determined to be Infield Fly's, will be deemed the same for settlement purposes.

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4.4. Futures Markets + Other Specials

- Daily Strikeout Leader: Bets on any listed pitcher that does not start will be voided, and dead-heat rules will apply if multiple starting pitchers tie for the daily lead among those listed.

5. Basketball

5.1. Sports Rules – NBA, NCAA and WNBA Basketball

- For overtime specific markets (e.g. markets specific to just the overtime period), unless otherwise stated markets will be settled of the 1st overtime period only.

5.2. Overview of Specific Markets – NBA, NCAA and WNBA Basketball

- Team Threes Made: Resulted on how many 3 Point Field Goals each team makes. This market does not include overtime.
- NBA Regular Season Specials: Should a team not complete the required number of games to constitute a full and official season as defined by the NBA, all outstanding wagers on regular season special markets will be void.

5.3. Player Props – NBA, NCAA and WNBA Basketball

- Player Related Quick Duration Markets: These markets include Floor General, Method of Basket, Quarter Props and quarter Prop Parlay. A Player must take the court (for any duration of time) within the specified interval for bets to have action. For Floor General, both players must take the court (for any duration of time) within the specified interval for bets to have action.
- Method of Basket Markets: "Player X – Other" selections encompass all two-point field goals which are not designated as a layup or dunk in official NBA play-by-play data.

5.4. Sport Rules – Euro/Other Basketball

- In the event that a match does not finish in a tie, but overtime is played for qualification purposes, such as in a two leg (home-and-away) total points series, the markets will be settled according to Section 5.5 'Overview of Specific Markets – Euro/Other Basketball', as stated, below the result at the end of regular time.

6. Boxing and Mixed Martial Arts

6.1. Boxing

- Round Betting/Group Round Betting/Alternative Group Round Betting:
 - This market is defined as betting on the round/rounds in which the result of the fight will be determined, it is not betting on named fighters to win the round/rounds on the judge's scorecards.
 - If a boxer withdraws during the period between rounds, the fight is deemed to have ended in the previous round.
 - The bell will signal the end of a round and the bell being sounded again will signal the start of the next round. Therefore, a boxer who withdraws after the bell is sounded to signal the start of the next round will be deemed to have lost in that round, even if there's no competitive action in that round.+
- Punch Stat Markets:
 - In the event of a tie on a market where a draw selection is not offered, bets will be void.
 - In the event of a tie on a leg within a selection (e.g. Most Punches, Jabs & Power Punches & both fighters throw x Jabs), bets on that selection will be settled as losers.

6.2. Mixed Martial Arts

- General:
 - In the event of a 'no contest' being declared, all bets will be made void, except for selections where the outcome has already been unequivocally determined.
 - Stakes may be refunded before the original contest if requested. In the event of a 'no contest' being declared, all bets will be made void.

7. Cricket

- Player Runs (Batter Runs/Fours/Sixes)
 - Description: How many runs will the named batter score?
 - Rules: If the batter finishes the innings not out at the end of an innings, their score will be the final result. If a batter does not bat, the bet will be void.

- If a batter retires hurt, but returns later, the total runs scored by that batter in the innings will count. If the batter does not return later, the final result will be as it stood when the batter retired.
- In limited overs matches, bets will be void if it has not been possible to complete at least 80% of the scheduled overs in either innings due to external factors, including bad weather, unless settlement has been determined, or goes on to be determined. Result will be considered determined if the line at which the bet was placed is passed, or the batter is dismissed.
- In drawn First Class matches, bets will be void if fewer than 200 overs are bowled, unless settlement of the bet has already been determined.
- For pre-match bets, only the batter's first innings will count.
- Runs scored in a super over do not count.
- Market to be settled on the players final score, regardless of any reduction in overs.
- At least one ball must be bowled while a batsman is at the crease (facing or not) for bets to stand.
- If the batsman finishes the innings not out as a result of a declaration, the team reaching the end of its allotted overs or the team reaching its target, the player's "not out" score will count for settlement purposes.
- If a batsman does not bat, bets on that batsman will be void.
- If a batsman is not in the starting 11, bets on that batsman will be void.
- If the batsman finishes the innings not out as a result of a declaration, the team reaching the end of its allotted overs or the team reaching its target, the player's "not out" score will count for settlement purposes.
- **Fall of Wicket**
 - Description: How many runs will the batting team have scored when the next wicket falls?
 - Rules: If the partnership is ended by the end of an innings, bets will settle at the final score.
 - For settlement purposes, a batter retiring hurt does not count as a wicket.
 - In limited overs matches, bets will be void if it has not been possible to complete at least 80% of the scheduled overs in either innings due to external factors, unless settlement has already been determined, or goes on to be determined. Result will be considered determined if the line at which the bet was placed is passed, or the wicket in question falls.
 - In drawn First Class matches, bets will be void if fewer than 200 overs have been bowled, unless settlement of the bet has already been determined.
 - Market will be settled on the score at the fall of the next wicket, regardless of any reduction in overs.
 - If an innings is curtailed due to a reduction in overs or the abandonment of a match, all bets will stand as long as one ball has been bowled since the new batsman arrived at the crease.
 - If the batting team reaches the end of its allotted overs, reaches its target, or declares before the specified wicket falls, the next team wicket will be deemed to have fallen for the total score achieved by the batting side.
 - For settlement purposes, a batsman retiring hurt/retiring out does not count as a wicket.

14. Jai Alai

- a. All bets on matches where a player or pairing retires or is disqualified prior to the first set will be voided. Doubles matches in which one player of a pairing is replaced by another player prior to the first set will also be voided.

16. Motorsports (which may include, amongst others, NASCAR, Indy Car, Formula One, Superbikes and Speedway)

16.3. Formula 1

- Qualifying Match Betting: The winner will be deemed to be the driver who sets the fastest qualifying time during the final qualifying session between the two drivers quoted. If either driver fails to begin a qualifying lap, then all bets on that match will be void. Any subsequent grid penalties or disqualifications shall be ignored for betting purposes. If Q3 does not take place, then bets will be settled if the grid is formed based on times from Q1 or Q2. All bets will be void if the grid is formed for the main race or for Sprint Qualifying (where such format is used) based on any other criteria.



TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Brad Hill
Commissioner Nakisha Skinner

FROM: Andrew Steffen, Sports Wagering Operations Manager

MEMO **MEETING**

DATE: May 30, 2024 **DATE:** June 6, 2024

RE: Request to add the Ladies Professional Golf Association (LPGA) to the MGC Event Catalog

BACKGROUND:

Pursuant to [205 CMR 247.03](#), a sports wagering operator must petition the Commission for approval of a new sporting event or wager category. Accordingly, Caesars has submitted the required form to request for the addition of the Ladies Professional Golf Association (LPGA) to be added to the [MA Sports Wagering Catalog](#).

Under 247.03(8), the Commission may grant, deny, limit, restrict, or condition a request made pursuant to this rule, and may revoke, suspend, or modify any approval granted under this rule.

SUPPORTING DOCUMENTS:

Petition from Caesars Sportsbook
LPGA Integrity Policy

OVERVIEW/ LPGA DETAILS:

The LPGA is a golf organization headquartered in Daytona Beach, Florida, best known for running the LPGA Tour, a series of golf tournaments for women professional golfers around the world. Founded in Kansas in 1950, the LPGA is the oldest continuing women's professional sports organization in the United States. The LPGA Tour consists of five major championships; Chevron Championship, U.S. Women's Open, Women's PGA Championship, Women's British Open, and The Evian Championship. The 2024 Tour, which teed off this past January, will include 33 official tournaments, with 22 in the United States and 11 more in 11 different countries. The Tour will conclude this November with an \$11,000,000 purse. Current broadcast partners include NBC Sports, the Golf Channel, and CBS Sports.

SUMMARY:

The current MA Catalog offerings for Golf are as follows:

Sport	Governing Body	League	Website
Golf	International Federation of PGA Tours or its Members	Events sanctioned by the International Federation of PGA Tours or its members	https://www.worldgolfchampionships.com/international federation.html
	International Events	International Events	https://www.worldgolfchampionships.com/international federation.html
	Augusta National Golf Club	Masters Tournament	https://www.masters.com/en_US/index.html
	PGA of America	PGA Championship	https://www.pga.com/
	The R&A	The Open Championship	https://www.randa.org/
	United States Golf Association	U.S. Open	https://www.usga.org/
	The Match Series	The Match Series	https://www.tntdrama.com/capital-ones-the-match

At the time of submission, Caesars informed the Sports Wagering Division this league has been approved for wagering in their 27 jurisdictions of Arizona, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Maine, Michigan, Mississippi, Nebraska, New Mexico, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee, Virginia, Washington DC, Washington, West Virginia, and Wyoming.

The LPGA rules are similar to the rules of other golf leagues approved in our catalog. Caesars did provide a link of other rules that apply to the LPGA: <https://www.lpga.com/professionals-instruction/rules-and-qa>

Lastly, Caesars stated they have informed the LPGA of its intentions to petition the league for wagering. Caesars also confirmed they sent notification to the LPGA Players Association.

Based on 247.03(4), certain minimum criteria must be met for the Commission to authorize the addition of the event. Those criteria are outlined below with applicable supporting notes provided.

(a) The outcome can be verified;

Caesars states in their petition the outcome of each event can be verified by the official LPGA website – <https://www.lpga.com/>.

(b) The Sporting Event generating the outcome is conducted in a manner that ensures sufficient integrity controls exist so the outcome can be trusted;

Caesars states the LPGA has integrity policies in place (attached to memo).

(c) The outcome is not likely to be affected by any Sports Wager placed;

Caesars states the outcome of events will not be affected by a sports wager placed. The LPGA strictly prohibits game manipulation by athletes, officials, and all league personnel.

(d) The Sporting Event is conducted in conformity with all applicable laws.

Caesars states in their petition the sporting event conforms to all applicable laws and regulations and does not contravene any gaming legislation in the state.

CONCLUSION:

The Sports Wagering division confirms the minimum requirements have been met pursuant to 205 CMR 247.03 and has no reservations approving this league be added to the event catalog.



MASSACHUSETTS GAMING COMMISSION

PETITION FOR A SPORTING EVENT OR WAGER CATEGORY

In accordance with 205 CMR 247.03

Directions:

Please fill out and address all areas of the form. If an area does not apply to the request, please place 'NA' in the section. Each section will extend to accommodate large answers. If needed, one may attach additional documents. Please make sure any attachments reference the relevant section and number in their title.

SECTION A **BACKGROUND**

1. NAME OF OPERATOR(S) PETITIONING:
2. REQUESTING A SPORTS WAGERING EVENT OR WAGERING CATEGORY:
3. NAME OF EVENT OR WAGERING CATEGORY:
4. IS THIS A VARIATION OF AN AUTHORIZED SPORTING EVENT OR WAGER CATEGORY?
5. IS THIS A COMPOSITE OF AUTHORIZED SPORTING EVENTS OR WAGER CATEGORIES?
6. IS THIS A NEW SPORTING EVENT OR WAGER CATEGORY?
7. PLEASE INDICATE THE JURISDICTION(S) IN WHICH YOU OPERATE WHERE THIS EVENT/
WAGER CATEGORY HAS BEEN APPROVED OR HAS BEEN SUBMITTED FOR APPROVAL:

WEBSITE LINK FOR THE EVENT AND/OR GOVERNING BODY:

SECTION B **A COMPLETE AND DETAILED DESCRIPTION OF THE SPORTING EVENT OR WAGER CATEGORY FOR WHICH APPROVAL IS SOUGHT**

1. A summary of the Sporting Event or Wager Category and the manner in which Sports Wagers would be placed and winning Sports Wagers would be determined.
2. A draft of the proposed House Rules, including a description of any technology that would be utilized to offer Sports Wagering on the Sporting Event or Wager Category.
3. Any rules or voting procedures related to the Sporting Event or Wager Category.
4. Assurance that the Sporting Event or Wager Category meets the requirements of 205 CMR 247.03(4) (*details are required in the minimum criteria section below*).
5. Whether and to what extent the outcome of the Sporting Event or Wager Category is determined solely by chance.



SECTION C
IF THE PROPOSED SPORTING EVENT OR WAGER CATEGORY IS BASED ON ESPORTS
ACTIVITIES, PLEASE ANSWER THE FOLLOWING QUESTIONS

1. The proposed location(s) of the eSports event(s).
2. The video game used for the eSports event, including, without limitation, the publisher of the video game.
3. The eSports event operator, whether the eSports event operator is approved to host events by the video game publisher, and whether the eSports event operator has any affiliation with the video game publisher.
4. The manner in which the eSports event is conducted by the eSports event operator, including, without limitation, eSports event rules and certification from a third party, such as an eSports event operator or the game publisher, that the eSports event meets the Commission's event integrity requirements.

