



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 | September 26, 2024 | 10:00 a.m.
VIA REMOTE ACCESS: 1-646-741-5292
MEETING ID/ PARTICIPANT CODE: 111 620 1781
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 - #533

1. Call to Order – Jordan Maynard, Interim Chair

2. Meeting Minutes
 - a. December 20, 2022
 - b. August 24, 2023
 - c. October 2, 2023
 - d. November 16, 2023

3. Administration Update – Dean Serpa, Executive Director

4. Community Affairs Division – Joe Delaney, Chief of Community Affairs
 - a. Proposed FY2026 Community Mitigation Fund Guidelines

VOTE
VOTE
VOTE
VOTE



Massachusetts Gaming Commission

5. Sports Wagering – Crystal Beauchemin, Sports Wagering Business Manager; Andrew Steffen, Sports Wagering Operations Manager
 - a. Update to House Rules
 - I. BetMGM VOTE
 - II. MGM Springfield VOTE
 - III. Caesars VOTE
 - b. Commission Consideration to Add Language to Event Catalog to Prohibit Individual Collegiate Awards VOTE

6. Legal – Todd Grossman, General Counsel
 - a. 205 CMR 219.04: Applying for Leave to Obtain a Renewed Temporary License- Regulation and Amended Small Business Impact Statement for final review and possible adoption – Carrie Torrisi, Deputy General Counsel VOTE

7. Research and Responsible Gaming – Mark Vander Linden, Director of Research and Responsible Gaming
 - a. Update on Section 97 player data project

8. Investigations and Enforcement Bureau – Caitlin Monahan, Director of Investigations and Enforcement Bureau
 - a. ~~Update on noncompliance matters related to Temporary Category 3 Sports Wagering Licensee BetMGM, LLC (“BetMGM”), and discussion regarding next steps. Update involves results of GLI Audit of Historical Wagering Data.”— Kathleen Kramer, Interim Chief Enforcement Counsel/Assistant Director, Nate Kennedy, Enforcement Counsel.~~
 - b. Rebrand of the Sportsbook at Plainridge to ESPNBet – Kara O’Brien, Licensing Division Chief

9. Presentation of Workforce and Vendor Diversity Audit of Encore Boston Harbor, MGM Springfield and Plainridge Park Casino– Commissioner Nakisha Skinner; Dean Serpa, Executive Director; Todd Grossman, General Counsel; Dave Muldrew, Chief People and Diversity Officer; Boniswa Sundai, Senior DEI Program Manager; Duffy Leidner, Director, Process Risk Consulting – RSM US LLP; Clara Ewing, Managing Director, Process Risk Consulting – RSM US LLP



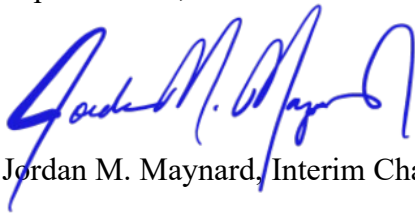
Massachusetts Gaming Commission

10. Commissioner Updates

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

I certify that this Notice was posted as “Massachusetts Gaming Commission Meeting” at www.massgaming.com and emailed to regs@sec.state.ma.us. Posted to Website: September 24, 2024 | 10:00 a.m. EST | Revised 9/25/24 @ 2:00 p.m.

September 24, 2024



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 20, 2022, 10:00 a.m.
Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 768 3893

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 415th 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 stated that awarding a sports wagering license is 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.

2. [Legal Framework relative to the award of a Category 3 sports wagering operator license](#) (02:52)

General Counsel Todd Grossman explained that G.L. c. 23K required the Commission to conduct a full suitability review before the licensure of casino gaming operators. He stated that G.L. c. 23N had a mechanism for the presumption of suitability for licensees that were subject to further review, and that it allows for a temporary license before full suitability.

General Counsel Grossman noted that this proceeding was happening in a public meeting. He stated that if questions were raised related to suitability, they would be addressed during the thorough investigations. He stated that applicants may be deemed eligible to operate under a temporary license.

General Counsel Grossman stated that the Commission would continue its evaluation of the application received by American Wagering Inc. d/b/a Caesars Entertainment (“Caesars”). He stated that the Commission would then recommence its evaluation of Plainridge Park Casino’s application for a category one sports wagering license and following that review, the category three tethered sports wagering application submitted by Penn Sports Interactive (“PSI”).

General Counsel Grossman stated that 205 CMR 218 set out the application’s 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 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 in which to review factors or assign particular weight to the factors. He stated that the Commission may require that the applicant provide additional information or documents that 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 were required to 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 in the course of the application process. He explained 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 a durable finding of 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 make 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 noted that the operator would require an operations certificate before they could begin sports wagering operations in the Commonwealth.

3. Continuation of Application Review from December 14, 2022 (#411) for Category 3 sports wagering operator license submitted by American Wagering, Inc. (Caesars Entertainment, Inc) in accordance with 205 CMR 218.06(3) and (5) (27:09)

Chair Judd-Stein stated that on December 14, 2022, the Commission had reached a consensus that the applicant had met the Commission's expectations in regard to Sections B, C, and F of the application. She stated that the applicant had exceeded the Commission's expectations with respect to Section D of the application.

Chair Judd-Stein stated that the Commission had requested a comprehensive schedule of violations and penalties from the applicant. She stated that supplemental information was requested regarding the ultimate parent company as an entity qualifier. She stated that the Commission had received and reviewed the schedule of penalties and asked the Director of the Investigations and Enforcement Bureau ("IEB") to review the second item.

Director of the IEB Loretta Lillios stated that the parent company's Business Entity Disclosure ("BED") was not submitted to the Commission on December 14, 2022, due to an inadvertent omission by the IEB. She stated that the BED had been submitted and reviewed by the Chief of the Licensing Division. She stated that the submission was substantially complete with no material omissions.

Commissioner O'Brien asked what was missing from the BED submitted. Chief of the Licensing Division, Kara O'Brien stated that the items looked to be complete, but out of an abundance of caution, the Licensing Division was having the applicant confirm that there were no other items that would fall within a particular category. She stated that there were no deficiencies, but that the Licensing Division was seeking for more information, such as docket numbers, for two investigations. Commissioner O'Brien requested that the supplemental materials be provided to the Commission when possible.

Director Lillios stated that the IEB did not perform a review of entity qualifiers but relied upon publicly filed SEC documents. She stated that the Commission was not missing information in its report. Commissioner O'Brien asked if there were any new individual qualifiers based on the information provided by the parent company. Director Lillios stated that individual qualifiers from the parent company were captured during initial scoping and that no new individual qualifiers were identified.

Caesars' Assistant General Counsel, Jeff Hendricks explained that Caesars had supplemented its application with a BED filed on behalf of Caesars Entertainment Inc. and an updated exhibit that included a more comprehensive fine schedule that included all fines applicable to Caesars. He stated that all fines were promptly paid. He requested that the Commission issue a temporary license to Caesars.

Chair Judd-Stein asked if any violations on the schedule would put Caesars at a commercial disadvantage if discussed in public. Mr. Hendricks stated that if there was a matter related to how Caesars addressed team processes or updates to controls then he would prefer the topic to be discussed in executive session. He stated that he would answer all questions publicly to the extent possible.

Commissioner Skinner asked whether the IEB had sufficient time to review the supplemented documentation provided by the applicant. Director Lillios stated that the disciplinary actions submitted dated back to 2019 and that it was not a surprise to see a list of disciplinary actions for an operator active in multiple jurisdictions. She stated that Caesars promptly paid all fines.

Commissioner Hill noted several instances of incidents involving individuals who had been self-excluded. He asked if there were additional protocols or employee training to prevent similar issues from arising. Mr. Hendricks stated that Caesars continued to refine its responsible gaming processes. He stated that Caesars had automated the process to prevent human error to every extent possible. He stated that Caesars conducted an annual audit to ensure the information in the excluded person database was accurate. He stated that Caesars had continual training with all team members to ensure adherence with responsible gaming controls.

Commissioner Skinner stated that the Commission was receiving a summary of the information in the application as part of the IEB's report, but that she expected to receive some type of recommendation from the IEB based upon the information presented by the applicant and its qualifiers. She requested that the Commission receive additional input from the IEB going forward on each application, including a recommendation. Chair Judd-Stein asked to revisit the statutory structure and regulatory framework to determine if this was permissible.

Commissioner O'Brien noted that she shared Commissioner Skinner's discomfort with the process. She expressed the expectation that the IEB would alert the Commission to any issues. She stated that there was an obligation to flag any area in the preliminary reports where concerns arose.

General Counsel Grossman stated that G.L. c. 23N allowed the Commission to determine preliminary suitability before a complete investigation had been conducted. He stated that the IEB was not directed to conduct a full investigation or make a recommendation during the preliminary suitability process. He stated that the applicant was required to certify to the best of its knowledge and belief that it was suitable to hold the license, and that the IEB would conduct

an initial background investigation limited to a review of self-disclosed information and an open-source check. He stated that a full investigation would follow after the finding of preliminary suitability. He stated that it was appropriate for the Commission to inquire into any issues that arise during this process.

Commissioner Skinner stated that she recognized that the Commission voted for this process in the regulation, but that she was not satisfied with the process as currently envisioned. She stated that the IEB's report gave a conclusion reciting facts based upon the applicant's self-disclosures, but that she was looking for a recommendation on suitability even at the preliminary suitability stage. Commissioner Skinner asked if the IEB needed additional information or time in order to convert the conclusion of the IEB's report into a recommendation.

Chair Judd-Stein stated that a recommendation was not envisioned by the regulation at this stage of the review process. She suggested the Commission take a break to allow Commissioner Skinner to consult with the General Counsel. Commissioner Skinner stated that her concerns stemmed from the adoption of such an aggressive timeline related to the issuance of sports wagering licenses. She stated that she raised her concerns, and that she looked forward to her fellow Commissioners opinions on the matter.

Commissioner Hill stated that he respected Commissioner Skinner's concerns, but that the Commission had previously voted to adopt the regulations. He stated that if changes needed to be made to the regulations, the Commission could revisit them at some point in the future. Commissioner O'Brien noted that this process had a sunset provision. She stated that the Commission should be able to request more information on a matter before moving forward. She stated that if an issue needed to be reviewed further, she would include a condition precedent to her vote or a condition on the applicant's license. She stated that the Commission was following an aggressive timeline that relied upon the applicant's self-disclosures. She stated that she had additional questions for Caesars related to the supplemental information provided.

Commissioner Maynard stated that the supplemental information was requested to make a decision on preliminary suitability. He stated that if any applicant violated the process or misled the Commission, the full force of the Commission would be brought to bear. He stated that he was comfortable with the process as outlined in the regulation, provided the Commission received all information required in the application.

Chair Judd-Stein asked if there were any questions relative to the schedule of violations submitted by Caesars. Commissioner O'Brien asked if Caesars had precautions in place to ensure the platform did not go live prior to being authorized to do so, as there were incidents in Iowa and New Jersey.

Mr. Hendricks stated that Caesars continued to refine changes to the management process during implementation. He stated that Caesars had improved communications between the compliance team, technical team, and regulators to ensure all necessary approvals have been received prior to

launching. He stated that Caesars would coordinate with Commission staff and Caesars' independent testing laboratory to ensure that the platform meets all applicable standards. He stated that some of the violations were due to the expansion of the industry in a short time period, and that Caesars had learned from these issues.

Commissioner O'Brien asked if there were any changes to internal controls or compliance plans related to this problem. Mr. Hendricks stated that plans and controls were updated to provide safeguards after each incident. He stated that each item listed on the schedule is reviewed prior to deployment. Commissioner O'Brien asked if any particular protocols were added for launching in a new jurisdiction. Mr. Hendricks stated that Caesars regularly met with regulators prior to launching in a new jurisdiction. He stated that Caesars now performs a final confirmation with a run-through of each step required for the jurisdiction.

Commissioner O'Brien asked what changes were made related to the erroneous acceptance of credit cards due to an error by a third-party vendor. Mr. Hendricks explained that a payment provider did not properly exclude credit card deposits for several operators in a jurisdiction. He stated that Caesars worked with that operator to ensure all card numbers associated with credit cards are excluded from the platform. He stated that Caesars audits this rule to confirm the prohibition on credit cards is in place.

Chair Judd-Stein noted that the Commission previously found a consensus that Caesars had met the Commission's expectations with regard to Sections B, C, and F of the application, and had exceeded the Commission's expectations with respect to Section D of the Application. The Commission reached a consensus that Caesars had met the Commission's expectations with regard to Section E of the application.

Commissioner Skinner noted that the reservations she had raised earlier in the meeting were not exclusive to the review of Caesars application, but a general statement on certain inadequacies in the process. The Commission reached a consensus that Caesars had met the Commission's expectations with regard to Section G of the application.

4. [American Wagering, Inc. \(Caesars Entertainment, Inc\) Category 3 license application determination by the Commission in accordance with 205 CMR 218.07](#) (2:11:33)

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.

General Counsel Grossman stated that there were two options for suitability. He stated that a durable finding of suitability could only be awarded if an applicant had been through an adjudicatory proceeding pursuant to 205 CMR 101, and that durable suitability would not be appropriate as there had not been an adjudicatory proceeding for Caesars. He stated that a preliminary finding of suitability may be awarded based upon certifications made by the applicant and in the IEB's report. He stated that a preliminary finding of suitability would make the applicant eligible for a temporary sports wagering license in accordance with 205 CMR 219.

Commissioner O'Brien stated that given the past practices of the applicant, she would propose a license condition that Caesars not enter into any agreements or relationships for advertising or marketing with any Massachusetts college or university. Chair Judd-Stein asked if this could be addressed by regulation. Commissioner O'Brien stated her preference for imposing the condition, as the regulation related to marketing was not yet in place.

Commissioner Maynard stated that the Commission had not placed this condition on any other applicant. Commissioner O'Brien noted that Caesars had contractual relationships with universities that other applicants had policies to prevent. Chair Judd-Stein stated her preference for marketing restrictions to apply universally for all applicants.

Commissioner Hill asked when the advertising and marketing regulations would be before the Commission. Chair Judd-Stein stated that the Commission would review the marketing regulations on January 12, 2023. Commissioner O'Brien restated that she wanted this restriction as a condition on Caesars' license. Commissioner Skinner stated that she would second the condition, but that she shared Commissioner Maynard's concerns about equity. She stated that she would like to attach the same condition to each applicant absent a universal regulation. Commissioner Hill agreed.

Mr. Hendricks stated that Caesars had no issue adhering to this condition. He requested that the same condition be applicable to all licensees given the competitive landscape. Commissioner O'Brien withdrew her request for a condition as Caesars had represented on the record that they would comply with the Commission's request.

General Counsel Grossman reiterated 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. Chapter 23N, § 10(a).

Commissioner Hill moved that the Commission find based on the application submitted and discussed today and on December 14, 2022, that the applicant American Wagering, Inc. d/b/a/ Caesars Entertainment, has shown by substantial evidence, and met the criteria set forth in G. L. Chapter 23N, as well as 205 CMR 218.06(5) specifically as to subsection 7, that the license award would benefit the Commonwealth; and further that they have established by substantial evidence their qualification 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. 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.

Caesars' representatives thanked the Commission. The Commission thanked Caesars' representatives for their time.

[5. Continuation of Application Review from December 6, 2022 \(#406\) for Category 1 sports wagering operator license submitted by Plainville Gaming Redevelopment, LLC \(d/b/a Plainridge Park Casino\) \("PPC"\) in accordance with 205 CMR 218.06\(3\) and \(5\) \(3:10:12\)](#)

Chair Judd-Stein noted that the Commission had reached a consensus that PPC had met the Commission's expectations with respect to Sections B, C, D, and F of the application. She stated that the applicant had later submitted a letter to supplement their application.

PPC's General Manager, North Grounsell introduced CEO and President of Penn Entertainment, ("Penn") Jay Snowden, Penn's General Counsel, Harper Ko, and Penn's Vice President and Chief Compliance Officer, Chris Soriano.

Mr. Snowden stated that he understood the Commission's concerns related to the November 20, 2022, New York Times article included in the IEB's report. He stated that Penn had submitted a response letter on December 15, 2022, with several exhibits. He explained that Barstool Sports Inc. ("Barstool") was separate from the Barstool Sportsbook that was wholly owned and operated by Penn. He stated that Penn acquired a 36% equity position in Barstool in 2010. He stated that Barstool had over 400 employees working across 95 shows, and that Barstool's audience and revenue had more than doubled since Penn's initial investment.

Mr. Snowden noted that Barstool had ample community engagement as it had donated \$40 million to over 800 small businesses affected by the Covid-19 Pandemic. He stated that twenty-

five of those companies were in Massachusetts. He reported that the Boston Strong Fundraiser had raised \$240,000 for one of the victims of the Boston marathon bombing.

Mr. Snowden stated that Barstool had agreed to exclusively promote Penn's brand and licensed Penn the right to use the Barstool brand for Penn's retail sportsbooks and online sports wagering platforms. He stated that Penn operated retail sportsbooks in thirteen casinos and the online sportsbook in fourteen states. He noted that Penn was set to launch Barstool Sportsbooks at four casinos in Ohio in January 2023. He reiterated that no Barstool employee had control or decision-making authority at the Barstool Sportsbooks. He stated that Barstool was solely Penn's media and marketing partner.

Mr. Snowden stated that Google analytics showed that 85% of Barstool's audience was over the age of 25. He stated that 90% of the podcast audience was over the age of 22. He explained that Barstool acted as a marketing partner, and that Penn established compliance guardrails for Barstool personalities to follow. He stated that the guardrails were included in the Barstool employee handbook which each employee signs.

Mr. Snowden stated that Penn's compliance team monitored Barstool content for violations and provided customized training on responsible gaming to the Barstool team. He stated that Penn provided periodic refresher sessions on this training. He stated that Barstool Sportsbook recently passed the Responsible Gaming Council's Responsible Gaming Check, and that Penn was the first U.S. operator to voluntarily go through the accreditation process.

Mr. Snowden stated that Penn chose not to participate in the New York Times article and was disappointed by the misrepresentations and factual inaccuracies. He stated that several of the comments were taken out of context and that the New York Times did not write about who conveyed certain information. He noted that the article did not include any of the potential positive comments offered by those interviewed.

Mr. Snowden stated that the Barstool College Football Show began in 2019 prior to Penn's investment in Barstool. He stated that two out of seventeen shows in 2022 were located on college campuses. He stated that while sports wagering was referred to on the show, the focus of the show was college football games.

Mr. Snowden stated that the Commission had inquired about Barstool's founder David Portnoy's actions on a show in September in Knoxville, Tennessee. He explained that this event was not organized by Barstool Sportsbook. He stated that the event took place at an off-campus bar and Mr. Portnoy referenced a bet he had made on the game. He noted that while the wager may seem large, that wagering at those levels in and of itself did not constitute problem gambling. He stated that all players were subject to responsible gaming practices that monitored for problem gambling behaviors.

Mr. Snowden stated that Penn had received a notice regarding an advertising violation at the University of Toledo in Ohio. He stated that he would discuss this matter further in executive session. He stated that 86% of the viewers of the Barstool College Football Show were not live, but on YouTube, where 90% of the audience was over the age of twenty-five. He stated that this was well above the AGA marketing code requirement of 73.6% of the audience being above the age of twenty-one.

Mr. Snowden stated that Barstool Sports did not market with colleges or universities. He noted that Barstool worked with over 500 universities to increase mental health awareness. He stated that the Barstool College Football Show would restrict access to any further live shows to those over the age of twenty-one. He stated that Mr. Portnoy had not been part of any investigations, criminal litigation, civil litigation, or financial settlements based on the allegations against him. Mr. Snowden stated that Penn would not partner with Mr. Portnoy if he was how the media portrayed him to be. Mr. Snowden stated that Barstool held a non-gaming vendor registration in Massachusetts since May 20, 2020, and that Barstool holds similar registration and licenses in other jurisdictions.

Commissioner Hill stated that some of Mr. Portnoy's comments flew in the face of what the Commission pushed for in relation to responsible gaming. He asked how Penn would address that. Mr. Snowden stated that Barstool's strength was its relationship with its fan base, and that those who have watched the shows for years would have additional underlying context about statements made. He stated that he would need examples to provide additional context.

Commissioner Hill requested further details about the incident that happened on a college campus in Ohio. Mr. Snowden stated that a show was being hosted on-campus at the university of Toledo. He stated that the mistake made was that the host mentioned that the Barstool Sportsbook would be going live in Ohio in January. He stated that Ohio's regulators should have been consulted to determine whether this was considered advertising. Commissioner Hill stated that data about college games appeared to support the fact that the majority of certain college audiences were well over the age of twenty-one. Mr. Snowden stated that any future show on campus or near campus would require live audience members to be twenty-one or older.

Commissioner O'Brien stated that her concerns were related to PPC and Penn branding their Sportsbooks as Barstool. She stated that she appreciated the supplemental information provided by PSI in relation to the New York Times article. She stated that tying the sportsbooks to the Barstool brand brings both the good, the bad, and the ugly associated with the brand. She stated that while Barstool attracted a new demographic, that demographic was a group vulnerable to addiction.

Commissioner O'Brien stated that it was not solely Mr. Portnoy's conduct that raised concerns. She noted that other media personalities at Barstool, including, Dan Katz, had also said crass things. She stated that Barstool helped Penn's market share, but that it raised questions related to suitability, character, reputation, and honesty of the applicant. She noted that PPC had been

exemplary in responses to the Commission, but that she had a hard time reconciling the branding decision.

Mr. Snowden asked what it was about Barstool that made Commissioner O'Brien uncomfortable. He highlighted the company's diversity amongst staff and listeners; stating that Barstool was more than just young men, and that it brought a diverse audience. He stated that these concerns did not line up with the data and statistics. Mr. Snowden requested that PPC be provided the benefit of the doubt during the temporary license process to allow the Commission to uncover the full information.

Commissioner O'Brien expressed frustration that the response indicated a failure to appreciate and acknowledge the seriousness of the issue and pointed out that she had been asking these questions since Q3 of 2021. She stated that Barstool was not a qualifier for PPC, but still wanted a vetting of Barstool conducted by the IEB. She stated that the entities seemed intertwined, and it was worthy of a review by IEB and a conversation. Mr. Snowden stated that media response is often clickbait and that the most controversial issues were not a full representation of Barstool and its founder.

Commissioner Skinner stated that she shared a lot of Commissioner O'Brien's concerns. She stated that her concerns went beyond responsible gaming and entered the category of responsible relationships. She expressed appreciation for the information shared by PPC and Penn. She stated that she wanted a deeper dive from the IEB and a more fulsome discussion regarding Mr. Portnoy and Barstool as they were tethered to Penn and PPC's branding.

Mr. Snowden stated that there was statistical evidence and positive articles written about Barstool's philanthropic efforts. He stated that the Commission should have access to the positive portrayals of Barstool in addition to the negative. He stated that not all articles are completely factual, and that out of context statements could have people negatively labeled. He stated that the Commission should evaluate the full context and comprehensive information.

Commissioner Maynard stated that the Commission heard one side of the story, but that he wanted to keep an open mind and give PPC a fair shot. Chair Judd-Stein stated that she had initial concerns, but that her mind could be changed with data. She stated that she still had concerns about responsible gaming and stated that the IEB should look into this matter further with Penn's cooperation. She stated that the Commission could still provide temporary licensure while the investigation is ongoing.

Mr. Snowden stated that PPC had provided a fulsome application and responded to concerns raised by the Commission on December 6, 2022. He stated that changes had been made to ensure the live audience at the Barstool College Football Show was over the age of twenty-one. He stated that there was more positive information about Barstool for the Commission to review.

Chair Judd-Stein stated that PPC's initial presentation was excellent with respect to everything but the association with Barstool. She stated that there was still conflicting messaging between some of David Portnoy's statements and responsible gaming.