SECTION D
POLICIES AND PROCEDURES REGARDING EVENT INTEGRITY

To the extent known by the operator(s), please provide a description of policies and procedures regarding event integrity. What integrity monitoring system is in place for the event? Has the Operator contacted them?



LPGA INTEGRITY PROGRAM MANUAL

Effective June 1, 2019

(1) **INTRODUCTION.**

- (a) **Purpose.** The Ladies Professional Golf Association (“**LPGA**”) has developed the LPGA Integrity Program (the “**Integrity Program**”) for the primary purpose of preventing betting-related corruption in LPGA competitions. The mission of the Integrity Program is:

To maintain integrity and prevent and mitigate betting-related corruption in LPGA competitions - ensuring competitions always reflect, and appear to reflect, the best efforts of the players, while protecting the welfare of the players and others involved with the LPGA - through clear policies and regulations, ongoing education and training, and effective and consistent monitoring and enforcement functions.

- (b) **Scope.** The Integrity Program applies to all tours owned and/or operated by the LPGA anywhere in the world (an “**LPGA Tour**”).

- (c) **Manual.** The governing terms and conditions of the Integrity Program are set forth in this LPGA Integrity Program Manual (this “**Manual**”).

- (d) **Covered Persons.** This Manual applies to the following persons (“**Covered Persons**”):

- (i) *Members.* Each member of an LPGA Tour (“**Member**”).
- (ii) *Players.* Each player (Member or non-Member) competing in a LPGA- sanctioned golf tournament (“**LPGA Event**”) anywhere in the world (“**Player**”).
- (iii) *Affiliated Persons.* Each person affiliated with a Member or Player, including each caddie, family member, spouse, partner, agent, manager, instructor, trainer and other person, who receives credentials to access a LPGA Event at the Member or Player’s request (“**Affiliated Person**”).
- (iv) *Competition Personnel and Volunteers.* Each person, including but not limited to all walking scorers, marshals and standard bearers, as determined by the LPGA, in its sole discretion, to be involved in the operation of the competition portion of a LPGA Event and who receives credentials to access a LPGA Event (“**Competition Personnel**”).
- (v) *Board Members.* Each non-player director of the LPGA Board of Directors (“**Board Member**”).
- (vi) *Employees.* Each employee of the LPGA or any of its affiliates (“**Employee**”).
- (vii) *Tournament Personnel.* Each host organization employee, and each third party involved in the operation of the competition portion of a LPGA Event, who receives credentials to access a LPGA Event (“**Tournament Personnel**”).

This Manual applies to a non-Member Player, Affiliated Person, Competition Personnel, Volunteer or Tournament Personnel only with respect to the LPGA Event(s) that he or she participates in, receives credentials to or accesses in such capacity, notwithstanding anything in this Manual to the contrary.

- (e) **Former Covered Persons.** There is no statute of limitations applicable to this Manual. Therefore, the LPGA retains the right under this Manual to investigate, bring actions against and sanction any person who is no longer a Covered Person but committed a Violation while a Covered Person; and such person will be deemed to be a “**Covered Person**” under this Manual

for such purposes. For clarity, however, a Violation may result only from the act of a Covered Person occurring after the effective date of this Manual.

- (f) **Integrity Officer.** The Integrity Program will be overseen by the LPGA Integrity Program Administrator (the "**Administrator**"). The Administrator will be designated by the LPGA.

(2) **PROHIBITED CONDUCT.**

- (a) **List of Violations.** The following conduct is prohibited:

- (i) *Betting on Women's Professional Golf Events.* Any Covered Person, directly or indirectly, Betting on the outcome or any other aspect of any LPGA Event, any other women's professional or elite amateur golf competition (including Olympic golf, mixed gender and competitions co-sanctioned with a men's tour) anywhere in the world ("Women's Professional Golf Event"). In this Manual, "**Betting**" means placing any money or other thing of value on the occurrence of an uncertain outcome with the expectation of return.
- (ii) *Soliciting Betting on Women's Professional Golf Events.* Any Covered Person, directly or indirectly, soliciting, encouraging or facilitating Betting by others on the outcome or any other aspect of any Women's Professional Golf Event.
- (iii) *Failing to Give Best Efforts.* Any Member or Player failing to give, or accepting any money or other thing of value to not give, best efforts in any Women's Professional Golf Event; or any Covered Person directly or indirectly encouraging or inducing any Member or Player to fail to give best efforts in any Women's Professional Golf Event.
- (iv) *Contriving an Outcome.* Any Covered Person, directly or indirectly, contriving the outcome or any other aspect of any Women's Professional Golf Event.
- (v) *Facilitating Unauthorized Access.* Any Covered Person facilitating a third party's access to a Women's Professional Golf Event for the purpose of conducting unauthorized activities in relation to Betting on the outcome or any other aspect of the Women's Professional Golf Event.
- (vi) *Associating with Bettor Related Persons.* Any Covered Person associating with any person(s) whose Betting-related activities will or might reflect adversely on the actual or perceived integrity of Women's Professional Golf Events.
- (vii) *Providing Inside Information.* Any Covered Person providing Inside Information to a third party that he or she knew would be used, or should have known would be used, for Betting on the outcome or any other aspect of any Women's Professional Golf Event. In this Manual, "**Inside Information**" means information relating to a Women's Professional Golf Event (e.g., the health of a player, the conditions of a course, etc.) that is not publicly available and that a Covered Person knows due to his or her unique position in the game of golf.
- (viii) *Transmitting Data.* All Covered Persons shall refrain from using mobile phones, cameras, other electronic devices, communication devices, audio-visual equipment, or radios to capture, supply, or transmit data that he or she reasonably knows or should have known are likely to be used for Betting on the outcome or any other aspect of a Women's Professional Golf Event.

The commission, attempted commission or aiding of any of the acts set forth in this Section 2(a) by a Covered Person, including (but not limited to) soliciting, offering, inducing, instructing, persuading, encouraging or otherwise facilitating, will be deemed to be a violation of this Manual ("**Violation**") by the Covered Person.

- (b) **Player Responsibility for Affiliated Persons.** Each Member and Player must inform her Affiliated Persons of all the relevant terms of this Manual and shall be responsible for the acts of her Affiliated Persons under this Manual. Any Violation by an Affiliated Person of a Member or Player (especially her Caddie) will be deemed to be a "Violation" by the Member or Player.
- (3) **REPORTING OF VIOLATIONS.**
- (a) **Obligation to Report.** Each Covered Person shall report to the LPGA , as soon as possible: (i) if he or she becomes aware of any activity that would reasonably be expected to constitute or lead to a Violation by any Covered Person ; and (ii) if he or she is, or he or she becomes aware of any other person being approached by any person who offers any money or other thing of value to influence the outcome or any other aspect of a Women's Professional Golf Event or to provide Inside Information for Betting on a Women's Professional Golf Event. The failure to report information under this Section 3(a) will be deemed to be a "Violation."
- (b) **Reporting.** Covered Persons may report such information directly to Liz Moore, Chief Legal Officer of the LPGA, via email at liz.moore@lpga.com, or to the Administrator via email at integrity@lpga.com. The LPGA will use and disclose any information reported under Section 3(a) solely for purposes of administering the Integrity Program in accordance with this Manual. The LPGA will seek to maintain the confidentiality of the identity of the reporting person (if known) at all times to the maximum extent possible, unless otherwise required by applicable law or approved by the reporting person.
- (4) **EDUCATION.** Each Member will be required to complete an online educational program regarding Betting-related corruption as a condition to receiving her membership card and participating in LPGA Events. Each Member is expected to be fully aware of the contents of the educational program and the terms of this Manual, and ignorance of such content and terms will not be an excuse for a Violation. The online program is designed primarily to educate Members on the risks of Betting-related corruption and how to respond to an unwanted approach from a betting-related person. In addition, the LPGA will hold ad hoc educational workshops and seek to distribute and make available educational materials and resources to other Covered Persons. Covered Persons are encouraged to contact the Administrator at any time if they have questions about their obligations under this Manual or wish to receive any additional educational assistance.
- (5) **MONITORING.** The LPGA will, with the assistance of a third-party service provider, monitor for irregularities in the global betting markets for LPGA Events. If the LPGA becomes aware of any irregular activity in the betting markets or of any other activity that suggests a Violation may have occurred, the LPGA will review the matter and determine whether an investigation is merited under Section 6.
- (6) **INVESTIGATIONS.**
- (a) **Investigation.** Each investigation of a potential Violation under this Manual ("**Investigation**") will be conducted by the Administrator and may include one or more independent consultants designated by the Administrator. The Administrator may, but is not required to, notify each relevant Covered Person that he or she is subject to an Investigation.
- (b) **Cooperation with Investigation.** Each Covered Person subject to an Investigation shall cooperate fully with the Investigation. Without limitation: (i) a Covered Person shall timely provide (and hereby waives any right to withhold) information and records requested by the Administrator for purposes of the Investigation, which may include telephone records, text messages, emails, financial records and storage devices; (ii) a Covered Person, as requested by the Administrator, shall submit or provide a true and complete written statement and/or oral interview setting forth facts and circumstances with respect to the Investigation; and (iii) a Covered Person shall not tamper with or destroy evidence that is or could be relevant to an Investigation. Each Covered Person consents to the collection and use of information relating to him/her, including personal information, by the LPGA for purposes of the Investigation and

any Disciplinary Procedure. *The failure of a Covered Person to comply with this Section 6(b) will be deemed to be a Violation by the Covered Person.*

- (c) **Coordination with Criminal Authorities.** If any matter subject to an Investigation hereunder is also subject to a criminal investigation or any other similar proceeding, including any action brought by any regulatory authority, in any jurisdiction, the LPGA may coordinate with relevant law enforcement and other authorities in the LPGA's discretion. In connection therewith, the LPGA may disclose information relating to the Investigation hereunder to the relevant authorities. Further, the LPGA may use information obtained from the relevant authorities in the Investigation hereunder. The LPGA may continue to conduct, or suspend, the Investigation hereunder during the course of a criminal investigation or similar proceeding in its discretion, subject to applicable law.

(7) **DISCIPLINARY PROCEDURES.**

- (a) **Commencement of Disciplinary Procedure.** Based on the findings of the Administrator and any other information known to the LPGA regarding a potential Violation, the LPGA will determine whether to commence the disciplinary procedure set forth in this Section 7 ("**Disciplinary Procedure**"). If the LPGA commences the Disciplinary Procedure, the LPGA will notify the relevant Covered Person in writing of the potential Violation and the commencement of the Disciplinary Procedure.
- (b) **Statement of Covered Person.** The Covered Person will have seven (7) calendar days from the delivery of the notice set forth in Section 7(a) to submit a written statement regarding the potential Violation, including any mitigating circumstances.
- (c) **Determination of the LPGA.** The LPGA will consider any written statement submitted by the Covered Person, along with all other relevant information, and will determine: (i) if a Violation or Violations have occurred; and (ii) the sanctions imposed on the Covered Person for any Violation(s). Such determination of the LPGA (the "**Determination**") will be made by the Administrator. The LPGA will notify the Covered Person (and any responsible Player) of the Determination by written notice. Subject only to the right of the Covered Person to appeal the Determination pursuant to Section 9, the Determination will be the full, final and complete disposition of the matter and will be binding on the LPGA and Covered Person.

(8) **SANCTIONS.**

- (a) **Sanctions for Members and Players.** Sanctions for a Member or Player due to a Violation or Violations (by the Member or Player and/or her Affiliated Persons) may include:
 - (i) A warning;
 - (ii) A required education program;
 - (iii) A fine, not to exceed \$500,000 for any Violation or connected group of Violations or, if greater, the amounts received by the Member or Player from the activity leading to the Violation(s);
 - (iv) Disqualification from LPGA Events, including the loss of results, points and prize, from the date the Violation was found to occur going forward;
 - (v) A suspension from competition in LPGA Events, membership with the LPGA and/or any other involvement with the LPGA; and/or
 - (vi) A permanent ban from competition in LPGA Events, membership with the LPGA and/or any other involvement with the LPGA.
- (b) **Sanctions for Other Covered Persons.** Sanctions for a Covered Person who is not a Member or Player due to a Violation or Violations may include:

- (i) A warning;
 - (ii) A required education program;
 - (iii) A fine, not to exceed \$250,000, for any Violation or connected group of Violations or, if greater, the amounts received by the Covered Person from the activity leading to the Violation(s);
 - (iv) The temporary and/or permanent denial of access and/or credentials to LPGA Events;
 - (v) For Board Members, removal from the LPGA Board of Directors; and/or
 - (vi) For Employees, disciplinary action up to and including termination of employment.
- (c) **Mitigating and Aggravating Circumstances.** In making a Determination of the sanction(s) imposed for a Violation or Violations:
- (i) *Mitigating Circumstances.* The LPGA may consider any mitigating circumstances, which may include:
 - (1) The Covered Person reporting the Violation(s) to the LPGA;
 - (2) The Covered Person's cooperation with the Investigation;
 - (3) The Covered Person's lack of prior Violations or violations of other LPGA rules and regulations;
 - (4) The Covered Person's lack of intent;
 - (5) The Covered Person's engagement with the LPGA to complete any required education programs and/or assist in the delivery of education on behalf of the LPGA to other Covered Persons; and/or
 - (6) Such other circumstances the LPGA deems to be mitigating.
 - (ii) *Aggravating Circumstances.* The LPGA may consider any aggravating circumstances, which may include:
 - (1) The Covered Person's lack of cooperation with the Investigation;
 - (2) The Covered Person's prior record of Violations and/or violations of other LPGA rules and regulations;
 - (3) A significant amount of money being involved in the Violation(s);
 - (4) The Covered Person's intent;
 - (5) The Covered Person exerting a negative influence on other Covered Persons;
 - (6) The Covered Person jeopardizing the safety and/or security of others;
 - (7) The Covered Person refusing to complete any required education programs and/or engage in the delivery of education on behalf of the LPGA to other Covered Persons; and/or
 - (8) Such other circumstances the LPGA deems to be aggravating.
- (d) **Fulfillment of Sanctions.** A Covered Person shall fulfill all sanctions set forth in a Determination not subject to an appeal under this Manual (and all sanctions ordered by the arbitration panel pursuant to [Section 9\(c\)](#)). In the event a Covered Person fails to fulfill any such sanctions, the LPGA may impose additional sanctions hereunder due to such failure (as if such failure were a Violation itself).

(9) **APPEALS.**

- (a) **General.** A Covered Person may appeal a Determination in whole or in part only as set forth in this Section 9. The process set forth in this Section 9 shall be the sole and exclusive remedy for any appeal of a Determination. The LPGA and each Covered Person hereby waive the right to seek judicial review of a Determination. The parties shall seek to keep the fact of an appeal as well as the subject matter and the matters discussed therein confidential, subject to Section 11 below.
- (b) **Notice of Appeal.** To appeal a Determination, the Covered Person must provide the LPGA with written notice of his or her appeal (a "**Notice of Appeal**") within ten (10) calendar days of the LPGA's delivery of notice of the Determination pursuant to Section 7(c). If the Covered Person fails to provide a Notice of Appeal within such time period, the Determination shall be final and not subject to any further challenge or appeal.
- (c) **Appeals by Members and Players.**
- (i) *Arbitration Panel.* An appeal by a Member or Player shall be administered by the American Arbitration Association ("**AAA**") and shall be heard before an arbitration panel composed as described in subsection (ii) below (the "**Panel**").
- (ii) *Selection of Arbitrators.* The LPGA shall forward the Member or Player's appeal to the AAA, along with the name of an arbitrator selected by the LPGA from the list of Arbitrators who are both AAA arbitrators located in North America and Court of Arbitration for Sport arbitrators (the "**List**"). The arbitrator selected by the LPGA shall be the chair of the Panel. The AAA shall then provide the List to the Member or Player, together with the name of the arbitrator selected by the LPGA. The Member or Player shall have three (3) business days to select an arbitrator from the List. If no arbitrator is selected by the Member or Player during the designated time period, the arbitration shall be heard by the single arbitrator selected by the LPGA. If the Member or Player selects an arbitrator within the designated time period, then within three (3) business days from notification of the selection by the Member or Player, the two selected arbitrators shall decide on a third, qualified arbitrator. If the two arbitrators do not select a third arbitrator within the designated time period, the AAA Regional Vice President, or similar position, who is assigned by AAA to administer the appeal shall select the third, qualified arbitrator within two (2) business days after the designated time period has expired. The LPGA and Member or Player may also mutually agree to have the matter heard by a single arbitrator. The arbitrators shall be compensated at the hourly rate established by the Court of Arbitration for Sport in effect at the time the arbitrators are appointed.
- (iii) *Timing and Location of Hearing.* The hearing shall take place within thirty (30) days of the formation of the Panel unless exceptional circumstances warrant delay. The hearing shall be expedited at the request of either the LPGA or Member or Player for good cause shown. The location of the hearing shall be in Daytona Beach, Florida, unless the parties mutually agree that another location would be more appropriate. All hearings shall be closed to the public.
- (iv) *Hearing Rules.* In all hearings, the rules set forth in this Section 9(b) shall control:
- (1) Discovery. No discovery shall be permitted, except that the LPGA shall produce the findings of the Investigation.
- (2) Burden and Standard of Proof. If the Covered Person appeals a Determination a Violation has occurred, the LPGA shall have the burden of establishing to the comfortable satisfaction of the Panel that the Violation occurred. This

standard of proof in all cases is greater than a mere balance of probability (i.e. is it more likely than not) but less than proof beyond a reasonable doubt.

- (3) Admissibility of Evidence. Facts related to Violations may be established by any reliable means, including admissions, witness statements and documentary evidence.
 - (4) Refusal to Participate. The Panel may draw an inference adverse to a Member or Player if the Member or Player refuses, after a request made a reasonable time in advance of the hearing, to appear at the hearing and to answer questions from the Panel.
 - (5) Court Finding. The facts established by a decision of a court or professional disciplinary tribunal of competent jurisdiction which are not the subject of a pending appeal shall be irrebuttable evidence against the Member or Player to whom the decision pertained unless the Member or Player establishes that the decision violated principles of natural justice.
- (v) *Decision of Panel*. The Panel shall render its written decision within fifteen (15) days of the close of the evidence. That decision shall be final.
- (vi) *Costs and Expenses*. Each party shall bear its own costs and attorney's fees. The Panel may direct the non-prevailing party to pay the costs and fees of the arbitrators and the administrative costs of the AAA.
- (d) **Appeals by Board Members.**
- (i) *Board Member Panel*. If the Covered Person is a Board Member, he or she will have the opportunity to appeal to the other members of the LPGA Board of Directors (the "**Board Panel**") either by teleconference or in person, within thirty (30) days of the Notice of Appeal.
 - (ii) *Submission of Materials*. Within fifteen (15) days of the Board Member filing a Notice of Appeal, the Board Member may submit to the Board Panel any and all written evidence, documentation, affidavits, witness statements, legal memoranda and/or other materials relevant to the appeal.
 - (iii) *Hearing*. During the hearing, the Board Member and/or his/her counsel may present his/her explanation of the facts and circumstances surrounding the matter and will respond to any questions of the Board Panel. No witnesses may be called. The Administrator will participate in the hearing to represent the interests of the LPGA. The LPGA and Board Member will bear their respective costs and expenses for the hearing.
 - (iv) *Decision of Board Panel*. As soon as practicable after considering the materials submitted and/or any hearing, the Board Panel will vote to either affirm, modify or reverse the Determination. The decision of the Board Panel shall be final.
- (e) **Appeals by Other Covered Persons.**
- (i) *Appeals Official*. An appeal by a Covered Person who is not a Member, Player or Board Member will be heard by the head of the tour to which the Violation relates or another LPGA executive (the "**Appeals Official**"), as selected by the LPGA.
 - (ii) *Submission of Materials*. Within fifteen (15) days of a Covered Person filing a Notice of Appeal, the Covered Person may submit to the Appeals Official any and all written evidence, documentation, affidavits, witness statements, legal memoranda and/or other materials relevant to the appeal.