Commissioner O'Brien stated that she was happy to hear about the changes to live audiences. She noted that in the Ohio matter, the host went beyond stating the launch date and included statements about preregistration offers. She welcomed additional information from Mr. Snowden if there was more, he wanted to share now or within an executive session. Mr. Snowden stated that while Barstool did not believe itself to be in violation, he recognized that they should not have assumed that they were in compliance with the law and should have checked with the regulator beforehand. He assured the Commission that this will not happen again.

Commissioner O'Brien stated that on December 11, 2022, the Barstool College Football Show broadcast from a parking lot next to the Army-Navy game. She indicated that she had questions after having reviewed the video in question. Commissioner O'Brien had pulled the video of that show, and a panning of the audience looked pretty young to her. She asked Mr. Snowden whether there had been mechanisms in place to ensure that the audience for this show were all twenty-one or older. Mr. Snowden stated that he was not certain but that all shows going forward would check the IDs of the audience.

Commissioner Skinner noted that in the December 15, 2022, letter it was indicated that Barstool could not take certain marketing actions without approval from Penn appointees to Barstool's Board of Directors, if the action would have an adverse effect on Penn's gaming license. She asked what type of marketing actions would be deemed risks that require this approval.

Mr. Snowden stated that there were nuances in each jurisdiction's laws and regulations, and that Penn ensured a thorough understanding of expectations related to the approval of Barstool content. He stated that these guardrails related to responsible gaming, age, alcohol usage, and other factors specific to each jurisdiction.

Commissioner Skinner asked if an advisory or guidance was issued to Barstool informing the personalities of the requirements and types of marketing for which they must seek approval. Mr. Snowden stated that this policy had been in place for more than two years. Commissioner Skinner thanked Mr. Snowden for the clarification that it was not a new initiative.

Chair Judd-Stein asked if the on-air talent group went through the guardrail training. Mr. Soriano stated that each employee went through that training, and that the Board's Compliance Committee regularly developed enhancements for the program. Chair Judd-Stein stated that while watching recordings of some of the personalities it was not clear that they received all of the guardrail concepts. She stated that she had concerns and that she had raised similar questions during other applications with respect to third-party affiliate marketers. She asked if Penn had control over Barstool's content. Mr. Snowden stated that PSI would have control over the

portions of the Barstool conduct that would pertain to gaming and sports wagering. He stated that Barstool abides by the responsible gaming protocols and guardrails established by Penn.

Commissioner O'Brien stated that she thought the commission as a whole needed to further discuss how to handle third party marketers who don't rise to the level of a qualifier but need to be vetted. She further stated the structure of Penn's relationship with Barstool might be such that it could in the future affect the reputation and character of the licensee without necessarily qualifying as a qualifier. She stated that there might be a mechanism for the Commission to conduct suitability for certain third-party marketers. Mr. Snowden stated that it was within the Commission's authority but asked that it be applied equally across all applicants. Commissioner O'Brien stated that the nature of a licensee's relationship with the marketing partner was part of the Commission's analysis.

Commissioner Maynard asked if Penn would notify the Commission before announcing the go-live date and how to sign up at any event. Mr. Snowden stated that Penn would notify the Commission and acknowledged the error that occurred in Ohio. He stated that Penn would pay the fines and that they had internal conversations to ensure this mistake would not happen again.

Commissioner Maynard asked what benefits the Barstool brand would bring to PPC. Mr. Snowden stated that Barstool had a very loyal fanbase that originated in Massachusetts. He stated that Penn anticipated one of the highest-ranking market shares in Massachusetts due to the fanbase loyalty. He stated that a lot of Barstool fans might be confused if the platform was not offered in Massachusetts.

Chair Judd-Stein asked if the Commission had a consensus whether PPC had met the Commission's expectations with respect to Sections E and G of the application. Commissioner Skinner noted that the application met her expectations with the caveat that the IEB needed to conduct a more thorough investigation, even for preliminary suitability. She expressed an interest in attaching conditions to the applicant's license.

General Counsel Grossman noted that the Commission had awarded a durable finding of suitability to each of the other category one gaming licensees. He stated that if there were outstanding issues the Commission believed would benefit from a full IEB investigation, then the Commission could look to a preliminary finding of suitability. He stated that for a preliminary finding of suitability the Commission would have to find substantial evidence of suitability based upon the information presented. He stated that this was consistent with the way the Commission reviewed and evaluated all other applications not in category one.

Commissioner O'Brien stated that she wanted additional details related to the Barstool College Football Show at the Army-Navy game, and whether those under the age of twenty-one were in the audience. She stated that she wanted a full suitability review of Barstool as a condition on PPC and PSI's licenses. She stated that it should be a fulsome review of the company as a media marketing branch of the licensee without distinction of who was an independent contractor.

Penn's Michael West stated that no IDs were checked for the live audience at the Army-Navy game.

Chair Judd-Stein stated that she wanted to ensure that the IEB understood the scope of Commissioner O'Brien's request and how that would affect the IEB's investigative work. Commissioner O'Brien stated that she viewed Barstool as an entity qualifier that was intertwined with both this applicant and PSI. She stated that a condition on licensure should be that Barstool undergoes a suitability review as if it was an entity qualifier.

Director Lillios stated that the IEB anticipated investigating Barstool in light of the upcoming transaction where Penn would obtain 100% ownership of Barstool in February. She stated that this condition would accelerate the review instead of performing ongoing suitability in February.

Chair Judd-Stein asked if Commissioner O'Brien's proposal was reaching beyond the Commission's authority. Commissioner O'Brien noted that the Commission had previously directed the IEB to conduct further suitability review of Wynn when a matter arose in the public realm. Chair Judd-Stein questioned whether Barstool would have to be a qualifier for the IEB to investigate.

Mr. Snowden requested that PPC receive a temporary sports wagering license while the full suitability investigation was being conducted. Commissioner O'Brien noted that PPC had an existing category one gaming license, and that there was a question whether there was clear and convincing evidence to disturb that finding of suitability. She stated that for that to be determined, the Commission would need a full IEB report on Barstool. She stated that this issue arose in connection with PPC and PSI's applications for sports wagering, but that Barstool might not fall under the category of entity qualifiers. She stated that the investigation into Barstool impacted two different licenses and two different postures.

Chair Judd-Stein stated that the Commission needed additional information, but that the information could be gathered when the entity is under temporary licensure subject to further investigation. Commissioner O'Brien stated that the temporary license should be subject to the condition that a full suitability investigation is conducted by the IEB on Barstool as a qualified entity.

Chair Judd-Stein requested clarity regarding how Barstool fit into Penn's corporate governance structure. Mr. Snowden stated that an executive session might be appropriate. Mr. Soriano stated that the media entity discussed by Commissioner O'Brien is Barstool Sports Inc., not the Barstool Sportsbook. He stated that Penn is taking 100% ownership of Barstool in February. He stated that further review could be conducted by the IEB, and that Penn would cooperate with that. He stated that Barstool would likely not meet the definition of an entity qualifier, but that Penn would cooperate with additional review by the IEB.

Ms. Ko asked if this condition would be attached to PSI or PPC. Commissioner O'Brien stated that the condition would apply to both applicants. She stated that more information was needed before moving forward on the applicant's license. Executive Director Wells stated that the IEB typically designated qualifiers and would likely provide this information to the Commission as part of ongoing suitability reviews. She stated that it was more consistent with past practices to move forward with the investigation rather than having the Commission add a qualifier that is not part of the statutory or regulatory structure.

Commissioner O'Brien explained that Barstool was not listed as an entity qualifier, and that she wanted the review of qualifiers to include Barstool. Chair Judd-Stein stated that due to the corporate governance structure and control the Commission could not necessarily get to the entity it was most interested in. She stated that she felt compelled to honor the statute and regulatory scheme. Commissioner O'Brien stated that it was not overstepping the Commission's authority because Penn had a pending acquisition of Barstool in February. She stated that the only barrier appeared to be that Penn did not currently have complete ownership of Barstool.

Commissioner Skinner asked what the extent of the investigation into Barstool would be if Barstool was not designated an entity qualifier. Director Lillios stated that the IEB could investigate areas that potentially overstepped on responsible gaming or inconsistencies with cultural integrity as it relates to the brand. She stated that a lot could be done without designating Barstool as a qualifier. She noted that designating Barstool as an entity qualifier required the designation of individuals to be fingerprinted, and that the IEB might not have that authority if Barstool was not designated an entity qualifier.

Director Lillios stated that the IEB would want to see the transaction with Barstool occur before making requests. She stated that a lot could be done without the formal qualifier designation piece. She recommended that the IEB develop a plan and revisit qualification in due course. Commissioner Skinner stated that this approach was no different than the approach applied to every other applicant with respect to full suitability.

Chair Judd-Stein noted that category one applicants were treated differently by statute, and that other category one applicants were awarded durable suitability with no further investigation. She stated that Mr. Snowden had offered to undergo the temporary license process due to the Commission's requests for more information which created a distinction. Commissioner O'Brien agreed.

General Counsel Grossman stated that the request appeared to be that regardless of what scoping might find that the IEB designate Barstool as an entity qualifier. He stated that an issue arose related to fingerprinting, and that the IEB might not be able to fingerprint Barstool employees if Barstool did not qualify as an entity qualifier by statute. He stated that the IEB could conduct a background investigation, but that CORIs might not be run on the individuals in Barstool.

Commissioner Hill stated that he was comfortable moving forward with a temporary license, and that more information could be uncovered during the investigation. He stated that he was fine with Commissioner O'Brien's proposed condition, but that he believed that the Commission would receive that information going forward regardless of the condition.

Commissioner Maynard expressed that he wanted the treatment of applicants to be equitable and that other category one applicants each received a durable finding of suitability. He stated that he had full faith in the IEB and that he was not comfortable with the proposed condition.

Commissioner Skinner sought clarification regarding what Penn had proposed. Mr. Snowden stated that Penn was requesting that PPC move forward on a temporary licensure basis and to let the full suitability investigation play out in its normal course.

Commissioner O'Brien reworded her request and asked for a fulsome and full investigation of Barstool by the IEB without limitation in connection with Barstool's branding as it related to PPC and Penn. She stated that this language would address the fingerprint issue.

Chair Judd-Stein asked what this further investigation would look like. Director Lillios stated that the IEB would anticipate full cooperation from PPC, Penn, and Barstool as of February when they were fully owned by Penn. She stated that Penn had always been cooperative with the IEB, and that the IEB could develop an investigation plan with that cooperation. She stated that temporary licensure would give the IEB sufficient time to conduct this investigation. Executive Director Wells stated that this approach would satisfy what Commissioner O'Brien wants and allow the IEB to investigate with no limitations.

Chair Judd-Stein stated that there would be expanded responsibility in February as Penn would own and control all content that Barstool uses for promotion and advertising. Mr. Snowden stated that was correct. Chair Judd-Stein asked if there was less control in the interim period. Mr. Snowden stated that there were guardrails in place, but that there would be more official policy once the transaction with Barstool was complete.

[6. Plainville Gaming Redevelopment, LLC \(d/b/a Plainridge Park Casino\) \("PPC"\) Category 1 license application determination by the Commission in accordance with 205 CMR 218.07 \(5:35:46\)](#)

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 there were two options for suitability. He stated that a durable finding of suitability could only be awarded if an applicant had been through an

adjudicatory proceeding pursuant to 205 CMR 101, and that the applicant was not pursuing a durable finding of suitability.

General Counsel Grossman stated that a durable suitability finding could be premised on the applicant's ongoing suitability proceedings under G.L. c. 23K. He stated that if there were outstanding issues that would benefit from further review from the IEB, the Commission could then look at a preliminary finding of suitability standard outlined in 205 CMR 215. He stated that under preliminary suitability the standard shifts from clear and convincing evidence to substantial evidence standard.

He stated that a preliminary finding of suitability may be awarded based upon certifications made by the applicant and in the IEB's report. He stated that a preliminary finding of suitability makes the applicant eligible for a temporary sports wagering license in accordance with 205 CMR 219.

General Counsel Grossman noted that the Commission identified two conditions to attach to the license pursuant to 205 CMR 220.01. He stated that the first condition was that the applicant and presumptive licensee agreed that no person under the age of twenty-one years old would be allowed at its live shows. He stated that the second condition was that the licensee fully cooperate with the IEB, which would conduct a fulsome investigation without limitation of Barstool and its connection with the branding of the licensee.

Mr. Snowden asked if this condition was in place of designating Barstool as a qualifier. Commissioner O'Brien stated that was correct, and that the change in language addressed the statutory issue. Director Lillios stated that the IEB could conduct a relevant full investigation without the qualifier status. Mr. Snowden stated that Penn would have mechanism in place to prevent those under twenty-one from attending the Barstool College Football Show's live shows.

Commissioner Maynard asked why the Commission was not considering a finding of durable suitability for the category one applicant. Chair Judd-Stein stated that Mr. Snowden had requested preliminary suitability which allowed for temporary licensure as the Commission had requested additional details related to Barstool. She stated that durable suitability did not require further investigation.

Commissioner Maynard asked why the IEB would not investigate further at the time Penn acquires Barstool in February. General Counsel Grossman stated that a durable finding of suitability required no further background investigation. Director Lillios stated that it could be looked into as part of the ongoing suitability reviews. Chair Judd-Stein stated that under statute temporary licensure could be granted subject to rules and regulations pursuant to G.L. Chapter 23N, § 6.

Commissioner O'Brien stated that durable suitability was not being considered because some Commissioners had requested additional information regarding Barstool's branding.

Commissioner Maynard stated that he would treat PPC the same as the other two category one applicants.

The Commission reached a consensus that PPC had met the Commission's expectations with regard to Section E of the application. The Commission reached a consensus that PPC had met the Commission's expectations with regard to Section G of the application. Commissioner O'Brien stated that she still wanted the condition related to investigating Barstool.

Commissioner Maynard inquired as to why the Commission was not moving for durable suitability with regard to this applicant. He stated that durable suitability could be found and that the IEB would still have authority to investigate Barstool. General Counsel Grossman stated that durable suitability required clear and convincing evidence that PPC had demonstrated its suitability, and that there were concerns raised by the Commission where it might not be possible to get to that clear and convincing level.

Ms. Ko stated that PPC had maintained suitability for the past seven years and that PPC was subject to continued investigation to maintain the finding. Chair Judd-Stein stated that suitability was always ongoing, but that the Commission had to take a vote around the factors enumerated. She stated that the Commissioners had different levels of comfort with voting on suitability, and something would have to spark an investigation if PPC had durable suitability. Ms. Ko stated that Penn's upcoming acquisition of Barstool could spark the investigation for ongoing suitability.

Commissioner O'Brien expressed that she did not find clear and convincing evidence for a category one sports wagering request without the further information requested as a condition on the license. She stated that she would vote no on durable suitability. Chair Judd-Stein stated that she wanted as much information as possible and recommended preliminary suitability as Mr. Snowden requested. She stated that she was aligned with Commissioner O'Brien on this matter.

Commissioner Skinner agreed with Chair Judd-Stein. Commissioner Skinner noted that Mr. Snowden had requested temporary licensure, and that there was no need to have further debate on whether suitability should be preliminary or durable. She stated that the decision was made easier due to Mr. Snowden offering a path forward with temporary licensure.

Commissioner Maynard stated that he was open to learning more, but that he wanted to ensure that Mr. Snowden was aware of the full implications of what he was saying. Commissioner Maynard stated that he agreed that there should be an ongoing investigation but expressed hesitancy in treating PPC different from the other category one applicants.

Mr. Snowden stated that durable suitability was ideal but that he was listening to the Commission's questions and concerns. He stated that PPC was comfortable with an investigation to the extent described and that Penn would cooperate. He stated that the investigation was likely

to happen whether PPC pursued durable suitability or temporary suitability. He stated that Penn was comfortable with PPC moving forward with temporary suitability.

Commissioner Hill agreed with Commissioner Maynard and stated that he was ready to move forward. Commissioner O'Brien stated that she would move on temporary licensure with the conditions described.

Commissioner O'Brien moved that the Commission find based on the application submitted and what was discussed today and on December 6, 2022, that the applicant Plainville Gaming and Redevelopment, LLC d/b/a Plainridge Park Casino, has shown by substantial evidence that they have satisfied the criteria set forth in G.L. c. 23N as well as 205 CMR 218.06(5) and that the license award would benefit the Commonwealth and further that they have established by substantial evidence their qualification for preliminary suitability in accordance with 205 CMR 215.01(2) and 205 CMR 218.07(1)(a) and that this approval be subject to the requirements of G.L. c. 23N and the requirements set forth in 205 CMR 220.01 in addition to the two conditions allowable by 205 CMR 215.01(2)(d)(2) as previously stated by General Counsel, specifically that the licensee agrees not to allow the attendance of anyone under the age of twenty-one at their shows for the Barstool College Football Show, and second that the licensee fully cooperate with the Commission's IEB without limitation in conducting an investigation of Barstool Sports Inc. in connection with the licensee's branding of the licensee. Commissioner Skinner seconded the motion.

Chair Judd-Stein asked if suitability had to be separated from the other factors. Commissioner O'Brien noted that suitability has the same standard as the other factors for temporary licensure. Commissioner Maynard stated that he would vote for the preliminary finding of suitability, but that he believed PPC had met the requirement for a durable finding of suitability with the investigation condition. Commissioner Hill agreed.

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 PPC and Penn's representatives for their time. The Commission reached a consensus to adjourn for the evening and review PSI's application on January 3, 2023.

7. [Other Business](#) (6:19:44)

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

Commissioner Maynard 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 15, 2022
2. [Commissioner's Packet from the December 20, 2022](#), meeting (posted on massgaming.com)



Massachusetts Gaming Commission Meeting Minutes

Date/Time: August 24, 2023, 10:00 a.m.
Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 978 3706

The Commission conducted this public meeting remotely utilizing collaboration technology. 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 Jordan Maynard

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

Chair Judd-Stein called to order the 474th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and Chair Judd-Stein, Commissioner O'Brien, and Commissioner Hill were present.

Chair Judd-Stein noted that Commissioner Skinner would not be joining the meeting as she was on vacation and that Commissioner Maynard would be joining the meeting later after his flight landed.

Chair Judd-Stein stated that as Secretary of the Commission Commissioner Maynard typically introduced the minutes, and that the Commission would move that item until later in the meeting when he would be available.

2. [Administrative Update](#) (01:28)

Gaming Agents Division Chief Burke Cain provided a casino update. He stated that Plainridge Park Casino ("PPC") was in the final stages of the expansion of their sports bar and the casino floor. He stated that PPC also initiated the Penn Heroes program, which is a loyalty program for

servicemembers who serve the country. He stated that PPC also had initiatives through employment scholarships.

Chief Cain stated that MGM Springfield (“MGM”) was celebrating its five-year anniversary. He stated that MGM had a commemorative chip to celebrate the anniversary. He stated that MGM hosted celebrations for new inductees into the Nate Smith Basketball Hall of Fame.

Chief Cain stated that Encore Boston Harbor (“EBH”) was once again running the feed the funnel volunteer program which packs and distributes meals to local Boston communities.

Chair Judd-Stein noted that the Commission had sent congratulations to MGM for their five-year anniversary.

a. [Overview of FY23 Financial Gaming Obligations](#) (05:15)

Chief Cain presented an overview of the FY23 financial gaming obligations with topics including DOR intercepts, expired vouchers, expired unclaimed jackpots, VSE payments, and underage forfeited wagers. The *FY23 financial gaming obligations presentation* was included in the Commissioners’ Packet on pages 20 through 21.

Chair Judd-Stein sought a reminder regarding the DOR interceptions. Chief Cain stated that if a patron wins a jackpot of \$1,200 or larger or a table game progressive jackpot with a payout more than 300-1, then the patron’s information would be run through the DOR system to check for any tax arrears or outstanding child support obligations. He noted that the three casinos intercepted more than \$3,600,000 in FY23 and stated that the system is working.

Commissioner Hill noted that payments by those on the voluntary self-exclusion list had increased and asked how those who are on the self-exclusion list were able to make bets. Chief Cain stated that identification may not be requested from patrons who look over the age of thirty and that player cards were not required for slot machines. He stated that those on the voluntary self-exclusion list often were not identified until they hit a jackpot and were required to identify themselves. He stated that individuals on the voluntary self-exclusion list were less likely to play table games as the games often required player cards. Chair Judd-Stein suggested that the responsible gaming division could address how protections could be improved.

3. [Community Affairs Division](#) (10:55)

a. Encore Boston Harbor Quarterly Report (Q2)

Senior Vice President and General Counsel from EBH Jacqui Krum, Legal Executive Director from EBH Juliana Catanzariti, and Executive Director of Security from EBH Tom Coffey presented EBH’s Q2 quarterly report with topics including revenue, taxes, lottery sales, employment diversity, recruiting, operation spending, compliance, human resources initiatives, promotions, and special events. The *EBH Q2 quarterly report presentation* was included in the Commissioners’ Packet on pages 22 through 64.

Chair Judd-Stein noted that lottery sales for Q2 were significantly higher and asked if there was anything EBH could credit for that. Ms. Krum stated that EBH had done a major lottery giveaway. Commissioner Hill asked if there were more patrons than in 2022. Ms. Krum stated that the number of patrons fluctuates, but there did not seem to be an appreciable difference in the total number of patrons from the previous year. Chair Judd-Stein stated that women candidates emerged strongly qualified for sports wagering positions and commended EBH for their employment diversity data.

Mr. Coffey explained that one underage individual had accessed the gaming floor as part of a high-profile celebrity's entourage. He stated that a twenty-year old son of the celebrity went to a restaurant on the gaming floor. He noted that this underage individual did not drink or gamble, but that the underage person accessed the game floor. Commissioner O'Brien asked if it was the duty of the casino or the restaurant to request identification from the underage individual. Mr. Coffey stated that the underage individual should have been carded to access the floor and would have been carded had they tried to purchase alcohol.

Commissioner O'Brien asked how EBH became aware that some IDs passed Veridocs. Mr. Coffey stated that sometimes a Veridocs machine will glitch and not flag an identification as fake, but another Veridocs will be able to identify the identification as fake. He stated that fake identifications were mostly flagged by subsequent checks with another Veridocs machine.

b. [Plainridge Park Casino Quarterly Report \(Q2\)](#) (31:39)

General Manager of PPC North Grounsell, Vice President of Finance from PPC Heidi Yates-Akbaba, and Vice President of HR from PPC Kathy Lucas presented PPC's Q2 quarterly report with topics including revenue, workforce diversity, vendor diversity, compliance, responsible gaming, the lottery, and community outreach. The *PPC Q2 quarterly report* was included in the Commissioners' Packet on pages 65 through 78.

Commissioner O'Brien asked how PPC was able to determine that those escorted off the gaming floor were minors. Mr. Grounsell stated that the individuals attempted to access the floor through an unauthorized entrance and that PPC staff encountered them there.

Chair Judd-Stein asked if the younger demographic associated with the sportsbook introduced any new challenges. Mr. Grounsell stated that the casino patrons skewed more male during sporting events but that it did not present any challenges related to security and underage gaming. He stated that PPC was confident with the procedures in place.

Chair Judd-Stein inquired about the total number of sportsbook employees. Ms. Lucas stated that the sportsbook had eighteen total employees. Commissioner Hill asked when the restaurant would be opening. Mr. Grounsell stated that PPC would determine the opening date and share that with the Commission soon.

4. [Sports Wagering Division](#) (47:44)

a. [Penn Sports Interactive Quarterly Report \(Q2\)](#)

Senior Director of Compliance from Penn Sports Interactive (“PSI”) Adam Kates, Deputy Chief Compliance Officer from PSI Samantha Haggerty, and Vice President of Finance from PSI Greg Cordivari presented PSI’s Q2 quarterly report with topics including revenue, workforce diversity, vendor diversity, compliance, responsible gaming, the lottery, and community outreach. *PSI’s Q2 quarterly report* was included in the Commissioners’ Packet on pages 79 through 94.

Commissioner Hill asked what type of vendors were used for mobile sports wagering. Mr. Kates stated that he would consult with his team and get that information to the Commission. Commissioner Hill stated that he was curious as to the differences between mobile sports wagering and brick-and-mortar locations. Chair Judd-Stein stated that Sports Wagering Business Manager Crystal Beauchemin would develop a template of what the Commission wants to see during the quarterly reports.

Chair Judd-Stein commended PSI for introducing a loss limit to their platform. She stated that Director of Research and Responsible Gaming Mark Vander Linden would be interested in seeing how many patrons utilize this feature. Commissioner Hill commended PSI’s outreach and charity work and continuing conversation with the Massachusetts Lottery. He stated that he looks forward to the Q3 report to see how these areas develop.

b. [Caesars Sportsbook Quarterly Report \(Q2\)](#) (1:05:16)

Vice President of Compliance and Licensing from Caesars Sportsbook (“Caesars”) Lisa Rankin, Digital Compliance Manager from Caesars Curtis Lane, Senior Vice President of Corporate Social Responsibility from Caesars Heather Rapp, and Vice President of Procurement from Caesars Dave Schulte presented Caesars quarterly report with topics including revenue, workforce diversity, vendor diversity, compliance, responsible gaming, lottery engagement, and community outreach. *Caesars Q2 quarterly report* was included in the Commissioners’ Packet on pages 95 through 106.

Commissioner O’Brien stated that it was good to hear that the operator had initiated a conversation with the lottery. Commissioner Hill stated that the lottery is important to both the Commission and the Commonwealth, and expressed appreciation that Caesars had reached out to the lottery.

Chair Judd-Stein sought clarification regarding Caesars’ 21+ enhanced gaming policy. Mr. Lane explained that Caesars was requiring all patrons to be twenty-one years or older in all jurisdictions even in jurisdictions where eighteen is the minimum age allowed.

Commissioner Hill applauded Caesars for their community outreach with Meals on Wheels, Boys and Girls Club of America and the National Park Trust. He stated that he cares deeply about the Meals on Wheels organization. Ms. Rapp stated that it is a fantastic organization

c. [Caesars Sportsbook Request for Temporary Waiver from Reporting Requirement 205 CMR 255.04 \(5\)](#) (1:28:15)

Sports Wagering Business Manager Crystal Beauchemin explained that Caesars had requested a temporary waiver from the reporting requirement in 205 CMR 255.04(5) pertaining to play management. She stated that Caesars requested the waiver through October 15 so that they could design the report and data points. She stated that once the report is designed Caesars should submit the data from July, August, and September retroactively.

Mr. Lane stated that the data the Commission requires is not something that could be tracked manually. He stated that Caesars anticipated implementing the automated report and delivering the Commission the requested data on October 15.

Commissioner O'Brien asked how long this regulation was in effect. Deputy General Counsel Caitlin Monahan stated that 205 CMR 255 was voted for final promulgation on June 29 and went into effect a few weeks after that. Commissioner O'Brien asked if any other operator had requested this waiver. Ms. Beauchemin stated that she had received reports from all but one operator, but that the other operators were able to turn it around in August. Commissioner O'Brien asked if it could be implemented before October 15. Mr. Lane stated that if it could be delivered sooner it would be. He stated that Caesars understood the urgency of this report and would get it implemented as soon as possible, but that October 15 was the more realistic timeline.

Transcriber's Note: Commissioner Maynard joined the meeting.

Commissioner Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue a waiver to Caesars Sportsbook from the reporting requirement outlined in 205 CMR 255.04(5) through October 15, 2023, as granting the waiver meets the requirements of 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N. Commissioner O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

d. [Sports Wagering Operator Requests for Temporary Waivers from Certain Provisions of 205 CMR 257 and 205 CMR 238](#) (1:44:31)

Ms. Beauchemin explained that several operators had requested a waiver from requirements outlined in 205 CMR 257 and 205 CMR 238, which were finalized on August 8 and would be going into effect on September 1. She stated that the operators needed time to evaluate what

work needed to be performed to provide an accurate timeline for the implementation of 205 CMR 257. She stated that the majority of the requests were for sixty days, which would be on or around October 31, to do scoping and initial work to determine a timeline for their waiver extensions. The *waiver requests and a memorandum* were included in the Commissioners' Packet on pages 110 through 183.

Chair Judd-Stein asked if the Commission was still waiting for comments on 205 CMR 257. Deputy General Counsel Monahan stated that 205 CMR 257 had been finalized and would go into effect on September 1. Commissioner O'Brien asked if the requests were roughly the same or if there was nuance between the different requests. Ms. Beauchemin stated that the operators needed time to scope the issue, and that Betr's request was for December 30 as they had to develop a form for 205 CMR 257. She suggested granting a uniform waiver to all operators with the option of granting Betr's waiver until December 30.

Chair Judd-Stein stated that the timeframe would allow the Commission staff to engage with the operators to provide any clarity that is required. She stated that an option available to the Commission was to hold a roundtable on the topic of 205 CMR 257. Outside Counsel from the law firm Anderson and Krieger Attorney Mina Makarious stated that a roundtable could be beneficial to help operators identify what technical work needs to be performed to comply with the regulation.

Mr. Makarious noted that the regulation had language that had technical requirements and language that listed restricted and prohibited behaviors. He stated that while it would be useful to have a roundtable to discuss implementation of the regulation, the list of prohibited behavior should not be a topic.

Commissioner O'Brien asked if the operators could implement any of 205 CMR 257 in the immediate future, or whether they would need until October 15 to assess the entire regulation. Ms. Beauchemin stated that she did not think anything could be implemented prior to October 15. She recommended that the operators have some form of reporting component if the plan they develop is lengthy. She stated that there will not be a clear timeline until scoping is performed.

Commissioner O'Brien expressed that she wanted the roundtable to discuss the practicality and challenges of implementing 205 CMR 257 rather than relitigating the contents of 205 CMR 257. Chair Judd-Stein asked if the operators were having difficulty with technical implementation or if the issues were related to complying with the prohibited behaviors. Ms. Beauchemin noted that the operators were still identifying what their challenges were and seeking clarity regarding the Commission's interpretation of the regulation. She stated that the prohibitions did not seem to be as much of an issue. She stated that implementing the data privacy piece and developing the opt-in for their platform was the bigger issue.

Ms. Beauchemin stated that operators had expressed an interest in getting insight from data experts at the roundtable. Mr. Makarious stated that it would make sense to have data privacy experts alongside the stakeholders as it could help operators with implementation. He stated that

having the Attorney General’s Office, GLI, or another technical vendor at the roundtable would be beneficial. Chair Judd-Stein agreed.

Commissioner Hill expressed support for a roundtable regarding this regulation. Commissioner Maynard agreed with Mr. Makarios that the roundtable should focus on the implementation of the regulation. Commissioner Maynard stated that it would be helpful to have an independent technical expert explain how difficult implementation would be. He expressed concern that the memorandum listed the term “years.” Chair Judd-Stein asked if GLI would be sufficient as an independent technical expert. Commissioner Maynard stated that he wanted to ensure any technical expert was independent and not tied to an operator, but that he did not have a specific entity in mind.

Commissioner O’Brien reiterated that she wanted the roundtable to discuss implementation of the regulation without having to rehash policy arguments. She stated that she shared Commissioner Maynard’s concerns about the mention of extending the implementation until the end of 2024 in the memorandum. The Commission reached a consensus to hold a round table on 205 CMR 257.

Chair Judd-Stein noted that the Commission would have to grant a waiver on this regulation in the meantime. Mr. Makarios suggested a sixty-day waiver until November 1, with the understanding that operators are asked to provide further detail and implementation plans. Ms. Beauchemin noted that November 17 would better align with the Commission’s meeting schedule. Chair Judd-Stein noted that Betr was looking for a waiver until December 30, but that the possibility of another waiver, if necessary, could be revisited after the roundtable.

Commissioner Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue a waiver to all licensed sports wagering operators from the requirements outlined in 205 CMR 257 and in the internal control requirements outline in 205 CMR 238.02(7)l and 205 CMR 238.02 (7)m through November 17, 2023, as granting the waiver meets the requirements of 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N. Commissioner O’Brien seconded the motion.

Roll call vote:

Commissioner O’Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

e. [Encore Boston Harbor – Update to House Rules](#) (2:10:28)

Interim Sports Wagering Operations Manager Andrew Steffen explained that EBH had requested a change to their general rules section fourteen so that winning wagers would be rounded up to the nearest penny. He stated that the sports wagering division confirms that all of the requirements of 205 CMR 247.02 had been met and that the sports wagering division had no

concerns about approving the change. *A memorandum detailing EBH's request to change their house rules* was included in the Commissioners' Packet on page 184.

Commissioner O'Brien moved that the Commission approve the amendments to the house rules submitted by the category one sports wagering operator Encore Boston Harbor as included in the Commissioners' Packet and discussed here today. Commissioner Hill seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

f. [Plainridge Park Casino – Update to House Rules](#) (2:13:51)

Mr. Steffen explained that PPC had requested to change section fourteen of their house rules so that any error, including computer, algorithm, software malfunctions, mechanical, typing, technical, or human errors which lead to erroneous odds or obvious price errors would be deemed void with Commission approval or paid out at the correct price at the sole discretion of the sportsbook.

Mr. Steffen stated that PPC had also updated section sixteen with language taken directly from GLI 33 regarding standards by which the operator must make information available to the public. *A memorandum detailing PPC's request to change their house rules* was included in the Commissioners' Packet on page 185 through 186. He stated that the sports wagering division confirms that all of the requirements of 205 CMR 247.02 had been met and that the sports wagering division had no concerns about approving the changes.

Commissioner O'Brien expressed concern about giving the operator sole discretion. She stated that the Commission had a significant discussion regarding what was considered an obvious error. She stated that she agreed with requiring Commission approval to void a bet for this type of error, but the option to pay out the bet seemed to be in contravention to what the Commission previously decided. She stated that she did not believe there was a distinction in referring to it as a palpable error rather than an obvious error.

Deputy General Counsel Monahan stated that the Commission decided that if there was an issue deemed to be an obvious error the operator required Commission approval to cancel the wager. She stated that she was unsure if the Commission addressed whether approval was needed for the operator to pay out the error bet. Commissioner O'Brien suggested that the operator rewrite this section of their house rules to require the Commission approval to have the bet paid out at a different rate than what was offered in error. She stated that the Commission approval should

encompass both clauses. Chair Judd-Stein recommended that the Commission could approve the changes in section sixteen and request a rewrite of the changes in section fourteen.

Commissioner O'Brien moved that the Commission approve the amendment to the house rules submitted by the category one sports wagering operator Plainridge Park Casino as specified as Section A, Introduction, #16 and included in page 185 to 186 in the Commissioners' Packet and further discussed here today. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

Mr. Steffen stated that he would contact PPC regarding rewriting section fourteen.

g. [MGM Springfield - Update to House Rules](#) (2:21:30)

Mr. Steffen stated that MGM had updated their house rules to change language regarding customer care, settlement rules and changes to the rules for baseball, boxing, mixed martial arts, American football, and golf. A memorandum detailing MGM's request to change their house rules was included in the Commissioners' Packet on page 187 through 191.

Mr. Steffen stated that the sports wagering division confirmed that all of the requirements of 205 CMR 247.02 had been met and that the sports wagering division had no concerns about approving the changes.

Commissioner Maynard noted that multiple operators had updated their baseball house rules and asked if anything had caused that change. Mr. Steffen stated that the changes were just additions to pre-match wagers, player prop bets, and clarifying changes to the language.

Commissioner Hill moved that the Commission approve the amendments to the house rules submitted by the category one sports wagering operator MGM Springfield as included in the Commissioners' Packet and discussed here today. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

h. [BetMGM - Update to House Rules](#) (2:25:14)

Mr. Steffen explained that BetMGM had requested changes to their house rules to launch the same game parlay plus feature and include other changes regarding customer care, settlement rules, and changes to the rule of baseball, boxing, mixed martial arts, American football, and golf. He explained that same-game parlay plus was a parlay that includes at least one same-game parlay and additional straight-selections or same-game parlays from other events. He stated that this feature allowed patrons to add wagers from other events onto their parlay wager.

Mr. Steffen stated that the sports wagering division confirmed that all of the requirements of 205 CMR 247.02 had been met and that the sports wagering division had no concerns about approving the changes. *A memorandum detailing BetMGM's request to change their house rules* was included in the Commissioners' Packet on page 192 through 198.

Commissioner Maynard moved that the Commission approve the amendments to the house rules submitted by the category three sports wagering operator BetMGM as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

i. [Betfair Interactive US, LLC \(FanDuel\) – Update to House Rules](#) (2:28:52)

Mr. Steffen explained that FanDuel had requested a change to their house rules to change the rules regarding dead heats, American football, and ice hockey and apply technical corrections to their rules for Australian Baseball and motorsports. *A memorandum detailing FanDuel's request to change their house rules* was included in the Commissioners' Packet on page 199 through 228.

Mr. Steffen stated that the sports wagering division confirmed that all of the requirements of 205 CMR 247.02 had been met and that the sports wagering division had no concerns about approving the changes.

Commissioner O'Brien noted that a change referenced a start-time delayed more than two-hours past official start time, and asked if there were league caps on how late delays could occur. Mr. Steffen noted that the provision referenced was specifically for American football.

Commissioner O'Brien asked if that's the longest an NFL game had been delayed. Mr. Steffen stated that he would have to research the topic.

Chair Judd-Stein sought clarification regarding the all-in section of the NFL draft. Mr. Steffen stated that in an all-in bet, if one selection is out of order the entire bet loses. Commissioner O'Brien noted that several operators had changed their golf rules and inquired whether anything

caused that. Mr. Steffen stated that the sports wagering division was not aware of any specific reason for these changes.

Commissioner Maynard moved that the Commission approve the amendments to the house rules submitted by the category three sports wagering operator Betfair Interactive US, LLC d/b/a FanDuel as included in the Commissioners' Packet and discussed here today. Commissioner Hill seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

j. [Event Catalog Addition Request – Pickleball](#) (2:37:06)

Mr. Steffen explained that FanDuel had submitted a petition for the Professional Pickleball Association's Carvana PPA Tour to be added to the sports wagering event catalog. The *event catalog addition request* was included in the Commissioners' Packet on pages 229 through 237.

Mr. Steffen explained that the PPA tour was approved for wagering in Connecticut, Illinois, Wyoming, Michigan, Tennessee, Colorado, Maryland, and Washington, and had pending approval in New Jersey, Pennsylvania, and Arizona. He stated that FanDuel's submission answered every applicable question and provided supplemental info. He noted that no incidents were reported by U.S. Integrity regarding this event. He stated that the operator had received explicit approval by the PPA commissioner on behalf of the PPA Tour to submit wagering applications in all jurisdictions where the operator is licensed to operate.

Chair Judd-Stein stated that it seemed like FanDuel was working prospectively on integrity matters and stated that she wanted to ensure integrity policies were implemented. Mr. Steffen stated that U.S. Integrity did not flag any integrity issues. He stated that FanDuel and the PPA were working with Sportradar to implement integrity policies for training players and referees. Chair Judd-Stein expressed concern that the language regarding integrity in the application seemed to be prospective rather than in-place.

Commissioner O'Brien stated that while nothing implies there is an integrity issue, she was concerned that the language "currently working to implement" seemed like the integrity protections were not fully implemented. She asked why this event had not been approved in the three states in which it was pending. Mr. Steffen stated that he would follow up with FanDuel's compliance team regarding why the event is pending in those jurisdictions.

Chair Judd-Stein stated that she would want more information whether it was normal for an integrity program to be ongoing. Commissioner Maynard suggested that it may be pending in the

other jurisdictions as the event was requested but not scheduled for a vote yet. He stated he wanted clarification and answers regarding the questions posed by Chair Judd-Stein and Commissioner O'Brien.

Chair Judd-Stein suggested that the Commission vote on the minutes while Mr. Steffen followed up with FanDuel regarding the status of the PPA's integrity system.

5. [Meeting Minutes](#) (2:47:12)

a. January 27, 2023

Commissioner Maynard noted that the vote on the last page of the January 27, 2023, minutes should have been listed as a 4-0 vote rather than a 5-0 vote. He stated that Associate General Counsel Judith Young had since made that correction. He requested that the Commission wait to vote on the February 2, 2023, minutes to allow Commissioner Skinner the opportunity to comment as she was present at that meeting.

The *January 27, 2023, public meeting minutes* were included in the Commissioners' Packet on pages 4 through 8. The *January 30, 2023, public meeting minutes* were included in the Commissioners' Packet on pages 9 through 12.

Commissioner Maynard moved that the Commission approve the minutes from the January 27, 2023, and January 30, 2023, public meetings that are included in the Commissioners' Packet subject to any necessary corrections for typographical errors or other non-material matters. Commissioner Hill seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

Mr. Steffen stated that he was able to speak to a representative from FanDuel. He stated that the PPA was pending in New Jersey, Pennsylvania, and Arizona because some jurisdictions take longer to review and approve the request. He stated that the pending status was not due to integrity concerns or issues with the sport.

Mr. Steffen stated that the PPA had a press release stating that they had completed their integrity training with Sportradar. He stated that all members of the sports are trained or near completion of the training. Commissioner O'Brien asked if the language in the request could be changed to active present tense. Mr. Steffen replied that it could.

Commissioner Hill moved that the Commission amend the official catalog of events and wagers to include the Professional Pickleball Association Carvana PPA Tour as included in the Commissioners' Packet and discussed here today. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

6. [Community Affairs Division](#) (3:21:56)

a. Continued Discussion of Potential Modifications to the Community Mitigation Fund

Chief of the Community Affairs Division Joe Delaney stated that the community affairs division had developed a framework of potential changes for the Community Mitigation Fund discussed on July 27. The *framework for potential changes to the Community Mitigation Fund* was included in the Commissioners' Packet on pages 238 through 245.

Chief Delaney stated that on August 10, a meeting was held with over forty grantees in attendance. He stated that general feedback was that the community affairs division had successfully identified the challenges to the program. He stated that the grantee communities expressed a preference that the guidelines be more prescriptive in describing the impacts from the casinos and more guidance as to possible solutions.

Chief Delaney stated that the comments received at the August 10 meeting were largely in support of the block grant structure as it would create a more level playing field between the eligible communities.

Chief Delaney stated that Local Community Mitigation Advisory Committees and the Subcommittee on Community Mitigation had met, and comments were in support of more prescriptive guidelines and the block grant approach. He stated that the main concern raised was how the formula for the block grants would be calculated. He stated that a representative from the City of Springfield stated that host communities should get a larger share of funds as they take up a larger burden.

Chief Delaney stated that the block grant approach would not work for some of the Community Mitigation Fund programs like workforce development and the funding of district attorneys' offices. He stated that while there would be a municipal block grant program for eligible communities there would also be program set-asides to capture these other categories. Chief Delaney recommended that all funds generated by the casinos go into the block grant program. He noted that Region A had approximately \$12,000,000 in the fund and Region B had

\$4,000,000 in the fund. He noted that category two facility PPC was within the boundaries of Region A.

Chief Delaney stated that \$1,000,000 per year is spent on the workforce development grant program, but the Commission could consider increasing those amounts. He noted that only the Hampden district attorney's office had requested money. He stated that the community affairs division would meet with other district attorneys' offices to gauge their interest in participating as funds were available.

Chief Delaney stated that whether funding continues for the Hampden's sheriff office is a policy question for the Commission. He stated that funding could also be set aside for regional agencies such as the Pioneer Valley Planning Commission and Metropolitan Area Planning Council. He noted that the Community Mitigation Fund had unused balances which could be dedicated to funding the set-aside programs. He stated that the community affairs division would develop application forms for the district attorneys' offices and would continue the existing competitive process for the workforce grant.

Chair Judd-Stein inquired whether any district courts ever sought funding. Chief Delaney stated that the statute specifically includes the funding of district attorneys' offices, but did not include the courts.

Chief Delaney stated that the envisioned structure for the municipal block grant program would be to receive a single application from the community covering all projects the community intends to fund. He stated that the funds would be based on a formula that is yet to be developed. He stated that there would be five categories of projects: transportation, community planning, public safety, gambling harm reduction, and specific impacts. He proposed having a targeted minimum of 15% of the funding being spent in each of the first four categories and 40% of the funding that could be moved between categories. He expressed that the community affairs division wanted to see the funding spread out between the various categories.

Chief Delaney stated that the guidelines would list identified casino impacts, eligible projects, ineligible projects, and the 15% minimum target spending per category. He stated that in the example in the framework the Commission had reviewed traffic studies and determined there are a number of impacts from traffic. He stated that examples of ways to address the impacts would also be included in the guidelines.

Chief Delaney noted that the categories would still have restrictions, such as the cap on transportation construction grants requiring that the grant is capped at one-third of the project cost. He stated that a lot of the examples of how to address the impacts were based on projects the Commission had approved in the past.

Chief Delaney stated that examples of ineligible projects included repaving projects, unless the repaving project improves safety or traffic flow. He stated that aesthetic improvements are ineligible. He stated that projects that don't address an identified impact from the casino are ineligible.

Chief Delaney stated that speed-boards and traffic safety equipment should be in the public safety category and not the transportation category. He noted that Director Vander Linden and the responsible gaming division use a consultant company called Greo and stated that the community affairs division would use that consultant as well. He stated that the community affairs division would do literature reviews from other jurisdictions that are similar to Massachusetts to help identify more known casino impacts.

Chief Delaney stated that the block grant distribution formula would need to be developed. He stated that identified criteria for the formula included distance from the casino and traffic distribution. He stated that other potential criteria the Commission could consider included casino employee residency, payments made under the host and surrounding community agreements, whether the formula should be tailored for each region, and whether there should be a minimum payout. He stated that the Local Community Mitigation Advisory Committees were opposed to having money generated in one region going to the other region.

Chief Delaney stated that the block grant process could get plans submitted by the end of January. He stated that the applicants would have flexibility to amend their plan. He stated that once finalized the project plans would be brought to the Commission for final review and approval.

Chief Delaney noted that some communities requested the funds from the grant be allowed to cover administration costs. He stated that the Commission did this for the workforce grants and recommended allowing 7.5% of the funds to be used for administration costs. He stated that this might help get funds out to the communities. He stated that he could bring a rough draft of the amended Community Mitigation Fund guidelines and draft of potential distribution forms. He stated that any policy questions could be addressed at that point.

Commissioner O'Brien expressed concern about funding administration costs. She stated that if 7.5% administration costs were allowed for each category it would be 30% of the funds. Program Manager Lily Wallace noted that the 7.5% funding for administrative costs was for the entire grant and not per category. Commissioner Maynard noted that with a larger grant 7.5% could allow for a salary to be paid for an employee who writes grant applications. Commissioner O'Brien stated that she was not sold on using funds to cover administration costs here.

Chief Delaney stated that at one of the meetings he was told that the federal community development block grant allowed 20% of the funding to be used for administrative purposes. He stated that he would research and double check that information. Commissioner Hill noted that smaller towns had difficulty applying for grants as they did not have sufficient personnel. He stated that paying the administration costs was a good opportunity for smaller towns to get access to funding.

Ms. Wallace stated that if the Commission chose to allow the funding to be used for administration costs that a cap could be placed on larger grants. She noted that 7.5% of \$200,000 was very different than 7.5% of \$1,000,000. Chair Judd-Stein stated that 7.5% could be

impactful as a whole. Ms. Wallace stated that most state grants allowed for 5% to 10% for administrative costs.

Commissioner Hill expressed support for the block grant structure. He stated that over 90% of those who spoke at the committee meetings supported the block grant structure. He stated that it would be easier for the Commission to implement this program in comparison to the current structure. He stated that a block grant structure would benefit the municipalities and the Commission.

Chair Judd-Stein recommended the Commission develop a robust evaluative process for auditing these grants. She stated that follow-up steps were a best practice for grant programs. Chief Delaney stated that the community affairs division was already conducting meetings with communities regarding their closeout procedures and record keeping requirements.