- (iii) *In-Person Hearing for Caddies.* If the Covered Person is a caddie subject to a suspension or permanent ban from accessing LPGA Events, the Covered Person will have the opportunity to have an in-person hearing before the Appeals Official at LPGA Headquarters in Daytona Beach, Florida at a mutually agreed time and date within thirty (30) days of the Notice of Appeal. At the hearing, the Covered Person and/or his/her counsel may present his/her explanation of the facts and circumstances surrounding the matter and will respond to any questions of the Appeals Official. No witnesses may be called. The Administrator will participate in the hearing to represent the interests of the LPGA. The LPGA and Covered Person will bear their respective costs and expenses for the in-person hearing, provided that the LPGA will provide an interpreter at the hearing at its expense, if necessary.
- (iv) *Decision of Appeals Official.* As soon as practicable after considering the materials submitted and/or any hearing, the Appeals Official will give the Covered Person and LPGA written notice of his or her decision to affirm, modify or reverse the Determination. The decision of the Appeals Official shall be final.

(10) **PROVISIONAL SUSPENSIONS.**

- (a) **General.** The LPGA may impose a provisional suspension of a Covered Person at any time prior to a final Determination (including any time prior to the conclusion of an appeal) (a "**Provisional Suspension**") if the Administrator, exercising his or her reasonable discretion, believes it is likely a Violation was committed and/or believes the integrity and/or reputation of the LPGA and/or the game of golf would be undermined absent a Provisional Suspension. A Provisional Suspension would consist, depending on the status of the Covered Person suspended, of a suspension of the right to compete or participate in LPGA Events, receive credentials to or access LPGA Events, volunteer for LPGA Events, serve on the LPGA Board of Directors or be employed by the LPGA.
- (b) **Effectiveness.** A Provisional Suspension will be effective upon the delivery of written notice from the LPGA to the relevant Covered Person. The period of a Provisional Suspension will be applied to any suspension included in a Determination.

(11) **DISCLOSURES OF INFORMATION.**

- (a) **Required Public Disclosures.** The LPGA will publicly disclose any Determination of a Violation by a Member or Player that includes a suspension or permanent ban from competition in LPGA Events and/or membership with an LPGA Tour (excluding any such suspension or ban arising from the failure to fulfill a sanction imposed for a prior Violation). Such disclosure will include, at a minimum, the name of the Member or Player, the Violation and the sanctions imposed. The timing of such disclosure will be in the LPGA 's sole discretion, except that it shall not disclose prior to the time period for filing a Notice of Appeal in accordance with Section 9(a) has expired. Should a Notice of Appeal be filed then there shall be no disclosure until a final Determination has been made pursuant to the applicable appeal process in Section 9.
- (b) **Other Disclosures.** The LPGA may disclose Determinations not covered in Section 11(a), Investigations, Disciplinary Procedures, Provisional Suspensions and other information relating to the Integrity Program publicly or privately as deemed appropriate or necessary by the LPGA in its discretion, subject to Section 3(b). Without limitation, the LPGA may, as deemed appropriate or necessary by the LPGA in its discretion: (i) disclose information relating to the Integrity Program to other governing bodies in golf; (ii) disclose information relating to the Integrity Program to law enforcement and governmental, regulatory and judicial authorities; (iii) correct any public record or account; and (iv) publish statistical information about the Integrity Program.

- (12) **MUTUAL RECOGNITION.** The LPGA may, without conducting its own proceedings hereunder, recognize and give effect to integrity-related investigations, findings, proceedings, decisions and

sanctions of current or prospective Covered Persons by other golf tours, sporting authorities and government authorities, including without limitation, any suspension (actual or provisional) or permanent ban of a Member or Player by another governing body in golf. Without limitation, the LPGA may deny entry to an LPGA Event by any player or caddie who is subject to an integrity-related investigation or disciplinary proceedings of another governing body in golf.

(13) **MISCELLANEOUS.**

- (a) **Governing Law.** This Manual shall be governed in all respects (including matters concerning the arbitrability of disputes) by the laws of the State of Florida, without regard to conflicts of laws principles.
- (b) **Amendments.** The LPGA may amend this Manual at any time. Any such amendment (unless otherwise agreed) shall bind existing Covered Persons only if set forth in an advance written notice thereof, effective as of the date set forth in such notice.
- (c) **Notices.** All notices under this Manual shall be delivered: (i) if to the LPGA , at 100 International Golf Drive, Daytona Beach, Florida 32124, Attention: Integrity Program Administrator via a nationally or globally-recognized delivery service or to the Administrator via hand delivery; and (ii) if to a Covered Person, at the last physical address on file with the LPGA via a nationally- or globally-recognized delivery service, the last email address on file with the LPGA or by hand delivery. A notice will be deemed delivered under this Manual: (1) if delivered to a physical address, on the date of delivery confirmed by the nationally- or globally-recognized delivery service; (2) if delivered to an email address, on the date of delivery; or (3) if delivered by hand, on the date of delivery.
- (d) **Severability.** In the event any provision of this Manual is determined invalid or unenforceable, the remaining provisions will not be affected.
- (e) **Waiver.** The failure of a party to enforce any right set forth in this Manual shall not constitute a waiver of such right nor bar the enforcement of any other right.
- (f) **Interpretation.** The section headings used in this Manual are for reference only and shall not have any effect on the interpretation of this Manual. The use of "including" and similar words in this Manual are not words of limitation.
- (g) **English Version Controlling.** If this Manual is translated into any other language and a discrepancy in interpretation arises, the English language version and interpretation shall be controlling.