Commissioner O'Brien stated that in her background she had seen allegations of misspending of grants that did not have specific reporting requirements. She questioned what reporting responsibilities the grantees would have for the administrative costs. Chief Delaney stated that quarterly reports were required from all grantees and that payment was tied to quarterly reports.

Ms. Wallace stated that she would look into what is done for the workforce grant program and the reporting requirements used in other grant programs. Chief Delaney stated that in the workforce grant if funds are used for administrative purposes, the grantee is required to report a tally of the hours spent working on the project. He stated that this is standard in most grant programs. Ms. Wallace noted that police patrols that were funded submitted their timesheets.

Commissioner O'Brien asked if any concerns were raised at the committee meetings. Chief Delaney stated that a representative from the department of revenue inquired as to why the Commission wants to push out more funds when the applications are not coming in. Chief Delaney stated that even the Commission's researchers had difficulty connecting certain impacts to the casinos. He stated that it was difficult for a community to identify and quantify the impacts clearly. He stated that the Commission should assist the communities define the impacts and solutions so that the grantees could focus on implementation.

Commissioner O'Brien asked if a municipality could identify an impact that was not included in the guidelines. Chief Delaney stated that there was a category for specific impacts. He stated that the municipality would have to provide justification for those projects and stated that Saugus's air pollution analysis from the prior year was a good example.

Chief Delaney stated that the work plans differed from applications and allowed the process to be more collaborative. Ms. Wallace stated that none of the grantees had raised concerns regarding the structure of the block grant, but that they had expressed an interest in seeing the formula for funding.

The Commission reached a consensus to have the community affairs division continue developing the formulas for block grants. Commissioner Maynard stated that he thought the new structure would get more projects funded.

b. [North Attleboro Community Mitigation Fund 2021 Reserve Grant Change in Scope](#)
(4:10:20)

Chief Delaney stated that North Attleboro received a Community Mitigation Fund reserve grant of \$100,000 in 2021 to do a traffic study of Kelley Boulevard. He said that a developer had since proposed an apartment complex and was required to do a study of Kelley Boulevard. He stated that it was discovered that significant improvements were required for the street in the amount of \$6,200,000. He stated that North Attleboro had requested that the reserve grant be used toward the construction on Kelley Boulevard. He noted that the \$100,000 was well under the Commission's limits on transportation construction grants. He stated that the community affairs division recommended allowing this change. A *memorandum regarding North Attleboro's request* was included in the Commissioners' Packet on pages 246 through 247.

Commissioner Hill moved that the Commission approve a change in scope to the North Attleboro 2021 reserve grant of \$100,000 to use the funds for construction of proposed improvements rather than a traffic study of Kelley Boulevard as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0.

Transcriber's Note: Commissioner Hill left the meeting.

7. [Legal](#) (4:14:03)

Deputy General Counsel Monahan stated that 205 CMR 230 and 205 CMR 256.05 were coming to the Commission for final votes and that the amendments to 205 CMR 219 and 205 CMR 231 were appearing before the Commission for the first time.

a. [205 CMR 230: Review of a Proposed Agreement with a Category 3 Licensee – Review of Regulation and Amended Small Business Impact Statement for final adoption, and filing](#) (4:14:56)

Mr. Makarious presented the changes to 205 CMR 230. The *draft of 205 CMR 230 and amended small business impact statement* were included in the Commissioners' Packet on pages 248 through 252. Mr. Makarious stated that no comments were received regarding this regulation.

Commissioner O'Brien moved that the Commission approve the amended small business impact statement and draft of 205 CMR 230 as included in the Commissioners' Packet and discussed here today and further that staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to finalize the regulation promulgation process. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 3-0.

b. 205 CMR 256.05: Advertising to Youth – Review of Regulation and Amended Small Business Impact Statement for final adoption, and filing (4:16:47)

Mr. Makarios presented the changes to 205 CMR 256.05. The *draft of 205 CMR 256.05, public comments, and amended small business impact statement* were included in the Commissioner's Packet on pages 253 through 258.

Mr. Makarios stated that this regulation was subject to a ninety-day waiver which expires in September. He stated that one question was received seeking clarification as to whether the inclusion of "21+" language was required for branding in locations viewable by television broadcasts but not inside the venue, and whether the language was required for branding imposed on the venue during broadcast.

Mr. Makarios stated that the language in the statute was worded as "displayed on signage or fixed structure at a sports venue where it is likely to be viewed." He stated that based on that definition, if the branding could be viewed via broadcast the regulation applies. He stated that this regulation would not apply to superimposed logos shown on a broadcast as the operator might not have full control over the implementation in the broadcast.

Commissioner O'Brien moved that the Commission approve the amended small business impact statement and draft of 205 CMR 256.05 as included in the Commissioners' Packet and discussed here today and further that staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to finalize the regulation promulgation process. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 3-0.

c. 205 CMR 219: Temporary Licensing Procedures – Discussion and Review of Regulation and Small Business Impact Statement for possible emergency adoption, and/or authorization to begin the promulgation process (4:22:18)

Mr. Makarios presented the proposed changes 205 CMR 219. The *draft of 205 CMR 219 and amended small business impact statement* were included in the Commissioners' Packet on pages 259 through 274.

Commissioner O'Brien asked if the revision of 205 CMR 219 was a rework of the temporary license procedure based on the Commission's earlier conversations. Mr. Makarios stated that it was a rework going into the future now that the first phase of licensing had been completed. Mr. Makarios stated that the primary difference was the level of review going into the third year of temporary licensing. He stated that the third year required an update to preliminary suitability while the fourth and fifth years are pro forma reviews.

Chair Judd-Stein sought clarification regarding the process in the third year. Mr. Makarios stated that the operator would be required to submit an application for leave to obtain a new license. He stated that the Commission had raised concerns that five years for a temporary license was a long time for reviews to be ongoing. He stated that this change allowed the operator to request an extension with the rationale that suitability is not yet completed. Chair Judd-Stein stated that the full-suitability process should be completed sooner than five years absent extreme circumstances.

Commissioner O'Brien stated that this approach balanced the Investigation and Enforcement Bureau's ("IEB") sufficiency with cooperation on behalf of the applicant. She stated that the Commission did not want temporary operators operating for extended periods while only paying the \$1,000,000 temporary licensing fee.

Mr. Makarios stated that the regulation balanced ongoing integrity, efficiency, fairness to the full licensees, and fairness to the operator. He stated that year three would require a new preliminary suitability review while the other years would have a pro forma renewal.

Commissioner Maynard stated that this regulation solves a complicated problem that may never arise. He stated that this solution incentivizes cooperation and moving forward quickly. Chair Judd-Stein asked if there was a provision if an operator was not cooperative. Mr. Makarios stated that non-cooperative operators were addressed in 205 CMR 212. He stated that the Commission had sanctions and opportunities to intervene.

Commissioner Maynard moved that the Commission approve the small business impact statement and the draft of 205 CMR 219 as included in the Commissioners' Packet and discussed here today and further that the staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth by emergency and thereafter to begin the regulation promulgation process, and further that the staff be authorized to modify chapter or section numbers or titles to file additional regulation sections as reserved or to make any other administrative changes as necessary to execute the regulation promulgation process.

Commissioner Maynard asked if this regulation had to be voted on by emergency. Mr. Makarious replied that it did. Commissioner O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 3-0.

d. [205 CMR 231: Renewal of a Sports Wagering License – Discussion and Review of Regulation and Small Business Impact Statement for possible emergency adoption, and/or authorization to begin the promulgation process](#) (4:41:49)

Mr. Makarious presented the proposed changes to 205 CMR 231. The *draft of 205 CMR 231 and amended small business impact statement* were included in the Commissioners' Packet on pages 275 through 279.

Outside Counsel from Anderson and Krieger Attorney Paul Kominers stated that G.L. Chapter 23N § 6(f) provided that full licenses may be renewed for a five-year period upon the payment of a \$5,000,000 renewal fee and that the operator continue to meet all requirements under G.L. Chapter 23N and the regulations of the Commission.

Chair Judd-Stein asked if the language in this regulation was based off of the renewal language for gaming licensees. Mr. Kominers stated that the legal team used 205 CMR 218 and did not review the G.L. Chapter 23K regulations. Mr. Makarious stated that 205 CMR 218 was based on the gaming regulation equivalent. He stated that the renewal is an easier process as the Commission knows the entity and what issues need to be addressed.

Chair Judd-Stein noted that for PPC's gaming license renewal the Commission held a public hearing, and asked if that process was required. Commissioner O'Brien stated that the public hearing process is done yearly for racing licenses, and stated that it could be required for consistency. Deputy General Counsel Monahan stated that a public hearing was a statutory requirement for racing.

Mr. Kominers stated that 205 CMR 218 did not require a public hearing on renewing an application. He expressed that the Commission should not impose more public hearing requirements for renewals than were on the initial application. Commissioner O'Brien asked if the regulation could allow the Commission the option to hold a public hearing. Mr. Kominers stated that the option for a public hearing could be added to section seven. Commissioner Maynard expressed support for receiving public feedback at hearings and giving the Commission discretion to hold hearings during the renewal process.

Commissioner O'Brien moved that the Commission approve the small business impact statement and the draft of 205 CMR 231 as included in the Commissioners' Packet and discussed here

today and specifically as further amended today and that staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to begin the regulation promulgation process, and further that the staff be authorized to modify chapter or section numbers or titles to file additional regulation sections as reserved or to make any other administrative changes as necessary to execute the regulation promulgation process. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 3-0.

8. [Permanent Executive Director Hiring Process](#) (4:52:52)

Chair Judd-Stein suggested that this agenda item be rolled over to another meeting to allow for Commissioner Skinner and Commissioner Hill to have input in the process. Commissioner O'Brien agreed.

9. [Commissioner Updates](#) (4:54:21)

The Commissioners had no updates to share.

a. [Farewell to Director of the IEB Loretta Lillios](#) (4:55:07)

Chair Judd-Stein stated that Director of the IEB Loretta Lillios had made consistent and meaningful impacts during her tenure with the Commission. She stated that Director Lillios was a rigorous collaborator that set industry standards for legal investigative writing. She stated that Director Lillios was thorough and paid attention to detail in every facet of her position. She stated that Director Lillios should be proud of the team she inspired.

Commissioner O'Brien stated that when she considered joining the Commission, one of the factors that made the decision easier was that Director Lillios worked there. She stated that she never doubted Director Lillios' legal analysis and positions taken. She recalled Director Lillios' ability to have a news reporter voice during a cutting cross-examination.

Commissioner Maynard stated that Director Lillios was passionate and empathetic as a public servant. He stated that Director Lillios had a good grasp not only on statutes and regulations but with people and policy. He stated that he looked forward to a continued friendship with Director Lillios.

Chief Enforcement Counsel Heather Hall stated that Director Lillios was a shining example of leadership and an anchor when dealing with challenging times. Financial Investigations Division Chief Monica Chang stated that the financial investigations team thanked Director Lillios for her positive impact and leadership.

Chief Cain stated that Director Lillios was a first ballot hall-of-famer in his book and that it was fun to have her as a boss and friend. Director of Sports Wagering Bruce Band stated that it was a pleasure knowing Director Lillios for the past ten years and that he hoped she would keep in touch.

Chief of the Licensing Division Karalyn O'Brien stated that Director Lillios provided instrumental leadership, guidance, and tireless dedication. Deputy General Counsel Monahan stated that it was a pleasure to learn from Director Lillios.

Office Operations Manager Maryann Dooley thanked Director Lillios for her kindness over the years and her guidance. Chief Financial and Accounting Officer Derek Lennon stated that Director Lillios' wit and dry humor would be missed alongside her wealth of knowledge at the agency.

Senior Enforcement Counsel Kathleen Kramer echoed the sentiments shared and stated that Director Lillios was a steady presence when the IEB was addressing a crisis. Financial Investigator Stephanie Butler stated that she admired Director Lillios' leadership and that Director Lillios set the bar high for the team.

Mr. Steffen stated that he would miss the guidance and knowledge Director Lillios gave to the gaming agent division. Enforcement Counsel Zach Mercer stated that Director Lillios was always a welcoming presence and a calm in tough situations. Senior Equity Diversion and Inclusion Program Manager Boniswa Sundai stated that the leadership shown by Director Lillios was tremendous.

Chair Judd-Stein stated that while Commissioner Hill and Commissioner Skinner were not present, each of the Commissioners had signed a certificate to present to Director Lillios. She stated that the certificate read:

On this 25th day of August 2023, the Massachusetts Gaming Commission proudly presents the certificate of appreciation to Loretta Lillios in sincere appreciation for her distinguished service to the Massachusetts Gaming Commission and the Commonwealth of Massachusetts. Loretta Lillios as deputy general counsel, chief enforcement counsel, and director of the investigations and enforcement bureau led the agency in its historic implementation of casino gaming and sports wagering in the Commonwealth. A person equipped to address with ease the most complex of matters, Director Lillios has served with the utmost integrity to advance the interest of the Commonwealth effectively building a dedicated internal team while nurturing positive relationships with industry stakeholders. The Commission extends its profound gratitude for her extraordinary and impactful contributions, tireless professionalism, and exceptional tenure as a public servant from April 2014 to August 2023.

Director Lillios expressed appreciation and thanks for all of the comments and the certificate. She stated that the agency meant so much to her. She stated that she did not take for granted the people who worked together as a team at the Commission. She stated that she had worked with all divisions and was impressed by the professionalism and expertise of colleagues. She stated that the future of the agency is in good hands. She thanked the Commission and stated that it was a privilege to be part of the team.

10. [Other Business](#) (5:20:58)

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

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

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 3-0.

List of Documents and Other Items Used

1. [Revised Notice of Meeting and Agenda](#) dated August 23, 2023
2. [Commissioner's Packet](#) from the August 24, 2023, meeting (posted on massgaming.com)



Massachusetts Gaming Commission Meeting Minutes

Date/Time: October 2, 2023, 10:00 a.m.
Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 250 0143

The Commission conducted this public meeting remotely utilizing collaboration technology. 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 481st Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. [Minute Minutes](#) (01:02) a. February 14, 2023

The *February 14, 2023, public meeting minutes* were included in the Commissioners' Packet on pages 5 through 13.

Commissioner Maynard moved that the Commission approve the minutes from the February 14, 2023 public meeting that are included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or other non-material matters. 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.

3. [Administrative Update](#) (1:54)

Interim Executive Director and General Counsel Todd Grossman stated that there were updates related to the workforce and supplier diversity audit and a request for information (“RFI”) relative to an update of the Commission’s licensing system.

Senior Diversity, Equity, and Inclusion Program Manager Boniswa Sundai stated that Commission staff were in the process of a workforce and supplier diversity audit with Encore Boston Harbor (“EBH”), Plainridge Park Casino (“PPC”), and MGM Springfield (“MGM”). She stated that initial meetings had been conducted with each licensee, and that in-person interviews were conducted with EBH and PPC. She stated that MGM’s interview was delayed due to MGM’s cybersecurity issues, and was now scheduled for Friday, October 6, 2023.

Ms. Sundai stated that phase two of the audit was the planning phase where the audit team would perform testing and draft reports. She stated that the final phase of the audit would be for the staff to deliver the reports to the Commission. She stated that EBH and PPC were in phase two of the audit and stated that the audit would likely be complete by mid-November. Commissioner Skinner stated that the licensees were being receptive and cooperative with the audit.

Licensing Division Chief Karalyn O’Brien explained that the Commission was currently using multiple licensing systems. She stated that the licensing division met with stakeholders to determine how to transition to a single licensing system that is user friendly. She stated that a RFI was posted so that the Commission could receive a better understanding of technology available. She stated that questions were due by October 10, 2023, and responses were due by October 30, 2023, at 3p.m.

4. [Legislative Update](#) (09:45)

Commissioner Hill stated that the legislature started to override some of the vetoes put forth by the governor. He stated that none of the vetoes were regarding issues the Commission oversees.

5. [Investigations and Enforcement Bureau](#) (11:02)

a. Encore Boston Harbor Request for Amendment to Beverage License

Licensing Manager David MacKay stated that EBH had requested an amendment to their gaming beverage license to add a new portable bar to the restaurant Red 8. He stated that the licensing

division had reviewed this request and recommended approval. He stated that the scope of review included verification of the licensed manager and a site inspection. A *memorandum from the licensing division and EBH's request* were included in the Commissioners' Packet on pages 14 through 19.

Commissioner Hill sought clarification as to where the bar was located. Licensing Manager MacKay stated that it would be a portable bar in the Red 8 restaurant. Chair Judd-Stein asked if there were any concerns about storage or surveillance of the portable bar. Licensing Manager MacKay confirmed that there were not concerns.

Commissioner Skinner moved that the Commission approve Encore Boston Harbor's application to amend its gaming beverage license to update the Red 8 licensed area to include a portable bar as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien 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.

b. [IEB Report on Branding Relationship between Penn Sports Interactive and Barstool Sports and Barstool College Football Show](#) (16:39)

Enforcement Counsel Zach Mercer stated that the Investigations and Enforcement Bureau ("IEB") submitted a report to the Commission exploring the marketing relationship between category three sports wagering operator Penn Sports Interactive ("PSI"), category one sports wagering operator PPC, Barstool Sports ("Barstool"), and the Barstool College Football Show.

Mr. Mercer stated that PSI had two conditions on their license. He stated that the first condition was that PSI must cooperate with the IEB in conducting an investigation of Barstool in connection with its branding of PSI. He stated that the second condition was to ensure that all audience members at Barstool College Football Show events were over the age of twenty-one.

Mr. Mercer stated that PSI and PPC were subsidiaries of Penn Entertainment ("Penn"). He stated that Barstool holds a non-gaming vendor registration with the Commission, and that Barstool was registered or licensed in some capacity in seven jurisdictions.

Mr. Mercer explained that Penn paid an initial \$163,000,000 for an ownership interest of 36% of Barstool on February 20, 2020. He stated that on February 17, 2023, Penn acquired the remaining interest in Barstool for \$388,000,000. He stated that Barstool provided marketing and media content for PSI and PPC. He stated that when Penn acquired 100% of Barstool, Barstool's

founder David Portnoy was moved into a role developing and overseeing content. He noted that there was a loan-out agreement that allowed Mr. Portnoy to work as an independent contractor.

Mr. Mercer stated that Penn had indicated that Mr. Portnoy lacked the authority of a management figure within Barstool. He stated that Penn had presented Mr. Portnoy's public disagreements with Penn's personnel decisions as evidence that he lacked management authority.

Mr. Mercer stated that on June 5, 2023, Mr. Portnoy had made reference to his involvement in contract and salary negotiations with another Barstool employee. He stated that the IEB had contacted Penn inquiring as to how they could reconcile Mr. Portnoy's statements with the claims that he did not have a management role. He stated that Penn reiterated that Mr. Portnoy lacked management authority and indicated that Mr. Portnoy had no influence or corporate authority to act in regard to the employee's relationship with Barstool.

Mr. Mercer stated that after the IEB's inquiry Penn had announced their partnership with ESPN and announced the sale of Barstool back to Mr. Portnoy on the same date. He noted that following the divestiture of interest in Barstool, PSI had continued to use the name Barstool Sportsbook.

Mr. Mercer stated that Barstool had indicated that it treated PSI in the same manner as other advertisers, and that Penn's purchase of Barstool did not change the editorial focus of Barstool. He stated that both entities stated that Penn had the ultimate say in terms of direction of content.

Mr. Mercer stated that Barstool did not have a specific compliance plan, but Barstool employees received an employee handbook and Penn's compliance training contained a primary compliance plan for Barstool. He noted that the Barstool handbook covered personal gambling policies, responsible gaming, and prohibited content. He stated that Barstool did not have a formal progressive discipline policy. He stated that as part of the marketing relationship some wagers were promoted directly on Barstool's digital platforms. Mr. Mercer stated that Barstool contributors were subject to loan-out agreements. He stated that Barstool provided thirteen loan-out agreements to the IEB for review.

Mr. Mercer explained that the second condition was that the Barstool College Football Show was only attended by individuals twenty-one years of age or older. He stated that the Barstool College Football Show was a web series that discusses NCAA men's football. He stated that in past seasons the show was broadcast from college campuses and contained advertisements for sports wagering. He stated that PSI agreed to ensure no sportsbook advertisements would appear on college campuses and to ensure that all attendees would be over the age of twenty-one.

Mr. Mercer stated that no formal plan was in place to implement safeguards to the Barstool College Football Show at the time of Penn's divestiture of Barstool in August 2023. He stated that Penn had indicated it would no longer be involved in the Barstool College Football Show following the divestiture of Barstool.

Mr. Mercer explained that Penn announced a new relationship with ESPN on August 8, 2023. He stated that Penn also sold the entirety of Barstool back to Mr. Portnoy for \$1.00 and the right to fifty percent of the proceeds for any future sale of Barstool. He stated that PSI maintains branding of Barstool Sportsbook for their online sportsbook. He stated that PSI would change the branding to ESPN BET in November.

Chris Soriano, Chief Strategy Officer for Penn Entertainment, stated that while some facts related to the sale of Barstool to Mr. Portnoy were publicly reported, there were also details that Penn considered proprietary and competitively sensitive information. He requested that the discussion of certain portions of the report be done in executive session.

Commissioner O'Brien asked which portions would be reserved for executive session. Mr. Soriano suggested that the beginning of the penultimate paragraph on page thirteen through page fifteen, ending with the words "Exhibit 14, section 5.19 (B)" would be appropriate to discuss in an executive session.

Commissioner O'Brien stated that representations were made by Mr. Portnoy that Penn was denied licenses due to their relationship with Barstool. She stated that Penn had indicated in May of 2023 that Mr. Portnoy's statement was not in fact the case, and asked if that statement was the same. Mr. Soriano stated that was correct, and that Penn had not been denied licenses.

Commissioner O'Brien asked what the responsibilities were for the role Head of Social. Mr. Soriano stated that the Head of Social oversaw social media and social media outreach. Commissioner O'Brien stated that she had further questions, but believed they might be more appropriate in an executive session.

Interim Executive Director and General Counsel Todd Grossman stated that it was important to identify what specifics were appropriate for an executive session. He stated that the discussion of the stock purchase agreement is something that could be discussed in executive session. Deputy General Counsel Caitlin Monahan stated that Mr. Soriano identified parts of the IEB report that may fall within the exception under General Law Chapter 23N § 6(i).

Deputy General Counsel Monahan stated that applications for operator licenses are public records, but that trade secrets, competitively sensitive, or other proprietary information provided as part of the application that would place the applicant at a disadvantage may be withheld. She noted that Mr. Soriano indicated information in the paragraphs identified were proprietary and not released to the public. She noted that the information in the IEB report were part of the application for an operator's license, and that the Commission could therefore go into an executive session.

Commissioner O'Brien asked that if a line of questioning more suitable for the public meeting arose, would the Commission be able to return to the public meeting to discuss it. Deputy General Counsel Monahan stated that the Commission could decide to what extent the topic can be discussed in public and discuss it upon returning to the public meeting.

Commissioner Maynard expressed a preference for not going in and out of the executive session. He stated that he wanted to be as broad as possible before entering the executive session. Commissioner Hill stated that the Commission had precedent for going into executive session and returning to discuss certain topics publicly. Mr. Soriano suggested the Commission move to the next agenda item and have an executive session for both topics.

Interim IEB Director and Chief Enforcement Counsel Heather Hall stated that there could be questions that connect both issues. Chair Judd-Stein stated that the issues of the two agenda items seemed distinct. Commissioner O'Brien stated that there may be interplay between the topics regarding the transition to ESPN timeline. Commissioner Maynard expressed that the Commission should ensure that both the public's interest in hearing discussion and the licensee's proprietary information should be protected.