- (14) **RELEASE.** Each Covered Person hereby releases the LPGA , it affiliates and each of their respective directors, officers, members, employees, agents and representatives, including the Administrator, Appeals Official and Board Panel, jointly and severally, individually and in their official capacity, of and from any and all claims, demands, damages and causes of action whatsoever, in law or equity, arising out of or in connection with any decision, act or omission arising under the Integrity Program.

(end of this Manual)

SECTION E
MINIMUM CRITERIA

1. Can the outcome of the Sporting Event or Wager Category be verified? If yes, explain the verification process.
2. Is the Sporting Event generating the outcome conducted in a manner that ensures sufficient integrity controls exist so the outcome can be trusted? Please explain.
3. Is the outcome likely to be affected by any Sports Wager placed? Please explain.
4. Is the Sporting Event conducted in conformity with all applicable laws? Please explain.

SECTION F

THE COMMISSION WILL CONSIDER THE REQUEST, ALL PROVIDED MATERIALS, AND ANY RELEVANT INPUT FROM THE SPORTS GOVERNING BODY OR THE CONDUCTOR OF THE SPORTING EVENT PRIOR TO AUTHORIZING A SPORTING EVENT OR WAGER CATEGORY.

1. NAME OF SPORTS GOVERNING BODY:
2. HAS THE SPORTS GOVERNING BODY BEEN INFORMED OF THIS REQUEST?
IF 'NO' PLEASE EXPLAIN THE REASON BEHIND IT:
3. IF THERE IS NO SPORTS GOVERNING BODY, NAME THE ENTITY THAT CONDUCTS THE SPORTING EVENT:
4. HAS THE ENTITY THAT CONDUCTS THE SPORTING EVENT BEEN CONTACTED REGARDING THIS REQUEST?
IF 'NO' PLEASE EXPLAIN THE REASON BEHIND IT:
5. ON BEHALF OF THE OPERATOR I HEREBY CERTIFY THAT THE RELEVANT PLAYER'S ASSOCIATION HAS BEEN CONTACTED REGARDING THIS PETITION: **YES**



IF ANY OF THE ABOVE ENTITIES HAVE BEEN CONTACTED, PLEASE PROVIDE ADDITIONAL
DETAIL BELOW, INCLUDING BUT NOT LIMITED TO WHEN THE ENTITIES WERE INITIALLY
CONTACTED ABOUT THE REQUEST ANY COMMENTS OR INPUT PROVIDED BY THE ENTITIES:

*NOTE: CONTACT WITH THE RELEVANT PLAYER'S ASSOCIATION IS A MINIMUM EXPECTATION OF THE
COMMISSION FOR SECTION F.*

SIGNATURE AND INFORMATION

*I swear or attest under the pains and penalties of perjury that the information provided as part of this request
for a hearing is true and accurate to the best of my knowledge and understanding.*

John Henry Watts

Signature of individual requesting new event/wager

Date

[If this request is submitted via email, it may be signed electronically by typing the petitioner's name on the
signature line above. In that case, the 'signature' must be preceded by /s/ (e.g.- /s/ John S. Doe). Use of an
electronic signature permits the Commission to rely upon the signature as if it were handwritten.]

Please submit this request and any attachments to the Massachusetts Gaming Commission via email at:
mgcsportswagering@massgaming.gov





TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Brad Hill
Commissioner Nakisha Skinner

FROM: Andrew Steffen, Sports Wagering Operations Manager

MEMO **MEETING**

DATE: May 30, 2024 **DATE:** June 6, 2024

RE: Request to add the Ladies European Tour (LET) to the MGC Event Catalog

BACKGROUND:

Pursuant to [205 CMR 247.03](#), a sports wagering operator must petition the Commission for approval of a new sporting event or wager category. Accordingly, Caesars has submitted the required form to request for the addition of the Ladies European Tour (LET) to be added to the [MA Sports Wagering Catalog](#).

Under 247.03(8), the Commission may grant, deny, limit, restrict, or condition a request made pursuant to this rule, and may revoke, suspend, or modify any approval granted under this rule.

SUPPORTING DOCUMENTS:

Petition from Caesars Sportsbook

OVERVIEW/ LET DETAILS:

The LET is a women's professional golf organization headquartered at Buckinghamshire Golf Club near London, England. Initially formed in 1978 as the Women's Professional Golfers' Association (WPGA), it was renamed in 1988 to the Ladies European Tour. Most of the players on the tour are European, with members from more than 40 countries internationally. The tour operates tournaments across five continents.

In January 2020, to increase playing opportunities for women golfers in Europe, the LET entered into a joint venture arrangement with the LPGA Tour.

The 2024 season, which teed off this past February, consists of 31 events in 20 different countries, partaking in two majors, the Evian Championship and the Women's Open, both co-sanctioned with the LPGA Tour.



MASSACHUSETTS GAMING COMMISSION

PETITION FOR A SPORTING EVENT OR WAGER CATEGORY

In accordance with 205 CMR 247.03

Directions:

Please fill out and address all areas of the form. If an area does not apply to the request, please place 'NA' in the section. Each section will extend to accommodate large answers. If needed, one may attach additional documents. Please make sure any attachments reference the relevant section and number in their title.

SECTION A **BACKGROUND**

1. NAME OF OPERATOR(S) PETITIONING:
2. REQUESTING A SPORTS WAGERING EVENT OR WAGERING CATEGORY:
3. NAME OF EVENT OR WAGERING CATEGORY:
4. IS THIS A VARIATION OF AN AUTHORIZED SPORTING EVENT OR WAGER CATEGORY?
5. IS THIS A COMPOSITE OF AUTHORIZED SPORTING EVENTS OR WAGER CATEGORIES?
6. IS THIS A NEW SPORTING EVENT OR WAGER CATEGORY?
7. PLEASE INDICATE THE JURISDICTION(S) IN WHICH YOU OPERATE WHERE THIS EVENT/
WAGER CATEGORY HAS BEEN APPROVED OR HAS BEEN SUBMITTED FOR APPROVAL:

WEBSITE LINK FOR THE EVENT AND/OR GOVERNING BODY:

SECTION B **A COMPLETE AND DETAILED DESCRIPTION OF THE SPORTING EVENT OR WAGER CATEGORY FOR WHICH APPROVAL IS SOUGHT**

1. A summary of the Sporting Event or Wager Category and the manner in which Sports Wagers would be placed and winning Sports Wagers would be determined.
2. A draft of the proposed House Rules, including a description of any technology that would be utilized to offer Sports Wagering on the Sporting Event or Wager Category.
3. Any rules or voting procedures related to the Sporting Event or Wager Category.
4. Assurance that the Sporting Event or Wager Category meets the requirements of 205 CMR 247.03(4) (*details are required in the minimum criteria section below*).
5. Whether and to what extent the outcome of the Sporting Event or Wager Category is determined solely by chance.