Mr. Mercer stated that after Penn's divestiture of Barstool Mr. Portnoy had publicly asserted control over Barstool. Mr. Mercer stated that Mr. Portnoy had made initial public statements that Penn had licenses denied because of their relationship with Barstool. Mr. Mercer stated that there was no information that was the case, and that it was further addressed by Commissioner O'Brien's question.

c. [PENN Entertainment Inc. Presentation on Penn Sports Interactive and ESPN Partnership](#)
(46:06)

Mr. Soriano introduced Adam Kates, Senior Director of Compliance for PSI. Mr. Soriano explained that Penn had entered into an exclusive partnership with ESPN and would rebrand Barstool Sportsbook to ESPN BET. He stated the rebranding would be complete in November and that there were no changes to Penn's ownership structure as a result of the transaction.

Mr. Soriano stated that Barstool was sold back to Mr. Portnoy, and that after rebranding was complete Penn would no longer have a connection with Barstool. He stated that Barstool was no longer advertising for Barstool Sportsbook. He stated that PSI would submit revisions for their house rules, terms and conditions, and internal controls after the rebrand. He stated that Penn anticipated an increased customer volume and was hiring additional staff. He stated this update would be in PSI's quarterly report.

Mr. Kates stated that the changes were purely cosmetic, and no changes were occurring to the technology. He stated that the platform is GLI-certified and laboratory tested. He stated that the only change would be scaling up infrastructure and personnel to meet increased demand.

Mr. Kates stated that ESPN would promote ESPN BET through content, editorial and digital integrations, talent promotion, and traditional media inventory. He stated that Penn would support ESPN through its traditional media channels. He stated that all marketing would comply with the American Gaming Association's marketing code for sports wagering and Massachusetts' regulations. He stated that ESPN BET would work with Penn's comprehensive responsible gaming programming to introduce new responsible gaming features in the Commonwealth.

Chair Judd-Stein asked if the sports wagering division agreed with the representation that this change was a reskin that required no further action. Director of Sports Wagering Bruce Band confirmed that was correct.

Commissioner O'Brien asked if an executive session was needed on this topic, or if it could be discussed at a more fulsome meeting in the future. Mr. Soriano stated that one topic that could be discussed would be the advancement of PPC's application for a finding of durable suitability. Chair Judd-Stein sought clarification regarding the next procedural step in this process. Deputy General Counsel Caitlin Monahan stated that the Commission can make a decision as to what information they want submitted by PSI as the regulations did not address a vendor switching in and out during the temporary licensure posture.

Mr. Soriano stated that PPC could submit a request to the Commission that their license be brought forth for a finding of durable suitability. Chair Judd-Stein stated that would be helpful as she was unsure if the current discussion triggered the Commission's ability to add an item to the agenda.

Commissioner Skinner inquired when Penn's branding relationship with Barstool would cease. She noted that the PSI website still utilized the Barstool logo and referenced both Mr. Portnoy and other Barstool contributors. Mr. Soriano stated that the goal was to complete the transition in November. He stated that Penn would return to the Commission with an exact date. He noted that PSI continued to license the Barstool Sportsbook name during their transition period, and would continue to do so until the platform fully transitioned to ESPN BET.

Mr. Soriano stated that Barstool no longer actively marketed the Barstool Sportsbook. He stated that he would look into the specifics referenced by Commissioner Skinner and move forward to finalize the separation from Barstool.

Commissioner Skinner expressed concern that continued utilization of the Barstool branding might create confusion among bettors during the interim period before they transition to ESPN BET. Mr. Soriano stated that while he understood the concern, PSI continues to operate the sportsbook and has communicated to the public that it is separating from Barstool.

Chair Judd-Stein asked if there were questions regarding the ESPN deal that would include proprietary information that would place PSI at a disadvantage if disclosed publicly. Commissioner O'Brien noted that she had a question regarding branding that would be best suited for an executive session. Mr. Soriano stated that Penn could provide an update at a future meeting for any question related to the ESPN deal. He stated that items appropriate for an executive session could be flagged at that time.

I. [Executive Session](#) (1:23:08)

Chair Judd-Stein stated that the Commission anticipated that it may meet in executive session in conjunction with its review of the Penn Sports Interactive, LLC application and its partnership with Barstool Sports 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. She stated that the public session of the Commission meeting would reconvene at the conclusion of the executive session.

Commissioner O'Brien moved that the Commission go into executive session on the matter and for the reasons stated by the Chair. Commissioner Hill 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 shared a screensaver which stated that the Commission was in executive session.

6. [Racing](#) (2:36:39)

Chair Judd-Stein stated that the racing division had a scheduling challenge and would be moved up in the agenda to present.

a. [Plainridge Park Casino Request for Amendment to Previous Capital Improvement Fund Consideration \(to include paddock renovation plumbing\)](#) (2:37:24)

Financial Analyst Chad Bourque explained that three requests for funds from the Harness Capital Improvement Trust were submitted. He stated that each month funds are deposited into the Harness Capital Improvement Trust, which the licensees can request to repair, maintain, or improve the property where racing activities are conducted. He stated that distributions from this fund were made based on the Commission's approval of a request for consideration followed by the approval of a request for reimbursement. He stated that two of the requests submitted were requests for reimbursements and one was a request for consideration.

Mr. Bourque stated that PPC was requesting to revise a request for consideration approved by the Commission on January 12, 2023, for the expansion and renovation of the horse paddock and barn building. He stated that PPC was requesting an additional \$12,500. He stated that he reviewed the request and recommended its approval. A *memorandum and PPC's request* were included in the Commissioners' Packet on pages 64 through 71.

Director of Racing Plainridge Park Casino Steve O’Toole explained that the additional funds would be used for plumbing design that was not foreseen in the original request.

Commissioner Hill moved that the Commission approve the PPC Capital Improvement Trust Fund request for an additional \$12,500 for funding for renovation expansion of the horse paddock and barn building as included in the Commissioners’ Packet and discussed here today. Commissioner O’Brien 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.

Mr. Bourque noted that in a prior meeting Commissioner Skinner had inquired about the eligibility of taxes and fees for funds from the Harness Capital Improvement Trust. He stated that he confirmed that any item connected to a project or purchase of a hard asset, if treated as a capital expenditure by the licensee, was eligible for reimbursement. He stated that taxes and fees were eligible for the funds.

b. [Plainridge Park Casino Request for Capital Improvement Fund Reimbursement \(tractor/equipment\)](#) (2:42:26)

Mr. Bourque stated that PPC submitted a request for reimbursement in the amount of \$81,706 for the purchase of a tractor. He explained that the request for consideration was approved on October 13, 2022. He stated that the final amount for reimbursement was inclusive of taxes and was larger than the request for consideration. He stated that going forward all requests for consideration and requests for reimbursement would be consistent with the inclusion of taxes and fees. A *memorandum and PPC’s request* were included in the Commissioners’ Packet on pages 72 through 77.

Commissioner Hill moved that the Commission approve the PPC Capital Improvement Trust Fund request for reimbursement in the amount of \$81,706 for the purchase of a tractor as included in the Commissioners’ Packet and discussed here today. Commissioner O’Brien 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.

c. [Plainridge Park Casino Request for Capital Improvement Fund Reimbursement \(tote board\)](#) (2:45:02)

Mr. Bourque stated that PPC had submitted a request for reimbursement in the amount of \$121,161.99 for purchase of a new digital tote board. He stated that the request for consideration was approved on October 13, 2022, for \$99,347.50. He noted that the current request included taxes and construction services included with the project. He recommended that this request be approved by the Commission. A *memorandum and PPC's request* were included in the Commissioners' Packet on pages 78 through 87.

Commissioner Maynard moved that the Commission approve the PPC Capital Improvement Trust Fund request for reimbursement in the amount of \$121,161.99 for the purchase of a new digital tote board as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien 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.

7. [Sports Wagering Division](#) (3:27:10)

a. DraftKings Request for Waivers from 205 CMR 256.05(1)

Sports Wagering Business Manager Crystal Beauchemin explained that DraftKings' request for a waiver from the requirements of 205 CMR 256.05(1) was discussed at the previous public meeting on September 21, 2023. She stated that the primary consideration was whether the Commission would apply the regulation requirements to an operator's master branding. She noted that DraftKings had submitted waivers for assets at Fenway Park, TD Garden, and Gillette Stadium. She stated that DraftKings was requesting a permanent waiver from this regulation at the Gillette Stadium location. *Information related to DraftKings's request for a waiver from 205 CMR 256.05(1)* was included in the Commissioners' Packet on pages 20 through 45.

Ms. Beauchemin stated that DraftKings questioned whether there should be a distinction between their master logo and their sportsbook logo. She stated that DraftKings provided a PDF of all stadium assets that had been changed to comply with this regulation.

Chair Judd-Stein noted that she had asked Deputy General Counsel Monahan to memorialize the analysis of how to interpret this regulation. Deputy General Counsel Monahan stated that there was a two-step process in determining whether a logo was "related to sports wagering" for the purposes of 205 CMR 256.05(1). She stated that the first step was to determine whether the logo was sports wagering specific, related to a non-sports wagering arm of the operator's business, or the operator's general or master logo. She stated that a sports wagering-specific logo was related to sports wagering for the purpose of this regulation, and that a logo from a non-sports wagering

arm of the operator's business was not related to sports wagering for the purpose of the regulation.

Deputy General Counsel Monahan explained that if the logo was a general logo that is applied in multiple ways the analysis would then go to a second step to determine whether the logo is related to sports wagering for the purpose of this regulation. She stated that the second step looked at facts to determine how an operator uses their general logo in business practices. She stated that if an operator uses their general logo for the purposes of advertising, marketing, or promoting sports wagering then the logo would fall under the requirements of 205 CMR 256.05(1). She stated that the Commission could choose to adopt this analysis, but that each individual analysis would be fact specific.

Chair Judd-Stein stated that the regulation was silent in terms of this analysis. She expressed concern that there could be ambiguity in regard to an operator's master logo. She stated that the regulation could be interpreted to not apply to a general logo.

Commissioner Maynard asked what part of the regulation the analysis is applied to. Deputy General Counsel Monahan stated that the regulation required additional language be added to an operator's logo or trademark related to sports wagering. She stated that this analysis was to determine whether a logo or trademark was related to sports wagering. Commissioner Maynard stated that this language would not apply to a website, only logos on fixed signage at a sporting event location.

Chair Judd-Stein stated that the first two examples regarding sports wagering logos and logos related to the operator's non-sports wagering business were clear, but that she did not believe the analysis to be clear regarding master logos. She stated that she wanted the regulation to be applied fairly across all licensees.

Deputy General Counsel Monahan stated that the analysis was created for making a reasonable determination as to how to apply the regulation. She stated that the Commission could choose whether it wanted to accept the legal team's recommendation. She stated that the Commission could also determine whether the Commission would perform the analysis, or whether it would be delegated to the sports wagering division or legal team.

Commissioner Hill asked for examples of how the analysis would apply. Deputy General Counsel Monahan stated that the DraftKings Sports Zone at Gillette Stadium used the logo of DraftKings' non-sports wagering arms of business and explained that 205 CMR 256.05(1) would not apply. She stated that a second logo on the back of a restaurant that is displayed digitally and visible in the arena is the general logo for DraftKings. She stated that for the general logo the second step of the analysis applied. She stated that based on a review of DraftKings advertising that DraftKings routinely uses their general logo for sports wagering advertising. She stated that because the general logo is used for sports wagering advertising 205 CMR 256.05(1) applies and the 21+ language is needed.

Commissioner Maynard noted that this provision only applied to branding located in sports stadiums. Deputy General Counsel Monahan stated that the regulation had a location requirement for this provision. Ms. Beauchemin noted that the digital signage in Gillette Stadium was changed to include the required regulatory language. She noted that the waiver request was now solely for the restaurant name.

Chair Judd-Stein asked whether the regulation would apply if an operator only used their master logo occasionally for sports wagering advertisements. She expressed an interest in ensuring the analysis was applied evenly across all licensees. Commissioner O'Brien stated that if a general logo could be used interchangeably with the sports wagering-specific logo the regulation should apply. She stated that if a general logo is being used in a non-exclusive way that may refer to sports wagering the 21+ language should be included.

Commissioner Skinner asked if the regulation applied to the restaurant at Gillette Stadium. Deputy General Counsel Monahan stated that the restaurant branding was used for a non-sports wagering arm of DraftKings' business, and the regulation would therefore not apply. Commissioner Skinner asked if DraftKings would have to include the regulatory language if they changed the restaurant signage to their general logo. Deputy General Counsel Monahan stated that if DraftKings removed the term "sports zone" from the signage the regulatory language would have to be included.

Chair Judd-Stein asked how many times an operator would have to use their general logo for advertising sports wagering before the usage is sufficient for the regulation to apply. Deputy General Counsel Monahan stated that an analysis was only conducted for DraftKings thus far. She stated that as soon as an operator associated its general logo with sports wagering the logo arguably becomes related to sports wagering.

Commissioner Maynard stated that he was fine delegating this analysis to the sports wagering division and legal team. He stated that this provision is very narrow as it related only to logos in arenas. He stated that the licensee could raise the issue to the Commission if it disagreed with the analysis. Commissioner Hill, Commissioner O'Brien, and Commissioner Skinner agreed.

Commissioner O'Brien moved that the Commission find, in response to the question by DraftKings in a letter dated September 29, 2023, that the DraftKings master brand logo is subject to the requirements of 205 CMR 256.05(1) in the context of that regulation and our discussion here today.

Commissioner Maynard noted that all operators were subject to the same analysis regarding their master logo. He stated that other operators had already complied with the requirements of 205 CMR 256.05(1). Commissioner Maynard seconded the motion. Chair Judd-Stein stated that she was in agreement that the regulation applied to multi-use logos. She invited licensees to ask for any further clarification.

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.

Ms. Beauchemin stated that DraftKings had identified that they would need until November 20, 2023, to update their logo at Fenway Park. She noted that this would be before the high school football games scheduled at Fenway on November 21, 2023, and November 22, 2023.

Commissioner Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue to DraftKings a waiver until November 20, 2023, from the requirements outlined in 205 CMR 256.05(1) with respect to its use of its logo at Fenway Park as included in the Commissioners' Packet and discussed here today, as granting the waiver meets the requirements specified in 205 CMR 102.03(4), and is consistent with the purposes of G.L. Chapter 23N. 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.

Ms. Beauchemin stated that DraftKings would have the opportunity to modify their logo on the TD Garden floorboards between November 14, 2023, and November 25, 2023. She stated that DraftKings had requested a waiver through December 1, 2023.

Commissioner Hill noted that Director Band had talked with TD Garden regarding this subject. Director Band stated that the Celtics were away from November 14, 2023, through November 25, 2023. He stated that the Celtics' General Counsel stated that the floorboards could be sanded down, re-laminated, and refit in that time. Chair Judd-Stein inquired why DraftKings had requested the waiver through December 1, 2023. Ms. Beauchemin stated that DraftKings had requested the extra week to give leeway due to the holiday period during that time. Commissioner Skinner stated that she would rather give the operator an extra week of time rather than have DraftKings have to come back and request another potential extension.

Commissioner Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue to DraftKings a waiver until December 1, 2023, from the requirements outlined in 205 CMR 256.05(1) with respect to its use of its logo at TD Garden as included in the Commissioners' Packet and discussed here today, as granting the waiver meets the requirements specified in 205 CMR 102.03(4), and is consistent with the purposes of G.L. Chapter 23N. 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.

Ms. Beauchemin stated that DraftKings had requested a permanent waiver from 205 CMR 256.05(1) for the logo of the DraftKings Sports Zone restaurant. She noted that the digital signage was changed to comply with the regulation.

Commissioner Hill stated that he had no problem with giving the restaurant branding the waiver. Commissioner O'Brien noted that a waiver was not required, and that the procedure would be a finding that 205 CMR 256.05(1) did not require additional language for the DraftKings Sports Zone. She stated that the sign did not require the application of the regulation.

Commissioner O'Brien moved that the Commission find that the DraftKings Sports Zone restaurant sign as identified in the Commissioners' Packet and further discussed here today is not subject to the requirements of 205 CMR 256.05(1). 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.

8. [Community Affairs Division](#) (4:14:25)

a. Reappointment of Local Community Mitigation Advisory Committee and Subcommittee Members

Chief of the Community Affairs Division Joe Delaney stated that several members of the Local Community Mitigation Advisory Committee needed reappointment, as members were appointed for a one-year period. He stated that there was also one new member to be appointed. He stated that the reappointments for Region A were Vincent Panzini and David Bancroft. He stated that the reappointments for Region B were Diana Szynal, Ellen Patashnick, and Richard Sullivan. He stated that Joan Kagan Levine would be a new member for Region B. *A memorandum detailing the recommended reappointments to the LCMACs* was included in the Commissioners' Packet on pages 46 through 50.

Chief Delaney stated that the Commission needed to appoint representatives to the Community Mitigation Advisory Subcommittee, the Public Safety Subcommittee, and the Addiction Services Subcommittee.

Commissioner Hill moved that the Commission appoint the following individuals to the Local Community Mitigation Advisory Committee for an additional one-year term, as included in the Commissioner's Packet and discussed here today, Vincent Panzini, David Bancroft, Diana Szynal, Ellen Patashnick, Richard K. Sullivan; and further that the Commission appoint Joan Kagan Levine to the Local Community Mitigation Advisory Committee for an initial one-year term as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien 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.

Commissioner O'Brien moved that the Commission designate Commissioner Hill as a member of the Community Mitigation Advisory Subcommittee as included in the Commissioners' Packet and 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.

Commissioner Maynard moved that the Commission designate Commissioner O'Brien as its representative of the Public Safety Subcommittee as included in the Commissioners' Packet and discussed here today. Commissioner Skinner seconded the motion.

Roll call vote:

Commissioner O'Brien: Abstain.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0 with one abstention.

Commissioner Hill moved that the Commission designate Mark Vander Linden as its representative on the Addiction Services Subcommittee as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien 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.

9. [Finance](#) (4:23:22)

a. FY23 Budget Close Out Report

Chief Financial and Accounting Officer (“CFAO”) Derek Lennon stated that the Commission approved a FY23 budget for the gaming control fund of \$35.7 million with an initial assessment of \$30.5 million on licensees. He stated that after three quarters of adjustments the revised budget was \$35.97 million with a required assessment of \$29.88 million on licensees.

CFAO Lennon stated that the gaming control fund spending in FY23 was \$34.98 million which was \$985,000 less than the approved spending levels. He stated that there was overspending on consultant services but large underspending in operational services due to turnover and vacancies. He noted that pursuant to 205 CMR 121.05(2) the Commission was required to credit any surplus funds at the close of the fiscal year to the next year’s assessment. The *FY23 Budget Close Out Report* was included in the Commissioners’ Packet on pages 51 through 60.

CFAO Lennon stated that the sports wagering control fund had a FY23 budget of \$2.19 million, which was reliant solely on sports wagering suitability fees. He stated that after three quarters of adjustments the budget was \$4.74 million, which required an assessment of \$2.32 million on licensees. He stated that FY23 final revenue received was \$6.65 million with total spending of \$3.9 million. He stated that pursuant to 205 CMR 121.03(4) the Commission must credit surplus funds at the close of the fiscal year to the assessment for the following year. He noted that the \$2.38 million dollars credited to the licensees’ FY24 assessments reflected a full refund of the FY23 assessment.

Chair Judd-Stein asked where the expenses for consultants and legal was located in the report. CFAO Lennon stated that it was located in the table on page 55 of the Commissioner’s Packet. He stated that the initial projection for sports wagering was \$500,000, which was later increased to \$2.23 million. He noted that final spending was \$2.44 million. He stated that the majority of overspending in this category was due to a late bill from Ernst and Young. Chair Judd-Stein asked if those numbers included legal costs. CFAO Lennon replied that was correct.

10. [Research and Responsible Gaming](#) (4:37:06)

a. Addendum to the FY24 Gaming Research Agenda

Director of Research and Responsible Gaming Mark Vander Linden stated that there were some proposed changes to the FY24 Gaming Research Agenda. A *memorandum detailing proposed changes to the FY24 Gaming Research Agenda* was included in the Commissioners’ Packet on pages 61 through 63.

Director Vander Linden stated that there was a new proposed study regarding the advancement of pre-commitment tools and assessing whether a mandatory-limit feature and rewards for pre-commitment would facilitate responsible gaming. He stated the study would determine characteristics of players that use hard-lock options in comparison to players who use soft-lock option. He stated that there is emerging evidence of the efficacy of hard-locks. He expressed an interest in exploring the effectiveness of hard-locks in Massachusetts on a pilot basis. He stated that the study would also investigate what role incentivization of pre-commitment plays in the enrollment and limit-adherence.

Director Vander Linden stated that the proposed study would be conducted in collaboration with Carlton University and Dr. Michael Wohl. He stated that the Commission would be involved in the recruitment of players who are enrolled in PlayMyWay and to be a liaison between the casino and research partners. He stated it was essential to get a casino partner for this study to succeed. He stated that funding for this study would come from the International Center for Responsible Gaming in the amount of \$171,925.

Director Vander Linden stated that the second proposed study would be a small study looking at the role of artificial intelligence (“AI”) in gambling. He stated that the study would look at current and possible usage of AI in the gambling industry, including its use for marketing, player acquisition, gaming integrity, and responsible gaming initiatives. He stated that this study could review AI’s implications for problem gambling and player health.

Director Vander Linden requested that the study of the marketing affiliate payment structures and their impacts on Massachusetts’ patrons be delayed until FY25. He stated that the study should be delayed to allow for adequate resource and the results for the study on the impact of advertising and gambling behavior in Massachusetts to be available.

Commissioner Maynard expressed an interest in learning more about the implications of a hard-stop limit in pre-commitment responsible gaming tools. Chair Judd-Stein stated that the Commission would be at the forefront of research exploring the impact of AI on gambling. She stated that the AI research could be beneficial for other regulators and operators.

Commissioner Hill asked if there would be additional costs for the AI study. Director Vander Linden stated that the AI study was anticipated to cost \$25,000. He stated that the research agenda budget would increase from \$1,865,000 to \$1,890,000. Commissioner Hill asked if there was a downside to moving this research to the FY25 research agenda. Director Vander Linden stated that AI was a quick-moving issue within the gaming industry. He stated that it would be beneficial for the Commission to understand the positive and negative impacts of AI in the gaming industry and that it was a timely topic for research.

Chair Judd-Stein stated that delaying the study of AI might make the information not as timely. She stated that it was a small study for which the Commission had the budget. Commissioner Hill stated that he wanted to ensure the Commission kept track of all budgetary increases as the year progressed, but that he was in support of the request for funds for the AI study. CFAO

Lennon noted that the funding for research came from a separate funding source. He stated that the Research and Responsible Gaming Division’s budget was below the projected deposits for the Public Health Trust Fund. Director Vander Linden stated that the division worked closely with the finance department on the budget, and that a buffer was left in for new and emerging issues to be addressed.

Commissioner Maynard moved that the Commission amend the FY24 Gaming Research Agenda as outlined in the memorandum in the Commissioners’ Packet and discussed further here today. Commissioner Hill 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.

11. [Permanent Director of Investigations and Enforcement Bureau Hiring Process](#) (5:08:15)

a. Selection of Screening Committee for Director of Investigations and Enforcement Bureau

Attorney David Mackey, outside counsel from the law firm Anderson and Krieger, explained that the open meeting law allowed for the creation of a preliminary screening committee which could meet in executive session to evaluate, consider, and interview candidates. He stated that the screening committee had to put forth more than one candidate for the full Commission to review in a public meeting.

Mr. Mackey noted that the committee could not have a quorum of the Commission. He stated that the committee would have to appoint a chair, who could announce in a public session that a public discussion about the candidates could be detrimental to the ability to attract qualified candidates for the position. He stated that the committee could then meet in executive session to discuss candidates. He stated that discussions regarding appropriate questions or qualifications for the job would have to occur in the public meeting. He stated that the committee’s executive session was limited to interviewing, evaluating, and considering which applicants to move forward to the full commission.

Chair Judd-Stein stated that Commissioner O’Brien and Commissioner Maynard were selected to serve on the screening committee for the Executive Director. The Commission reached consensus to have Commissioner Hill and Commissioner Skinner serve on the IEB Director screening committee.

Chair Judd-Stein noted that the Executive Director screening committee had five members. She recommended that Chief People and Diversity Officer David Muldrew be a representative on the IEB Director Screening Committee. Commissioner Hill and Commissioner O’Brien agreed.

Commissioner Hill expressed that only three members were needed for the screening committee. He stated that Chief Muldrew, Commissioner Skinner, and himself were sufficient. Commissioner Skinner noted that while she did not disagree, it was possible that there were other perspectives that the committee could benefit from. Chief Muldrew expressed support for a three-person committee.

Chair Judd-Stein stated that a member of the IEB Director's team might be able to identify what skills would be best for the role. Chief Muldrew suggested a senior manager from operations would have a unique perspective as the majority of the IEB Director role was oversight of what was going on in the field. Commissioner Skinner stated that a law enforcement perspective might give a richer review of potential applicants.

Commissioner Maynard stated that three committee members was acceptable, but that there might be a benefit to having a committee member who was not a department head. Commissioner Hill stated that he was still comfortable with having a three-person committee. Commissioner Skinner agreed. Chair Judd-Stein asked if there was any additional advice for the committee. Mr. Mackey stated that the committee would have to elect a chair in its first meeting.

Commissioner O'Brien moved that the Commission designate the following individuals as members of the IEB Director Screening Committee: Commissioner Hill, Commissioner Skinner, and Director Dave Muldrew. Commissioner Maynard seconded the motion.

Chair Judd-Stein noted that the screening committee would have to advance multiple candidates to be reviewed by the full Commission.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Abstain.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 4-0 with one abstention.

12. [Investigations and Enforcement Bureau](#) (5:25:23)

- a. MGM Resorts International Request for Extension from Letter re MGM Springfield Safety and Security

I. Executive Session

Chair Judd-Stein stated that the Commission anticipated that it would meet in executive session in accordance with G.L. c.30A, §21(a)(4), to discuss the use and deployment of security personnel or devices, or strategies with respect thereto at MGM Springfield, specifically with regard to firearms. She stated that the public session of the Commission meeting would not reconvene at the conclusion of the executive session.

13. [MGM Cybersecurity Issue](#) (5:27:11)

a. Executive Session

Chair Judd-Stein stated that the Commission anticipated that it would meet in executive session in accordance with G.L. c. 30A, § 21(a)(7) and G. L. c. 4, § 7(26)(n) (certain records for which the public disclosure is likely to jeopardize public safety or cyber security) and G.L. c.30A, §21(a)(4) to consider information related to cybersecurity, the disclosure of which is likely to jeopardize public safety or cyber security, and to discuss the deployment of security personnel or devices or strategies with respect thereto in relation to an MGM cybersecurity issue. She stated that the public session of the Commission meeting would not reconvene at the conclusion of the executive session.

14. [Caesars Cybersecurity Matter](#) (5:27:57)

a. Executive Session

Chair Judd-Stein stated that the Commission anticipated that it would meet in executive session in accordance with G.L. c. 30A, § 21(a)(7) and G. L. c. 4, § 7(26)(n) (certain records for which the public disclosure is likely to jeopardize public safety or cyber security) and G.L. c.30A, §21(a)(4) to consider information related to cybersecurity, the disclosure of which is likely to jeopardize public safety or cyber security, and to discuss the deployment of security personnel or devices or strategies with respect thereto in relation to a Caesars cybersecurity issue. She stated that the public session of the Commission meeting would not reconvene at the conclusion of the executive session.

Commissioner O'Brien moved that the Commission go into executive session on agenda items 12, 13, and 14, and specifically on the matters and for the reasons just stated by the chair. 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.

Transcriber's Note: The Commission entered an executive session, and the public meeting did not reconvene.

List of Documents and Other Items Used

1. [Revised Notice of Meeting and Agenda](#) dated September 28, 2023
2. [Commissioner's Packet](#) from the October 2, 2023, meeting (posted on massgaming.com)



Massachusetts Gaming Commission Meeting Minutes

Date/Time: November 16, 2023, 9:30 a.m.
Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 403 6163

The Commission conducted this public meeting remotely utilizing collaboration technology. 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 488th 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 stood up the regulatory framework for sports wagering with a priority on integrity and consumer protections. She stated that the operators were working to comply with the Commission's regulations and cooperate with the Commission. She noted that there was also an unregulated sports wagering market that did not offer consumer protections to Massachusetts citizens. She stated that a list of legal sports wagering operators was located on the Commission's website.

2. [Minutes](#) (07:11)

a. February 28, 2023

The *February 28, 2023 public meeting minutes* were included in the Commissioners' Packet on pages 4 through 15.

Commissioner Maynard moved that the Commission approve the minutes from the February 8, 2023 public meeting that are included in the Commissioners' Packet subject to any necessary corrections for typographical errors or any other non-material matters. 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.

b. [March 1, 2023](#) (08:23)

The *March 1, 2023 public meeting minutes* were included in the Commissioners' Packet on pages 16 through 29.

Commissioner Maynard moved that the Commission approve the minutes from the March 1, 2023 public meeting that are included in the Commissioners' Packet subject to any necessary corrections for typographical errors or any other non-material matters. Commissioner Hill seconded the motion.

Commissioner O'Brien noted that she found some typographical errors which would need to be corrected and stated that she would circle back to Commissioner Maynard with the proposed edits.

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.

c. [March 2, 2023](#) (09:42)

The *March 2, 2023 public meeting minutes* were included in the Commissioners' Packet on pages 30 through 36.

Commissioner Maynard moved that the Commission approve the minutes from the March 2, 2023 public meeting that are included in the Commissioners' Packet subject to any necessary corrections for typographical errors or any other non-material matters.

Commissioner Skinner explained that a quote was misattributed to her on the second page of the minutes two paragraphs from the bottom on page thirty-one of the Commissioners' Packet. Chair Judd-Stein stated that she believed Commissioner Hill made that statement. Commissioner Hill confirmed that he made the comment in question. Associate General Counsel Judith Young stated that she would make that change.

Commissioner Skinner offered an amendment to change that instance of "Commissioner Skinner" to "Commissioner Hill". Commissioner Maynard accepted the amendment. Commissioner Hill 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.

3. [Administrative Update](#) (12:59)

a. MGC Information Security Plans

Interim Executive Director and General Counsel Todd Grossman stated that the Commission was required by law to have an information security plan. He explained that the information security plan had recently been updated. He noted that some sensitive information and documents would not be shared publicly.

Chief Information Officer ("CIO") Katrina Jagroop-Gomes explained that 201 CMR 17 implemented provisions of Massachusetts General Law Chapter 93H requiring the Commission to develop, implement, and maintain a comprehensive written information security program. She stated that the Commission was also required to annually attest to having these policies in place. She stated that the policies would be made available on the ITS intranet for all Commission staff to view.

Information and Network Security Manager Kevin Gauvreau explained that the objective of information security policies was to enable organizational strategy for the protection of customer data, management of identified security risks and compliance with applicable laws, regulations, and contractual obligations of the organization.

Mr. Gauvreau explained that the Commission initially adopted the Executive Office of Technology Services and Securities' ("EOTSS") information security policies. He stated that since then minor modifications had been made to reflect the needs of the Commission. He stated that policies would be updated annually or after any significant change to industry standards or the Commission's infrastructure. He stated that the information security policies included

password complexity, asset inventory, and security controls. Chair Judd-Stein stated that the information security policy seemed to be ahead of the curve on complex issues.

4. [Legal](#) (20:05)

a. 205 CMR 152: Individuals Excluded from Gaming and Sports Wagering Review for Commencement of Promulgation Process and Small Business Impact Statement

Associate General Counsel Ying Wang stated that the legal division had suggested an amendment to 205 CMR 152 related to the involuntary exclusion list in order to reference court-ordered exclusion as envisioned by statute.

Associate General Counsel Wang presented the changes to 205 CMR 152. The *small business impact statement and draft of 205 CMR 152* were included in the Commissioners' Packet on pages 39 through 47.

Commissioner O'Brien noted that the changes to the regulation only addressed statutory obligations the Commission has to act on in accordance with a district court order. She stated that the Commission might want to consider how to respond if there is a request from another court, such as a condition of probation.

Chair Judd-Stein stated that the Trial Court Administrator had reviewed the regulation and indicated that they had no comments at this time. Chair Judd-Stein stated that this requirement is unique to Massachusetts. Commissioner Skinner noted that the trial court had been cooperative with the Commission in developing a process in which the Commission could be informed of the processes and procedures the trial court implements. She stated that the Deputy Court Administrator for the district courts would work with the Commission to inform stakeholders about this option.

Director of the Research and Responsible Gaming Division Mark Vander Linden stated that this was a top priority for the responsible gaming division. He stated that when family members seek relief for themselves and a loved one it was important that the process was as easy as possible, and that the information was presented clearly. He stated that collaboration with the court officials helped with communicating their orders to individuals who were interested. He noted that this process was the work of the Gaming Policy Advisory Committee's Addiction Services Subcommittee.

Commissioner O'Brien moved that the Commission approve the small business impact statement and draft of 205 CMR 152 as included in the Commissioners' Packet and discussed here today, and further that staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to begin the regulation promulgation process. 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.

b. [205 CMR 2.00: Racing Meeting Licensing – Discussion and Review of Regulation and Small Business Impact Statement for Final Review and Possible Adoption](#) (31:53)

Attorney Paul Kominers, Outside Counsel from the law firm Anderson and Krieger, presented the changes to 205 CMR 2.00. The *amended business impact statement, public comments and draft of 205 CMR 2.00* were included in the Commissioners’ Packet on pages 52 through 77.

Mr. Kominers explained that several public comments were received by counsel for Baystate Racing LLC (“Baystate”) and the Executive Director of the New England Horsemen and Benevolence Protective Association (“NEHBPA”) Paul Umbrello. Mr. Kominers stated that the overarching theme of concerns was that the racing license application review process would be rigidly centered around the statutory October 1 date. He stated that amendments could be made to offer more clarity and introduce flexibility in the process.

Mr. Kominers stated that the first issue raised by Baystate was regarding the timeline for submitting scoping surveys, business entity disclosures (“BED”), multi-jurisdictional personal history disclosure forms (“MJPHD”) and the Massachusetts supplemental form. He stated that the applicants can always supply materials earlier provided the Commission has enough time to adequately review the suitability of the application. He stated that the Investigations and Enforcement Bureau (“IEB”) needs time to review the scoping survey to identify which affiliated entities or people need to submit a BED, MJPHD, or Massachusetts Supplemental forms. He stated that it would be helpful for applicants to submit paperwork for the obvious people while the IEB is still processing the scoping survey.

Mr. Kominers explained that the regulation was edited to allow applicants to submit anticipated qualifiers with the permission of the IEB. He explained that the regulation was also amended to allow applicants to submit qualifier materials on a per-qualifier basis with the permission of the IEB. He stated that the next change was to 205 CMR 2.03(5) to add language that the Commission could start processing applications as soon as they were complete.

Mr. Kominers stated that the Commission did not accept a comment from Baystate and the NEHBPA that requested a 45-day deadline for the processing of an application upon receipt of a complete application. He stated that adopting this change would be counter to the principles of flexibility and dealing with situations as they arise that was embodied in the regulation. He stated that there was a risk that adopting a rigid deadline could disadvantage applicants who have a more complex application. He stated that the Commission could do its best to accommodate the needs of particular applicants, such as needing a license for construction permitting.

Chair Judd-Stein sought clarification as to how the applicant would make such a request. Mr. Kominers explained that if an applicant informs the Commission that they need a license by a certain date, then the Commission could discuss with the applicant when materials would need to be submitted by. He stated that the Commission could do their best to accommodate the request.

Chair Judd-Stein asked if the request would be made to the Commission or the IEB. Mr. Kominers stated that it would depend upon what stage of the process the application is in, as a major portion of sequencing and staging of the application materials is done with the IEB but the Commission is the ultimate decider on license applications. Chair Judd-Stein noted that this could create a lot of work for the IEB. Interim IEB Director Heather Hall stated that she worked with the legal team on this regulation, and that the IEB would communicate with the Commission should an issue arise.

Commissioner Hill moved that the Commission approve the small business impact statement and draft of 205 CMR 2.00 as included in the Commissioners' Packet and discussed here today, and further that staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to begin the regulation promulgation process.

Commissioner O'Brien offered an amendment that Commissioner Hill's motion be done pursuant to the emergency regulation process. Commissioner Hill accepted the amendment. 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.

5. [Sports Wagering Division](#) (45:38)

a. Sports Wagering Operators' Requests for Waivers from 205 CMR 238.02(7) and 205 CMR 257: Sports Wagering Data Privacy. Operators requesting waivers include MGM Springfield, BetMGM, Fanatics, DraftKings, Caesars, FanDuel, Betr, Plainridge Park Casino, PSI, Encore Boston Harbor, and WynnBET

Sports Wagering Business Manager Crystal Beauchemin explained that the Commission had given a uniform waiver from the requirements in 205 CMR 257 through November 17, 2023. She noted that the operators had since submitted updated waiver requests and implementation details that the Commission requested. The *Sports Wagering Division's memorandum, operator responses, and waiver requests* were included in the Commissioners' Packet on pages 78 through 184.

Attorney Mina Makarious, Outside Counsel from Anderson and Krieger, stated that there were a lot of overlapping waiver requests, and stated that he would go through them section-by-section. He explained that the first key section waivers were requested for was 205 CMR 257.02(1). He stated that several operators sought clarification regarding the definition of “necessary to operate”.

Mr. Makarious stated that the term “necessary to operate” was broad and encompassed everything an operator has to do to provide their product for patrons in a safe way. He stated that this includes anti-money laundering protections and marketing. He noted that most operator concerns were regarding sharing information with third parties. He stated that there was discretion regarding what was necessary based upon how the operator structures their platform and operations.

Mr. Makarious stated that Fanatics requested a waiver through May 2024, that DraftKings had requested a waiver from 205 CMR 257.02(1) and 205 CMR 257.02(2) through July 1, 2024, and that Caesars had requested a waiver through June 30. He stated that the Commission might want to consider granting a waiver to all operators through a certain date. Commissioner O’Brien asked if the Attorney General’s Office’s data privacy group was consulted regarding the reasonableness of this timing. Mr. Makarious stated that the Attorney General’s Office was made aware of the waiver requests, but that the deadlines requested were not discussed. Commissioner O’Brien asked if only these three operators requested this waiver extension. Mr. Makarious stated that more operators requested waivers for 205 CMR 257.02(2) than 205 CMR 257.02(1).

Mr. Makarious stated that 205 CMR 257.02(2) was regarding the patron’s opt-in consent for information sharing. He stated that following the clarification of the term “necessary to operate” some operators no longer felt the need to request a waiver. He noted that Fanatics, DraftKings, Caesars, FanDuel, and Betr had requested waivers. He noted that the waivers requested ranged from March 2024 through October 2024. He stated that DraftKings and Caesars had both requested dates at the end of June 2024. Commissioner O’Brien stated that the October date seemed like an outlier that was outside of her comfort zone.

Chair Judd-Stein asked why October 1, 2024, might be reasonable for FanDuel. Director of Government and Regulatory Affairs with FanDuel Andrew Winchell explained that it was an estimated twenty to twenty-four weeks to develop a solution, an estimated four to six weeks for testing, and one to two months to roll out the solution and connect the consent mechanisms with internal systems. He stated that he understood other operators could be compliant sooner, but that this seemed like a reasonable timeline for FanDuel.

Commissioner O’Brien stated that while she appreciated the clarification, she was still not inclined to grant a waiver that far out. She suggested that FanDuel could receive the same waiver as other operators and request additional time if it is necessary. Mr. Winchell stated that he would have to consult the tech team, but that FanDuel would endeavor to create the opt-in mechanism quickly. He stated that if any period was truncated it would likely be the testing and roll-out. Commissioner O’Brien stated that FanDuel could return in the spring if they needed to request additional time, but that a waiver for a full year was too far out. Mr. Winchell stated that

it was a fair compromise and that FanDuel would provide an update on this topic during their quarterly report.

Mr. Makarios stated that a universal waiver with a consistent date would help prevent confusion. He noted that 205 CMR 257.02(1) and 205 CMR 257.02(2) were closely tied together and recommended that the waiver for each provision be extended through June 30, 2024. He explained that if the operators did not get a further waiver at that point, they would not be able to use data that requires consent other than for necessary purposes.

Commissioner Skinner expressed support for the compromise related to FanDuel's request. She stated that the operators should adjust business priorities to ensure that they are meeting the deadlines for these waivers.

Mr. Makarios stated that he received a question from Betr requesting clarification as to what would happen to existing patrons who signed up prior to implementation of the opt-in system. He stated that the regulation covers existing patrons and that it would be on the operator to seek consent. He noted that it was not unusual to get updated privacy policies.

Senior Manager of Responsible Gaming from Fanatics Alex Smith stated that the clarification regarding the term "as necessary to operate" was helpful. He noted that the May of 2024 date listed in the memo was incorrect and that Fanatics had requested a waiver for 18 months to be in compliance with 205 CMR 257.02.

Commissioner O'Brien stated that the June 30, 2024, date was good for most operators, and that other operators could come in with an update at that point to request any further extension. Chair Judd-Stein stated that the Commission thought it was critical that data privacy protections are in place, and that it was in the operators interests to get their systems in compliance. She expressed an interest in knowing how many operators would need additional time past the June 30, 2024, date.

Mr. Makarios stated that some operators requested waivers more broadly, and that Fanatics had requested eighteen months to be in compliance with 205 CMR 257.02. He noted that MGM Springfield ("MGM") had requested a waiver from 205 CMR 257 generally through May 15, 2024. He suggested a June 30, 2024, waiver for 205 CMR 257.02(1). He stated that Fanatics' request for 18 months seemed to be based on developing a new user experience flow and implementing tools to prevent defined data elements being used for non-essential features. He stated that some of the features detailed could be implemented before June 30, 2024, and that an update could be provided at that point. Betr's Head of Gaming Alex Ursa requested that the waiver date be the same for each operator.

Commissioner O'Brien moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners' Packet and discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements

outlined in 205 CMR 257.02(1) to Fanatics, DraftKings, and Caesars through June 30, 2024. Commissioner Hill seconded the motion.

Commissioner Maynard asked if Betr should be included in this waiver. Commissioner O'Brien stated that Betr only requested a waiver from 205 CMR 257.02(2).

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 Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners' Packet and discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.02(2) to Fanatics, DraftKings, Caesars, FanDuel, and Betr through June 30, 2024. Commissioner O'Brien 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.

Mr. Makarious stated that DraftKings had requested a waiver from 205 CMR 257.02(3). He explained that this provision was regarding the prohibition of the use of certain types of data to promote individual bets. He stated that further clarification was given to the operators regarding the definition of dormancy and that after clarification only DraftKings had requested the waiver. He noted that Fanatics waiver was for the entirety of 205 CMR 257.02 and would therefore also include this provision.

Mr. Makarious stated that DraftKings had requested a waiver through December 1, 2024, to update internal tooling databases, promotional campaigns, develop employee training, engage in comprehensive auditing of promotional activity and run new geo-location-based flags.

Chair Judd-Stein asked if this regulation was unique in comparison to other jurisdictions. Mr. Makarious stated that it was unique in that it was more explicit about what was prohibited. He stated that if the Commission grants a single entity a waiver for a year, it might want to consider whether to sua sponte grant it to other operators. Commissioner O'Brien asked whether DraftKings was the only operator to request a waiver from this provision. Mr. Makarious stated

that DraftKings requested a waiver from this specific provision, but Fanatics requested a waiver for this whole section. Chair Judd-Stein stated that the request included training and auditing which the Commission values.

Commissioner O'Brien stated that a year waiver was excessive, and that she was flummoxed as to why DraftKings is the only operator to request this waiver following clarification. She expressed an interest in receiving clarification from DraftKings regarding what remains to be done. She stated that she was inclined to give a shorter extension followed by an update. Mr. Winchell stated that approving this waiver for only a single entity would have significant commercial impacts.

Government Affairs Manager at DraftKings David Prestwood stated that his team indicated they would not be able to comply with this provision unless they built a separate customer relationship management system solely for Massachusetts. He stated that DraftKings' platform might operate significantly differently than the other operators and that the intention was not to seek a competitive advantage.

Mr. Prestwood stated that DraftKings would accept a shorter waiver period and would be willing to discuss particulars of the platform's operating system in an executive session. Deputy General Counsel Caitlin Monahan stated that she was not sure that this would meet the requirements for an executive session. She explained that an executive session exception for competitively disadvantageous information did not exist in the sports wagering statute and only applied during the application period. She stated that this was related to operations outside of the application process which does not have an executive session exception.

Chair Judd-Stein asked if the exemption related to deployment of security devices could be used. General Counsel Grossman stated that there are exemptions related to cyber issues which were not limited to the application process, but that the statutes did not grant sports wagering as much flexibility as casino gaming. Chair Judd-Stein asked if this would be considered under the ongoing application process. General Counsel Grossman stated that this issue was not related to the application.

Mr. Prestwood explained that discussing its proprietary platform in a public forum could put DraftKings at a significant competitive disadvantage. He suggested that a waiver could be extended for a short time to allow DraftKings to have a conversation with Commission staff and receive further clarification.

Commissioner O'Brien stated that the Commission had yet to know why DraftKings needed this extension when other licensees did not. She stated that out of fundamental fairness to the other operators a short universal waiver could be provided so that nobody is put at a disadvantage. Mr. Prestwood stated that clarifying conversations would be beneficial. Chair Judd-Stein stated that a universal waiver would be fair.

Commissioner Skinner expressed that she was sympathetic to Mr. Winchell's concern about a competitive disadvantage. She stated that each other operator would be in compliance with this

provision by the following day and that she wanted to be careful in granting any waiver where only one operator requested it.

Mr. Prestwood noted that Fanatics had requested a 12-month waiver for the entire section. Mr. Makarious replied that Fanatics had requested a general waiver, but did not raise specific issue with 205 CMR 257.02(3). Commissioner Skinner asked what amount of time would be required for Mr. Prestwood to get answers needed to communicate with the Sports Wagering Division for implementation. Mr. Makarious noted that there was nothing to implement for this provision as it was a prohibition, and that DraftKings was not asked to build anything. Commissioner Skinner stated that DraftKings appeared to be trying to build a system to comply with this provision. Mr. Prestwood stated that he could get the information requested quickly, but that he was not comfortable sharing it in a public setting.

Chair Judd-Stein suggested a universal waiver through December 14, 2023, at which point DraftKings could provide an update. Commissioner Skinner agreed. Chair Judd-Stein stated that this regulation went into effect months ago and that the promotional team should be informed regarding what is prohibited. She stated that the legal team and Sports Wagering Division should work with DraftKings to provide clarity within the confines of the open meeting law.

Mr. Prestwood stated that DraftKings does not parse its rules by jurisdiction and that no other jurisdiction has these requirements. He stated that development needed to occur to comply with Massachusetts. He stated that he would want the technical staff present for the December 14, 2023, meeting.

Commissioner Skinner stated that it was important for the Commission to know what was feasible short of creating an entirely new system. She recommended inviting Gaming Laboratories International (“GLI”) to the December 14, 2023, meeting for their technical expertise.

Mr. Prestwood stated that he hoped that further conversations and clarification might narrow the scope of what had to be performed. Commissioner O’Brien suggested that DraftKings get in touch with the Attorney General’s Office’s data privacy group to better understand requirements.

Commissioner O’Brien moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners’ Packet and discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.02(3) to all sports wagering operators through December 14, 2023. Commissioner Skinner seconded the motion.