SECTION C
IF THE PROPOSED SPORTING EVENT OR WAGER CATEGORY IS BASED ON ESPORTS ACTIVITIES, PLEASE ANSWER THE FOLLOWING QUESTIONS

1. The proposed location(s) of the eSports event(s).
2. The video game used for the eSports event, including, without limitation, the publisher of the video game.
3. The eSports event operator, whether the eSports event operator is approved to host events by the video game publisher, and whether the eSports event operator has any affiliation with the video game publisher.
4. The manner in which the eSports event is conducted by the eSports event operator, including, without limitation, eSports event rules and certification from a third party, such as an eSports event operator or the game publisher, that the eSports event meets the Commission's event integrity requirements.

SECTION D
POLICIES AND PROCEDURES REGARDING EVENT INTEGRITY

To the extent known by the operator(s), please provide a description of policies and procedures regarding event integrity. What integrity monitoring system is in place for the event? Has the Operator contacted them?



SECTION E
MINIMUM CRITERIA

1. Can the outcome of the Sporting Event or Wager Category be verified? If yes, explain the verification process.
2. Is the Sporting Event generating the outcome conducted in a manner that ensures sufficient integrity controls exist so the outcome can be trusted? Please explain.
3. Is the outcome likely to be affected by any Sports Wager placed? Please explain.
4. Is the Sporting Event conducted in conformity with all applicable laws? Please explain.

SECTION F

THE COMMISSION WILL CONSIDER THE REQUEST, ALL PROVIDED MATERIALS, AND ANY RELEVANT INPUT FROM THE SPORTS GOVERNING BODY OR THE CONDUCTOR OF THE SPORTING EVENT PRIOR TO AUTHORIZING A SPORTING EVENT OR WAGER CATEGORY.

1. NAME OF SPORTS GOVERNING BODY:
2. HAS THE SPORTS GOVERNING BODY BEEN INFORMED OF THIS REQUEST?
IF 'NO' PLEASE EXPLAIN THE REASON BEHIND IT:
3. IF THERE IS NO SPORTS GOVERNING BODY, NAME THE ENTITY THAT CONDUCTS THE SPORTING EVENT:
4. HAS THE ENTITY THAT CONDUCTS THE SPORTING EVENT BEEN CONTACTED REGARDING THIS REQUEST?
IF 'NO' PLEASE EXPLAIN THE REASON BEHIND IT:
5. ON BEHALF OF THE OPERATOR I HEREBY CERTIFY THAT THE RELEVANT PLAYER'S ASSOCIATION HAS BEEN CONTACTED REGARDING THIS PETITION: **YES**



IF ANY OF THE ABOVE ENTITIES HAVE BEEN CONTACTED, PLEASE PROVIDE ADDITIONAL
DETAIL BELOW, INCLUDING BUT NOT LIMITED TO WHEN THE ENTITIES WERE INITIALLY
CONTACTED ABOUT THE REQUEST ANY COMMENTS OR INPUT PROVIDED BY THE ENTITIES:

*NOTE: CONTACT WITH THE RELEVANT PLAYER'S ASSOCIATION IS A MINIMUM EXPECTATION OF THE
COMMISSION FOR SECTION F.*

SIGNATURE AND INFORMATION

*I swear or attest under the pains and penalties of perjury that the information provided as part of this request
for a hearing is true and accurate to the best of my knowledge and understanding.*

John Henry Watts

Signature of individual requesting new event/wager

Date

[If this request is submitted via email, it may be signed electronically by typing the petitioner's name on the
signature line above. In that case, the 'signature' must be preceded by /s/ (e.g.- /s/ John S. Doe). Use of an
electronic signature permits the Commission to rely upon the signature as if it were handwritten.]

Please submit this request and any attachments to the Massachusetts Gaming Commission via email at:
mgcsportswagering@massgaming.gov



SUMMARY:

The current MA Catalog offerings for Golf are as follows:

Sport	Governing Body	League	Website
Golf	International Federation of PGA Tours or its Members	Events sanctioned by the International Federation of PGA Tours or its members	https://www.worldgolfchampionships.com/international federation.html
	International Events	International Events	https://www.worldgolfchampionships.com/international federation.html
	Augusta National Golf Club	Masters Tournament	https://www.masters.com/en_US/index.html
	PGA of America	PGA Championship	https://www.pga.com/
	The R&A	The Open Championship	https://www.randa.org/
	United States Golf Association	U.S. Open	https://www.usga.org/
	The Match Series	The Match Series	https://www.tntdrama.com/capital-ones-the-match

At the time of submission, Caesars informed the Sports Wagering Division this league has been approved for wagering in their 17 jurisdictions of Arizona, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Nevada, New Mexico, New Jersey, Ohio, Tennessee, Virginia, Washington, and West Virginia.

The LET rules are similar to the rules of other golf leagues approved in our catalog. No house rule updates are necessary with the approval of this league.

Lastly, Caesars stated they have informed the LET of its intentions to petition the league for wagering. Caesars also confirmed they sent notification to the LET Players Association.

Based on 247.03(4), certain minimum criteria must be met for the Commission to authorize the addition of the event. Those criteria are outlined below with applicable supporting notes provided.

(a) The outcome can be verified;

Caesars states in their petition the outcome of each event can be verified by the official LPGA website – <https://ladieseuropeantour.com/>.

(b) The Sporting Event generating the outcome is conducted in a manner that ensures sufficient integrity controls exist so the outcome can be trusted;

With the joint partnership with the LPGA, the same integrity measures are in place for all LET players and personnel.

(c) The outcome is not likely to be affected by any Sports Wager placed;

Caesars states the outcome of events will not be affected by a sports wager placed. The LET strictly prohibits game manipulation by athletes, officials, and all league personnel.

(d) The Sporting Event is conducted in conformity with all applicable laws.

Caesars states in their petition the sporting event conforms to all applicable laws and regulations and does not contravene any gaming legislation in the state.

CONCLUSION:

The Sports Wagering division confirms the minimum requirements have been met pursuant to 205 CMR 247.03 and has no reservations approving the Ladie’s European Tour (LET) be added to the event catalog.