Roll call vote:

<i>Commissioner O’Brien:</i>	<i>Aye.</i>
<i>Commissioner Hill:</i>	<i>Aye.</i>
<i>Commissioner Skinner:</i>	<i>Aye.</i>
<i>Commissioner Maynard:</i>	<i>Aye.</i>

Chair Judd-Stein: *Aye.*
The motion passed unanimously, 5-0.

Mr. Makarious stated that 205 CMR 257.03 was the provision related to data use and storage when sharing data with third parties. He explained that two issues arose: what was necessary to operate a sports wagering platform and practical concerns related to updating vendor contracts.

Mr. Makarious stated that if an operator has a marketing affiliate relationship with a third-party company, such as Marriott, they would be required to have customer consent to share that information. He noted that it was necessary to share information for security vendors and that a marketing affiliate who solely does marketing would also be considered necessary. He stated that the intent of the regulation was to capture operations necessary to operating a sportsbook.

Mr. Makarious stated that the waiver request dates ranged from February 1, 2024, to October 2025. He noted that the operators who had requested later dates had concerns about updating contracts. He suggested that the Commission could give a universal waiver date and request an update on that date. Chair Judd-Stein asked if any operator did not request a waiver from this provision. Mr. Makarious stated that Betr had not made a request for this provision. Mr. Ursa explained that Betr is a smaller operation and that this provision would be easier to implement. Deputy General Counsel Monahan stated that Penn Sports Interactive did not request a waiver for this provision.

Mr. Winchell clarified the October 2025 waiver date was only for complying with all existing contracts and that the rest of the provision would be implemented by February 2024. Mr. Makarious stated that there was a logistical question as to how soon operators could get a contract reopened. He stated that some reasonable time would be needed to address contracts. He suggested a waiver date of June 30, 2024, at which point the operators could provide updates regarding the contract process. He stated that there should be some flexibility as contracts were not entirely in the operators' control.

Privacy & Product Associate General Counsel at BetMGM Alexis Cocco stated that most operators already operate with data protection addendums in their contracts. She stated that there could be disproportionate impact to the operators if they were required to renegotiate new terms into contracts that had been negotiated and were ready to sign. She suggested that this regulation apply to contracts going forward.

Mr. Winchell stated that while existing contracts have language related to data security, they might not have exact provisions. He stated that there might not be enough leverage to bring certain vendors to the table to renegotiate contracts. He stated that the contracts provision may not be fully addressed until the time when contracts were up for renegotiation. He suggested a short waiver be granted, and that any contracts entered following that date would need to be in full compliance with this regulation. Commissioner O'Brien expressed concern that it would take years for operators to be in full compliance. She recommended conditioning the waiver to require that efforts are made to renegotiate existing contracts.

Ms. Cocco stated that Commissioner O'Brien's suggestion was fair, and suggested that any contract entered into past January 1, 2024, be in full compliance with the regulation. She stated that efforts would be made to update ongoing contracts, and that it might take a year to fully implement. Commissioner O'Brien stated that she was not a fan of long waivers. Ms. Cocco stated that BetMGM was using commercially reasonable procedures to protect the confidentiality of data, and that the waiver would solely be to update contract language identified in 205 CMR 257.03(3).

Mr. Makarios stated that one way this issue could be addressed is to give reasonable time for operators to have good faith efforts to amend contracts. Commissioner Skinner agreed that there needs to be reasonable time for operators to renegotiate contracts. She expressed support for extending the waiver for 205 CMR 257.03(3), and requested more discussion regarding 205 CMR 257.03(1)

Commissioner Maynard stated that issues with data breaches typically come from vendors and third parties who are not as secure as the principals. He stated that he understood it would take time to rework existing contracts, but that he would want a check-in point, so the Commission stays informed.

Chair Judd-Stein asked what the recommended timeframe would be for the operators to take commercially reasonable steps to come into compliance. Mr. Makarios stated that 205 CMR 257.03(1) had issues similar to 205 CMR 257.02(1), and suggested a June 30, 2024, date. He stated that 205 CMR 257.02 had substantive protections that most operators have complied with.

Commissioner Skinner asked if there was a policy question relative to 205 CMR 257.03(1). Mr. Makarios explained that 205 CMR 257.03(1) did not have a policy question, but a question of how "necessary to operate" was interpreted. He stated that any action related to running the business and marketing were necessary to operate, but that sharing information with a third-party to conduct ancillary business was not.

Mr. Makarios stated that 205 CMR 257.03(1) and 205 CMR 257.03(2) did not require contract amendment. He stated that these provisions apply to all data whether it had been shared before or not. Commissioner Skinner asked if granting a waiver for 205 CMR 257.03(1) would allow operators to continue to share data with third parties when it is not necessary to operate their business. Mr. Makarios stated that operators would be able to do so to the extent they are currently doing so and with commercially reasonable measures. He noted that one thing that would be different is the opt-in mechanism.

Commissioner Skinner asked how the waivers would be connected. Mr. Makarios stated that they were based on similar questions of what is necessary to operate, and that backend compliance would be the same regarding consent. Mr. Smith noted that this requirement might be difficult for Fanatics in comparison to other operators as Fanatics worked with a lot of affiliate businesses.

Mr. Makarios recommended a waiver of 205 CMR 257.03(1) and 205 CMR 257.03(3) through June 30, 2024, subject to a condition that operators would take good faith commercially reasonable efforts to amend existing contracts and come into compliance and implement the regulatory requirements of 205 CMR 257.03 into any new contracts before June 30, 2024. He stated that the legal team and Sports Wagering Division could continue to consider whether the regulatory language could include a safety valve.

Commissioner O'Brien sought clarification as to whether the language regarding commercially reasonable efforts would apply to 205 CMR 257.03(1) in addition to 205 CMR 257.03(3). Mr. Makarios stated that it would make sense to require the operators to do their best to comply with both provisions.

Chair Judd-Stein suggested that the waiver for this provision should be universal to ensure fairness between the operators. Commissioner O'Brien asked if a universal waiver could be granted if not all operators had made a waiver request. Ms. Beauchemin stated that universal waivers had been granted in the past when not all operators had submitted waiver requests. Mr. Makarios stated that as 205 CMR 257.03(1) and 205 CMR 257.03(3) were related they should both have a universal waiver.

Commissioner Skinner asked why a universal waiver could be used for these provisions but not for the previously discussed provisions. Mr. Makarios stated that the distinction was that 205 CMR 257.03 touches upon sharing information with third parties and has implementation issues outside of the operators' control. Commissioner Skinner asked if a universal waiver could be used for 205 CMR 257.02(3). Deputy General Counsel Monahan clarified that 205 CMR 257.02(3) was voted on as a universal waiver until December due to the issue of fairness.

Ms. Cocco noted that some contracts had been heavily negotiated and were waiting for signatures. She asked that the waiver require compliance with all contracts past January 1, 2024, rather than immediately. She stated that the waiver could still include the commercially reasonable language.

Chair Judd-Stein asked when the regulation went into effect. Ms. Cocco stated that the regulation went into effect on September 1, 2023, but that a blanket waiver was given to all operators through November 17, 2023. Deputy General Counsel Monahan stated that she understood Ms. Cocco's concerns, and that it was a policy question for the Commission whether there would be a short window before the language is implemented. She stated that a compromise would be to require contracts to conform with the requirements of the regulation as of a certain date.

Commissioner O'Brien asked if January 1, 2024, was reasonable. Ms. Cocco explained that there would be less business disruption if contracts past January 1, 2024, conformed with the language. Commissioner Maynard expressed that he wanted to ensure the citizens of the Commonwealth were protected. Commissioner Skinner stated that the operators were aware of the regulation and should have discussed it in negotiations. She stated that the regulation should take effect for all contracts yet to be signed.

Chair Judd-Stein stated that she somewhat agreed with Commissioner Skinner, but expressed concern about being unreasonable. Mr. Makarious stated that legally the Commission had a right to insist upon this, and that the regulation was first discussed in public meetings during the summer. He stated that contract work in regulated industries might take time. He stated that it was a policy decision regarding when the contract requirements were implemented.

Commissioner O'Brien stated that she wanted licensees to have time to implement the requirements and suggested that the contract requirements go into effect on December 14, 2023, provided that the operators agree to use commercially reasonable efforts to amend existing contracts. Commissioner Maynard stated that the Commission could weigh enforcement actions on the backend if an issue arises.

Commissioner O'Brien moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners' Packet and discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.03(1) to all sports wagering operators through June 30, 2024, and notwithstanding the waiver licensees will make commercially reasonable efforts to comply with 205 CMR 257.03(1). Commissioner Hill seconded the motion.

Chair Judd-Stein asked if it would matter if "good faith" was included before commercially reasonable efforts. Mr. Makarious stated that the Commission could, but that it would be redundant.

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 Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners' Packet and discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.03(3) to all sports wagering operators through June 30, 2024, and notwithstanding the waiver all contracts entered into as of December 14, 2023, must conform with the requirements of 205 CMR 257.03(3) and operators must make all commercially reasonable efforts to conform existing and ongoing contracts with 205 CMR 257.03(3). Commissioner O'Brien 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.

Mr. Makarios stated that only DraftKings has requested a waiver from the requirements outlined in 205 CMR 257.05(1)(k). Commissioner Skinner asked if this provision should be universal as it deals with contracts. Mr. Makarios noted that this provision dealt with internal controls and was not necessarily a contracts provision.

Mr. Makarios stated that a waiver might not be needed for this provision. He stated that operators should assume their policies will eventually need to be in compliance with the rule. He stated that the policies and procedures should reflect what the operator is required to do as of the time they are required to do so. He stated that the legal team recommended that this guidance is sufficient.

Chair Judd-Stein stated that while a waiver may not be necessary that the Commission can revisit this provision for further clarification at the December 14, 2023, meeting. Mr. Makarios stated that it may not make sense to require documentation for work that is not yet completed. Chair Judd-Stein asked which provisions this guidance would apply to. Mr. Makarios stated that it applied to portions of 205 CMR 238 and 205 CMR 257.05. He stated that the operators should have a data privacy security policy, but that the policy should reflect the requirements required at the time and that the policy would be updated moving forward.

Mr. Makarios stated that 205 CMR 257.02(5) was the next provision for which waivers were requested. He stated that this provision was related to responsible gaming reporting, which requires operators to collect and aggregate data for the Commission's responsible gaming division. He stated that the intent of the term aggregate was not to limit the operator from using individualized data to help patrons who need it. He stated that the information is aggregated because the report is going to the Commission and aggregating the data allows it to be submitted without putting patron details in the public records.

Mr. Makarios stated that the responsible gaming division may need to view particular data at some point, and that the legal team intends to propose further clarification regarding the language in this provision. He stated that DraftKings requested a waiver through January 1, 2024, Caesars requested a waiver through June 30, 2024, and that Plainridge Park Casino ("PPC") requested a waiver through January 1, 2025.

Mr. Makarios stated that because the legal team intended to give further clarification regarding this provision that he recommended that the Commission give the operators until June 30, 2024, to submit their first report. He stated that the responsible gaming division and Sports Wagering Division would develop a more detailed request for information required for the report pursuant to the regulation.

Director Vander Linden stated that the Commission had begun work in identifying risky player behavior and developing appropriate responses. He stated that developing responses relies upon the operators having a system in place. He stated that he consulted with researcher Dr. Michael Wohl, and that the term “aggregate” was a concern as it relates to responsible gaming initiatives.

Commissioner Hill moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners’ Packet and as discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.02(5) to all sports wagering operators a waiver through June 30, 2024 for the first report to be provided to the Commission. 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.

Mr. Makarios stated that some operators had requested a waiver from 205 CMR 257.03(4) regarding encryption and hashing of all patrons’ confidential or personally identifiable information. He clarified that the information required to be encrypted was information in the care, custody, or control of the operator and vendors by extension.

Mr. Makarios explained that BetMGM has indicated that encryption or hashing might not make sense in all cases. He stated that BetMGM had requested a permanent waiver and that DraftKings had requested a waiver through the end of 2024. He stated that language could be added to the provision to have a performance-based standard. He stated that if operators could demonstrate that they have other protective methods in place which are as protective where encryption did not make sense, they should be able to use those. He suggested that a shorter waiver is appropriate while the legal team consults GLI, the ITS division, and the Attorney General’s Office.

Chair Judd-Stein asked if the waiver for this provision could be for June 30, 2024. Mr. Makarios stated that the operators have indicated that they have reasonable security measures in place, and that June 30, 2024, might be reasonable. Commissioner Hill asked if the waiver could be for three months. Commissioner O’Brien asked if a three-month waiver would work for the Sports Wagering Division and legal division. Ms. Beauchemin stated that it would not impact the Sports Wagering Division. Deputy General Counsel Monahan stated that it was unlikely that the changes to the regulation would be complete by March unless enacted by emergency. She stated that any waiver could be extended if necessary. Mr. Makarios recommended that the waiver be universal as the regulation is changing and the changes might encourage operators to look at alternative technologies.

Commissioner Maynard moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners' Packet and as discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.03(4) to all sports wagering operators a waiver through March 1, 2024. Commissioner Hill 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.

Mr. Makarious stated that the last waiver request was regarding 205 CMR 257.04. He noted that if an operator believes it necessary to hold onto data and the patron requests that the information is deleted, then the operator can hold onto the information if it might be related to fraud or safety issues. He stated that the operators had differing levels of granularity in their requests. He stated that BetMGM focuses on access control which they considered a permanent issue rather than an implementation issue. He recommended that if the Commission grants a waiver that it not be longer than the waiver for the opt-in consent mechanism. He stated that further clarification can be given regarding BetMGM's concerns and stated that the legal team might understand a narrower interpretation.

Chair Judd-Stein stated that it might be beneficial to walk through each operators' particular request. Deputy General Counsel Monahan stated that she was cognizant of timing with the upcoming adjudicatory hearing and suggested that the Commission give a short waiver and roll this discussion over to the next meeting. The Commission reached unanimous consensus to review the waiver requests for 205 CMR 257.04 at the December 14, 2023, public meeting.

Commissioner O'Brien moved that in accordance with 205 CMR 202.03(2) the Commission issue the following waivers as further detailed in the materials in the Commissioners' Packet and as discussed here today, as granting the waivers meets the requirements specified in 205 CMR 102.03(4) and is consistent with the purposes of G.L. Chapter 23N, from the requirements outlined in 205 CMR 257.04 to FanDuel, Fanatics, BetMGM, Betr, and Caesars through December 15, 2023, on the condition that these waivers will be addressed at the December 14, 2023 meeting. Commissioner Hill 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.

b. [DraftKings: Request to Void Wagers](#) (4:32:08)

Interim Sports Wagering Operations Manager Andrew Steffen explained that DraftKings had requested authorization to void wagers after incorrect market totals were posted for an NBA game dated October 24, 2023, in a match between the Los Angeles Lakers and Denver Nuggets. He stated that 205 CMR 248.35(2) allows a sports wagering operator to request that the Commission authorize the cancellation or voiding of wagers, and that pursuant to 205 CMR 238.35(4) the Commission shall issue a written order granting or denying the request.

Mr. Steffen stated that between 4:22 p.m. and 4:35 p.m. on October 24, 2023, DraftKings offered incorrect odds on same-game parlay markets. He stated that odds for first quarter markets were offered for full game markets. He noted that LeBron James averaged nearly 30 points per game in the prior season, and odds on the market for this game were an over-under of 23.5 points. He stated that the incorrect odds listed for same-game parlay prop wagers listed LeBron James with an over-under of 8.5 points.

Mr. Steffen explained that the incorrect odds affected all players from both teams for this matchup. He stated that 178 wagers were placed on impacted markets by 137 customers for a total handle of \$4,182.36 and a total liability to DraftKings of \$575,436.82. He stated that the memorandum in the Commissioner's Packet provided a timeline of the incident. The *Sports Wagering Division's memorandum* was included in the Commissioners' Packet on pages 185 through 186.

Mr. Steffen explained that as a remediation effort DraftKings had notified their vendor, SportsCast, that DraftKings would not be offering first quarter player markets until further development work was completed and implemented. He stated that the Sports Wagering Division had reviewed the request, incident report, and remediation report, and that all requirements of 205 CMR 238.35(2) had been met. He stated that the Sports Wagering Division had no reservation with voiding these wagers.

Commissioner O'Brien questioned how these odds were listed when SportsCast was asked not to send first quarter markets. Senior Director of Regulatory Operations for DraftKings Jacob List stated that DraftKings was sent data from SportsCast, which was interpreted and translated by DraftKing's system for customers to view on the website. He stated that DraftKings's system was set up to translate full game prop markets, but the vendor submitted first quarter markets due to a miscommunication. He stated that the first quarter markets were incorrectly translated to full time markets. Commissioner O'Brien asked if the obligation to pay should fall on the vendor as it was clearly erroneous.

Mr. List stated that this was a circumstance of obvious error. He noted that the error affected multiple markets and customers discussed this error on social media. He stated that a request to void wagers is an extreme option, but that this instance was an obvious error. Commissioner O'Brien asked if these specific bets were discussed on social media. Mr. List confirmed that was correct. Commissioner O'Brien asked how much was bet in total. Mr. Steffen stated that there

were \$4182.36 in bets. Commissioner O'Brien noted that the payout, if honored, was a little over half a million. Mr. List stated that was correct.

Commissioner O'Brien noted that DraftKings had informed their vendor not to supply quarter one markets prior to this error and asked if reiterating this request was a sufficient remediation effort. Mr. List stated that they had asked SportsCast to review its internal communications process. He noted that DraftKings was also moving to an in-house version of the same-game parlay product and won't be subject to communications errors in the future.

Commissioner Skinner asked if the vendor could have a contractual responsibility to pay out the wagers, such as through an indemnity clause, if the Commission did not grant the request to void. Mr. List stated that commercial arrangements were not his area of expertise, and that he did not feel comfortable discussing contracts with vendors in a public setting.

Commissioner Skinner stated that it was clear this was an obvious error and that she was inclined to grant the request. She stated that she would still like more information regarding operators' other avenues of relief if the request to void wagers is not granted, or if insurance would cover this issue. Mr. List stated that DraftKings could provide information regarding their relationship with their vendors, but that DraftKings would not want it discussed in a public setting. Commissioner Skinner requested that the information be provided to the Sports Wagering Division.

Commissioner O'Brien noted that 205 CMR 238.35(2)(c) requires the operator to include an explanation of why voiding the wager is in the best interest of the Commonwealth or ensures the integrity of the sports wagering industry in their request to void wagers. She noted that the request submitted did not include that requirement. Mr. List stated that this was a truly exceptional circumstance, which did not only affect Massachusetts, and that operators should have some kind of protections when an error like this occurs. He stated that recourse should be available for truly exceptional circumstances.

Commissioner O'Brien asked if any other jurisdiction refused to void the wagers related to this error. Mr. List stated that while he had the status of requests in other jurisdictions, he was not at liberty to share that information in a public forum. He stated that the vast majority of jurisdictions had permitted DraftKings to void these wagers. Commissioner O'Brien stated that information regarding the other jurisdictions and the information requested by Commissioner Skinner would weigh on her decision.

Commissioner Maynard asked if 940 CMR 3.00 or any other consumer rights laws were applicable to this situation. Chair Judd-Stein noted that the Commission's regulation permitted the voiding of wagers. Commissioner Maynard noted that all other applicable laws in the Commonwealth would still apply. Chair Judd-Stein stated that most states allowed the voiding of wagers. Deputy General Counsel Monahan stated that she did not recall reviewing consumer protection laws when drafting this regulation. She stated that she would look into whether there were conflicts with consumer protection laws.

Mr. List stated that the requested information could be sent to Commission staff later in the day. General Counsel Grossman stated that he did not recall ever using consumer protection laws in this context. Chair Judd-Stein asked if the Attorney General's Office reviewed 205 CMR 238. Deputy General Counsel Monahan stated that the Attorney General's Office did not review this regulation. General Counsel Grossman stated that 205 CMR 238 was generated with GLI's assistance.

Commissioner O'Brien asked if allowing the voidance of these wagers would be unfair to patrons. Mr. List stated that the obviousness of the error should weigh in to that discussion. He noted that patrons noticed five similar errors of almost certain outcomes and parlayed them together for thousands of dollars in winnings.

Commissioner O'Brien stated that the interests of the Commonwealth and integrity of the industry were a big factor. Mr. List stated that if precedent was set where this type of obvious error was not voidable, then other exceptional situations might cause significant problems for the sports wagering industry down the line.

Commissioner Maynard noted that an intelligent player might have constructed a parlay without necessarily relying on the fact of the error. He asked how DraftKings would address this type of player. Mr. List stated that DraftKings' highest priority was customer happiness. He stated that if a good-faith customer reached out to DraftKings' support that DraftKings would try to make it right so that the customer would continue to wager with DraftKings.

Mr. Steffen noted that DraftKings' house rules defined error as including "bets placed at odds that are materially different from those available in the general market at the time the bet was placed". He noted that the error in this instance only affected the same-game parlay markets, and that correct odds were given in other markets for this game.

Chair Judd-Stein asked if the house rules definition helped Commissioner O'Brien's view. Commissioner O'Brien stated that she could see both sides of how the voiding of bets would benefit the Commonwealth as opposed to just benefitting DraftKings. She stated that voiding the wagers consistent with the house rules speaks to industry integrity. Commissioner Hill stated that he believed that this situation was an obvious mistake and that he had no concerns with voiding these wagers. He stated that he had the same request as Commissioner Skinner regarding information related to indemnification from the vendor.

Commissioner O'Brien noted that she wanted all patrons to be treated equally and asked if there was disparate treatment among patrons being given compensation while the bet was on hold. Mr. List stated that compensation was reviewed on a case-by-case basis when patrons wrote in to complain. He stated that if a customer complains about their bet being in limbo that DraftKings could provide a discretionary bonus.

Commissioner O'Brien stated that she would be troubled if the customers were not being treated the same in regard to compensation. Mr. List stated that bets had been refunded in almost every jurisdiction. He stated that if a customer complains about non-settlement of a bet, then

DraftKings might give a refund to get ahead of the process. He stated that customers should not be held up due to regulatory engagement moving at different speeds in different jurisdictions. Commissioner O'Brien stated that the remedy should be consistent regardless of who the patron is.

Commissioner O'Brien stated that she was not in a position to vote until all of the information the Commission requested is received. Commissioner Skinner stated that she was comfortable voting as it appeared to be an obvious error. She stated that she would still like information regarding indemnification from vendors. She stated that she respected that Commissioner O'Brien was not comfortable with voting and suggested that the Commission move the vote until all information is received.

Chair Judd-Stein asked what further information was needed. Commissioner O'Brien stated that she wanted the information regarding indemnification, the status of adjudications to void wagers in other jurisdictions, and information as to whether patrons had been treated equally.

Chair Judd-Stein noted that she disagreed regarding the customer treatment as DraftKings seemed to be exercising business judgment regarding customer service. She asked if an executive session could be held regarding indemnification clauses. Commissioner O'Brien stated that one of the regulatory criteria was whether the voiding of wagers is unfair to patrons, and fairness was a factor in her decision.

Chair Judd-Stein stated that the definition in DraftKings' house rules helped her become comfortable with the possibility of voiding these wagers as an obvious error. She stated that she was hesitant to have this vote rolled over to a future meeting as the wagers had been on hold since October. Commissioner O'Brien stated that the definition of obvious error was discussed in relation to this regulation, and that she might interpret it differently. Commissioner Maynard stated that he did not want to vote without information regarding how this issue is affected by Massachusetts' consumer protection laws.

Commissioner Skinner stated that she respected her fellow Commissioners' desire to be fully informed prior to taking a vote. She stated that the Sports Wagering Division could seek out the information requested on this topic. Mr. List stated that the status of other jurisdictions could be provided shortly, but he was unsure whether it was publicly available information yet.

Chair Judd-Stein stated that there was a dilemma that the Commission could not discuss the information unless it was presented publicly. General Counsel Grossman stated that any materials received related to indemnification would likely be a public record, and that he was unsure what theory the Commission could use to withhold that information. Chair Judd-Stein advised that the operator reach out to the Sports Wagering Division and legal team, as anything sent to the Commissioners could only be discussed in public. Mr. List stated that DraftKings would conduct an internal review before providing any information that could become public.

Chair Judd-Stein asked if there were any further concerns about continuing discussion of this topic until December 14, 2023. Director of the Sports Wagering Division Bruce Band stated that

he was concerned with customers funds being tied up for another two weeks. Chair Judd-Stein asked how many patrons were affected. Mr. Steffen stated that it was 137 patrons, and that the Sports Wagering Division had received a handful of customer disputes. Commissioner Hill stated that if the Commissioners needed additional information, then the questions should be answered before a vote.

Commissioner O'Brien noted that there was only approximately \$4,000 tied up in bets, and that DraftKings could refund customers while waiting for the vote. Chair Judd-Stein stated that she is unaware of a regulation that would support that refund. Commissioner O'Brien noted that she wanted to put into context the amount of money being held up in addition to the number of customers affected.

Mr. List stated that the information requested would be provided quickly. He stated that most difficulty and complaints from customers with pending bets happens immediately, and that there was not much concern about extending until the next meeting. He noted that DraftKings had reviewed the previous request from another Operator to void wagers that appeared before the Commission. Commissioner O'Brien noted to Mr. List that the previous request was different factually, from this current request.

The Commissioner reached consensus to address this topic further at the November 30, 2023, public meeting.

6. [Community Affairs Division](#) (5:26:04)

The Commission reached unanimous consensus to move the executive session related to MGM Springfield's security to a later meeting due to time constraints. Chair Judd-Stein suggested that the Community Affairs Division start with the items that required a vote prior to the casinos' quarterly reports.

a. [Final FY 2025 Community Mitigation Fund Guidelines](#) (5:29:10)

The *FY 2025 Community Mitigation Fund Guidelines* were included in the Commissioners' Packet on pages 233 through 260.

Commissioner Hill moved that the Commission approve the FY 2025 Community Mitigation Fund Guidelines as included in the Commissioners' Packet and discussed here today. 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.

b. [Final FY 2025 Community Mitigation Fund Grant Amounts](#) (5:30:33)

The *final FY 2025 Community Mitigation Fund Grant Amounts* were included in the Commissioners' Packet on pages 261 through 273.

Commissioner Hill moved that the Commission approve the FY 2025 Community Mitigation Fund Grant Amounts as included in the Commissioners' Packet and 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.

Chief of the Community Affairs Division Joe Delaney thanked his team for their efforts in changing the community mitigation fund with a short timeline.

c. [Plainridge Park Casino Q3 Quarterly Report](#) (5:32:56)

General Manager from Plainridge Park Casino ("PPC") North Grounsell and Vice President of Human Resources from PPC Kathy Lucas presented PPC's Q3 quarterly report with topics including sports wagering revenue, gaming revenue, lottery sales, spending by state, vendor diversity, diverse spend, compliance, employee diversity, PPC's Team and community engagement. *PPC's Q3 Report* was included in the Commissioners' Packet on pages 187 through 201.

Chair Judd-Stein noted that the employment diversity numbers were increasing for women. Ms. Lucas stated that even better numbers were expected for quarter four. Commissioner O'Brien asked how the sports bar was doing. Mr. Grounsell stated that the sports bar was busy on weekends and game nights, and that he was proud of that space.

Commissioner Hill asked why PPC did not have a greater number of veterans hired. Mr. Grounsell stated that the 4% of veteran employees hit PPC's targets. He stated that progress had been made in terms of hiring veterans and that PPC had connections with local veterans groups. He noted that one issue is that some employees might not want to disclose their veteran status.

d. [Encore Boston Harbor Q3 Quarterly Report](#) (5:42:19)

Senior Vice President and General Counsel for Encore Boston Harbor ("EBH") Jacqui Krum, Executive Director for Legal at EBH Julianna Catanzariti, and Director of Investigations and Training at EBH Carla Pivero presented EBH's quarterly report with topics including gaming revenue, lottery sales, sports wagering revenue, workforce diversity, recruitment, operational

spending, compliance, human resource initiatives, community relations, and charitable contributions. *EBH's Q3 Report* was included in the Commissioners' Packet on pages 202 through 231.

Commissioner Skinner noted that she was on the team working on the diversity audit and asked if the adjustments to EBH's employment diversity calculation had been reported to RSM. Ms. Krum stated that RSM was on the call when the calculation issue was discovered. Commissioner Skinner stated that it was good that EBH caught the issue with calculations, but that further discussion would have to be held regarding how that impacts the diversity audit. Chair Judd-Stein noted that the diversity audit was being conducted due to a news story regarding whether the Commission was getting accurate data from the licensed casinos.

Chair Judd-Stein asked what follow-up occurred with the security officer who allowed an underage person onto the gaming floor after their identification failed Veridocs. Ms. Krum explained that EBH had a progressive discipline policy, and that the security officer received a written notice for the first offense.

Commissioner O'Brien sought further detail regarding the woman who repeatedly returned to the casino with her sister's identification. Ms. Pivero stated that the underage woman looked remarkably like her sister, and that security officers need to pay attention to detail in stopping a person from accessing the gaming floor if there is a failed Veridocs check.

8. [Commissioner Updates](#) (6:06:56)

Commissioner O'Brien noted that the concept of a logo or insignia indicating that an operator was licensed in the Commonwealth of Massachusetts was briefly discussed. She suggested that the Commission revisit this topic and put it on the agenda for further discussion.

Commissioner O'Brien stated that some companies had been in the news regarding the crossing of paths between daily fantasy sports operators and casinos. She suggested that the Commission might want to identify fantasy sports companies who had been subject to action by the Attorney General's Office or other gaming commissions. Chair Judd-Stein stated that inquiries had previously been received from operators regarding fantasy sports. She stated that the Attorney General's Office had expressed an interest in coordinating on this matter.

Commissioner Skinner stated that the IEB Director position had been posted, and that HR was in the process of expanding the posting to affinity associations. She stated that HR was working diligently to get the job posting distributed as widely as possible.

9. [Other Business](#) (6:11:10)

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

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

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 14, 2023
2. [Commissioner's Packet](#) from the November 16, 2023, meeting (posted on massgaming.com)



COMMUNITY MITIGATION FUND



FY 2026 Program Guidelines



Approved by the Massachusetts Gaming Commission on _____, 2024

FY 2026 Community Mitigation Fund Guidelines

*Welcome to the FY 2026 Community Mitigation Fund (CMF) Guidelines. The below sections **illustrates explain** some of the major changes made last year and clarifications that have been added to the Guidelines for this year.*

The Massachusetts Gaming Commission (~~Commission~~) created a new structure last year for the program, which provides municipalities with certainty regarding the availability of mitigation funds and assist them in funding actionable, mitigation-based projects tailored their community.

FISCAL YEAR 2026

What is staying the same:

For FY 2026 there are few changes to the block grant style program introduced last year. Additional guidance has been provided to help clarify areas where applicants had some challenges difficulty in preparing applications for FY 2025. We are continuing with the two-tiered grant program developed last year and are using the same grant distribution formula and proposed grant amounts as in FY 2025.

For FY 2026, the State Legislature diverted expected Community Mitigation Funds for other uses. There are currently sufficient funds available to operate this program at the same level as last year. However, in order to do so funds need to be diverted from Region A to Region B. We are continuing with the two-tiered grant program developed last year and are using the same grant distribution formula and proposed grant amounts as- FY 2025. The Guidelines provide additional detail on this diversion of funds.

The following are the grant applications that will be accepted in FY 2026:

- The Municipal Block Grant Program – All eligible communities will file applications under this program. Municipalities are required to submit a single application that includes all of the proposed projects for that community.
- The Regional Agency Grant Program – This application is for the workforce grants, rRegional pPlanning aAgency grants, regional public safety grants and other grant that may be filed by eligible regional entities.

Applications are due to the Commission by January 31, 2025 at 11:59 PM. The application must describe how the municipality will spend the proposed grant amount in accordance with the program guidelines. **If a municipality does not submit an application by January 31, they will forfeit the funds for that year.**

1. *Creation of a Two-Tiered Grant Program* – The changes to the CMF result in two types of grants – the Municipal Block Grant and the Regional Agency Grant. The Municipal Block Grant Program establishes a proposed grant amount for each eligible municipality based on a distribution formula. The Regional Agency Grant Program funds eligible regional agencies in workforce development, public safety, and regional planning grants.

2.1. *Grant Applications for Municipal Block Grants* – Municipalities are required to submit a single application for the entire community. Applications are due to the Commission by January 31, 2025 at 11:59 p.m. The application must describe how the municipality will spend the proposed

FY 2026 Community Mitigation Fund Guidelines

grant amount in accordance with the program guidelines. **If a municipality does not submit an application by January 31, they will forfeit the funds for that year.**

- ~~3. *More Detailed Project Guidance*—Through discussions with program stakeholders there was a consensus that more clearly outlining uses of the funds available by category would enable municipalities to develop their programs more efficiently by focusing specifically on eligible mitigation. These guidelines present clearly identified casino-related impacts by category as well as projects that may address these impacts.~~
- ~~4. *Administrative Costs*—This year the Commission has determined that up to 7.5% of the grant may be applied toward the cost of administration up to a cap of \$50,000.~~
- ~~5. *Funding for Regional Planning Agencies*—The Commission is making available up to \$250,000 for the Regional Planning Agencies associated with each gaming establishment. These funds are for regional projects associated with a casino related impact.~~

CMF Applicants are encouraged to contact the Commission's staff with any questions or concerns.

Joseph Delaney, Chief of Community Affairs- Joseph.Delaney@massgaming.gov

Mary Thurlow, Senior Program Manager [Region A](#)- Mary.Thurlow@massgaming.gov

Lily Wallace, Program Manager [Region B](#)- Lily.Wallace@massgaming.gov

FY 2026 Community Mitigation Fund Guidelines

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FY 2026 Community Mitigation Fund Guidelines

1.0 COMMUNITY MITIGATION FUND GRANT PROGRAM

The Expanded Gaming Act created the Community Mitigation Fund to help communities and other entities offset costs related to the construction and operation of a gaming establishment. Applications for the Fiscal Year 2026 (FY 2026) grant round are due **January 31, 2025**. The Massachusetts Gaming Commission anticipates making funding decisions on any requests for grant assistance before July 2025.

For FY 2026, there are two types of grants programs within the CMF:

- The Municipal Block Grant Program
- The Regional Agency Grant Program

The Municipal Block Grant Program will provide funds for eligible municipalities to mitigate casino-related impacts and the Regional Agency Grant Program will fund projects to be carried out by regional agencies in the area of workforce development, public safety, and regional planning.

1.1 Program Eligibility

The Commission's regulations identify a range of eligible entities including, but not limited to:

- The host communities and surrounding communities; communities that entered into a nearby community agreement; any communities that petitioned to be a surrounding community; and any communities that are geographically adjacent to a host community
- Water and sewer districts in the vicinity of a gaming establishment
- Local and regional agencies involved in education, transportation, infrastructure, housing and environmental issues; governmental entities within communities such as redevelopment authorities or non-regional school districts must submit applications through a municipal administrator in its service area
- The county district attorney, police, fire, and emergency services

[Any governmental entity seeking funding for mitigation is required to ensure that any planned use of funding complies with all applicable laws and regulations as well as provisions of the Massachusetts Constitution. This is, includes but is not limited to, the Anti-Aid Amendment of the Massachusetts Constitution.](#)

[The Anti-Aid Amendment of the Massachusetts Constitution prohibits the use of public money, which includes state appropriated funds such as those that comprise the Community Mitigation Funds, for the purpose of solely benefiting or aiding a private party. Private non-governmental parties may not apply for Community Mitigation Funds. Governmental entities may apply to the Commission for funds to mitigate casino-related impacts provided that the funding is used for a "public purpose" and not for the direct benefit or maintenance of a private party. In some instances, the intended use of funds may result in both a public and a private benefit. In such cases, the use may be permitted in accordance with the Anti-Aid Amendment if the private benefit is not the primary benefit and is only incidental to the public purpose.](#)

[Any governmental entity seeking funding for mitigation is required to ensure that any planned use of funding complies with the provisions of the Massachusetts Constitution and with all applicable laws and regulations.](#)

FY 2026 Community Mitigation Fund Guidelines

~~Private non-governmental parties may not apply for Community Mitigation Funds. Governmental entities may apply to the Commission for funds on behalf of a private party to mitigate impacts provided that the funding is used for a “public purpose” and not the direct benefit or maintenance of a private party in accordance with the “Anti-Aid Amendment” of the Massachusetts Constitution.~~

If you are unsure of your agency’s eligibility please contact program staff in advance of submitting your application.

1.2 Ineligible Expenses for all Grants

The CMF will not fund the mitigation of impacts already being addressed by a Host or Surrounding Community Agreement. All applications must demonstrate that CMF funds will supplement and not supplant historical operations funding.

FY 2026 grant funds may *not* be used for the mitigation of:

- Impacts that are projected or predicted but that are not occurring or have not occurred by January 31, 2025
- Impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction and operation of gaming establishments
- Other impacts determined annually by the Commission

1.3 Application Requirements

The following requirements are applicable for all grants. Please see the individual grant guidelines for specific instructions regarding each type of grant.

- Applicants are required to fully complete the grant application appropriate to their type of grant.
- All applications must identify an impact associated with the casino and describe how the project will address the impact.
- [All applications must submit a detailed scope of work and timeline for implementation of the project identified in the application.](#)
- [All applications must contain appropriate backup materials that support the application.](#)
- **All applications must be submitted by 11:59 PM January 31, 2025. Submissions must be sent via e-mail to MGCCMF@massgaming.gov. Any application received after the deadline will not be considered for funding in FY 2026.**

1.4 Funding Allocation

The Commission intends to allocate FY 2026 CMF funding based on the ~~proportion of~~ funds paid into the CMF from the taxes and fines generated by the MGM Springfield and Encore Boston Harbor facilities.¹

¹ These Guidelines do not describe revenue estimates from the potential Tribal facility in Taunton or the participation of a Region C facility, as no Region C license or Tribal facility has yet been fully authorized.

FY 2026 Community Mitigation Fund Guidelines

For FY 2026, the Commission plans to allocate \$16.3 million to the eligible municipalities in Region A, Region B and the Category 2 facility:

- Region A \$11.5 million
- Category 2 \$ 0.5 million
- Region B \$ 4.3 million

~~Category 2 grants will be funded from CMF revenues generated in Region A as Plainridge Park Casino lies within the boundaries of Region A.~~

~~For FY 2026, funds will be transferred from Region A to Region B to provide sufficient funding for the Region B municipalities and Regional Agency Grants. The expected amount of the transfer is approximately \$4.3 million. The exact amount will be determined after the grant awards are made and a final accounting of the total cost of the Region B grants is tallied. Category 2 grants will also be funded from Region A as Plainridge Park Casino lies within the boundaries of Region A. the Regional Agency Grants will be funded with unspent funds from previous grant rounds. The Commission anticipates that up to \$3 million may be expended on Regional Agency Grants. Targeted spending may be found in the detailed descriptions of the Regional Agency Grant categories. The Commission determined in grant year 2020, that any unused funds allocated to each Category 1 Region will be set aside for that region for a period of three years. After the three-year period, the funds shall be allocated back into a combined fund for all regions and for Category 2 impacts. It is the intention of the Commission to count any allocated regional balances first toward FY 2026 spending targets.~~

~~The Commission intends to reinstate the previous policy regarding the distribution of funds for FY 2027 depending on the action the Massachusetts Legislature takes with respect to the FY 2026 budget.~~

FY 2026 Community Mitigation Fund Guidelines

2.0 MUNICIPAL BLOCK GRANT PROGRAM

The Municipal Block Grant Program is designed to give municipalities in the vicinity of the gaming establishments some certainty regarding the availability of mitigation funds to their communities. [FY 2026 proposed grant amounts do not constitute a guarantee of funding. While the proposed grant amounts are calculated in advance, actual grant awards will be based on the documented nexus to casino related impacts and the ability of the projects to address those impacts.](#) ~~However, municipalities may not rely upon contributions from the CMF in future rounds.~~

2.1 Program Eligibility

The Municipal Block Grant Program will include all eligible municipalities. Eligible municipalities are:

- **Region A** - Everett, Boston, Cambridge, Chelsea, Lynn, Malden, Medford, Melrose, Revere, Somerville, and Saugus
- **Category 2** – Attleboro, Foxborough, Mansfield, North Attleborough, Plainville, and Wrentham
- **Region B** - Springfield, Agawam, Chicopee, Holyoke, East Longmeadow, Hampden, Longmeadow, Ludlow, Northampton, West Springfield, and Wilbraham

2.2 Key Programmatic Aspects

The Municipal Block Grant will fund projects in several categories – Community Planning, Transportation, Public Safety, Gambling Harm Reduction, and Specific Impact. These categories are further described in Section 2.6 of the Guidelines. The following are some of the key aspects of the program:

- The proposed grant amount for each eligible municipality is based on a distribution formula.
- For each category of grant, the Commission has identified impacts that are likely to be caused by, or associated with, the gaming establishments. For these identified impacts, applicants may reference them in their applications.
- For each category of grant, the Commission has identified the types of projects that are generally acceptable to address casino related impacts.
- For each category of grant, the Commission has identified ineligible projects or items.

2.3 Proposed Municipal Grant Amounts

The proposed grant amounts for FY 2026 can be found ~~at~~ [aons ATTACHMENT-A](#) .

Proposed grant amounts were voted by the Commission on [November __, 2024](#) and each [eligible](#) municipality will have received a letter outlining their proposed [grant amount](#) and the steps that must be taken to receive that award.

FY 2026 Community Mitigation Fund Guidelines

Suggested Grant Spending

The Commission would like to see spending spread among the several project categories to address ~~a diverse collection of as many~~ casino-related impacts ~~as possible~~. ~~Therefore, a suggested minimum of 15% of the grant should be targeted to each of the Community Planning, Transportation, Public Safety, Gambling Harm Reduction categories. This would allow the municipality to spend up to 40% of the grant on whichever categories they choose. For the first year of this program, these are not mandated minimums.~~ The Commission will monitor ~~compliance with this program element and category spending and~~ use this data to evaluate future program guidelines.

2.4 Application Requirements

Grant applications are due to the Commission by 11:59 PM on January 31, 2025 via e-mail at MGCCMF@massgaming.gov or as a response to COMMBUYS BID Number: BD25-1068-1068C-1068L- . **Applications received after this time will not be considered for funding. Each municipality must submit only one application for the entire municipality. Applications should include the following elements.**

Please click here: www.massgaming.com/about/community-mitigation-fund/forms/ for the application forms and an example application.

- a. Applicants are required to fully complete the CMF Municipal Block Grant Application and select the appropriate categories for their ~~application~~ proposed projects.
- b. Applicants must identify an impact associated with the casino, describe how the project will address it, and provide justification for any funds requested.
- c. The municipality must submit a separate ~~section form~~ for each project within a grant category detailing the scope, schedule, and budget in accordance with the Guidelines. Applicants ~~and must may~~ submit additional supporting materials. These combined forms and attachments will make up ~~your each~~ municipality's complete application.
- d. If a municipality cannot identify sufficient projects that will expend the entire proposed grant amount, a municipality may apply for a lower amount of funding. Any unused funding for that fiscal year will be forfeited by the municipality.

2.5 Waivers

The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines. Any requests for waivers shall be submitted with the Grant Application. Please click here for the waiver form: www.massgaming.com/about/community-mitigation-fund/forms/. ~~The following provision is only applicable to the Municipal Block Grant Program.~~

Funding Waiver- If any ~~applicant 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

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on a ~~case-by-case~~case-by-case basis and award decisions will be based on available funding. **The 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 an applicant's municipality's annual CMF allocation.** For example, if a community's grant allocation is \$500,000 and it has a relevant transportation construction project that meets the programmatic funding requirements which exceeds the proposed grant allocation, ~~would otherwise be eligible for a \$1,000,000 grant, that community can file for a funding waiver for the additional expense.~~

Please see Section 5.5 of these Guidelines for additional information about waivers.

2.6 Grant Categories

The Commission has identified five categories under which a municipality may apply for funding. All applicants should make sure they are aware of each category's distinct requirements and that they apply under the relevant category. Projects that the Commission determines are incorrectly filed may be recategorized by staff.

Community Planning

The Community Planning grant category is designed to help municipalities either address negative impacts of the gaming establishment on the local community or take advantage of opportunities that the gaming establishment presents. Community Planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results.

Community Planning projects must address an identified casino related impact. Grant funds may be used for both project planning and project implementation. Past projects have included the development of marketing and tourism plans, design and implementation of web sites highlighting local businesses, wayfinding projects, re-zoning studies, and projects to improve the local economic capacity.

Applicants should consult with the Regional Planning Agency (RPA) or nearby communities to determine the potential for cooperative regional efforts regarding planning activities. Details of these consultations should be provided in the application.

A project may identify the addition of staff to implement the project. The Commission will fund the portion of the staff member's salary that is directly related to the implementation of the mitigation efforts. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. The Commission will not cover fringe benefits under this category.

The application should include sufficient backup information for the review team to fully understand the project(s). This information could include locus maps, requests for proposals, detailed scopes of work, drawings etc. Please see the application form for additional information.

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Identified Impacts: The Commission has identified impacts associated with the gaming establishment, which municipalities may cite in their application. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If a municipality has identified an additional impact to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

Positive Impacts

- 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.
- Gaming establishments typically purchase millions of dollars of goods and services each year, much of which is purchased locally. This provides the opportunity for local businesses to provide these goods and services.
- Gaming establishments require a significant number of workers, which provide employment opportunities for local residents.

Negative Impacts

- Competition from the gaming establishment may have negative impacts on other businesses competing in the hospitality and entertainment industries.
- The presence of a gaming establishment may result in reallocated spending. Reallocated spending is spending on goods and services which would have occurred had the casinos never opened, but which did not occur because an individual chose to spend their money at the casino instead. The main areas where monies are reallocated are transportation, retail items, hotels and travel, restaurants and bars, recreation, non-live entertainment and live entertainment.
- The marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.

Eligible Community Planning and Implementation Projects – The following types of projects may be considered to address casino related impacts:

- Marketing and tourism plans to attract casino patrons and employees to the municipality, highlight local businesses, promote recreational and entertainment opportunities, and help communities compete with the gaming establishments for business.
- Projects to provide economic development opportunities for local businesses. [Projects of this nature should be community-run efforts that have the potential to improve the competitiveness of local businesses as a whole. These projects must provide a public benefit and not provide a direct benefit to private entities. Example: a community may use funds to bring in a consultant for design work which would be available for all in the community but may not be available...](#)
- Programs to increase business opportunities to provide goods and services to the gaming establishments.
- Other programs to encourage casino employees to live/work/play in the community.

Ineligible Projects – The following types of projects have been deemed ineligible for grant funding:

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- Projects that do not address a casino-related impact.
- Projects that primarily provide a direct benefit to or maintenance of a private party.

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Transportation

The Transportation grant category is designed to help municipalities deal with the transportation related impacts that a gaming establishment may have on all modes of transportation including vehicular travel, public transit and pedestrian/bicycle travel. This category includes both the planning for transportation improvements and the construction of identified transportation improvement projects.

Transportation Planning and Construction projects for road and intersection improvements will only be funded on routes that have been identified in the Environmental Impact Report for the gaming establishment as carrying at least 1 percent of the casino related traffic. The Commission may consider other roadway sections if the applicant can affirmatively demonstrate that the road section is significantly impacted by casino related traffic. Acceptable documentation could include traffic studies done by Regional Planning Agencies or private developers that could reasonably conclude that approximately 1% of the casino related traffic is using the identified road/intersection. Please see **ATTACHMENT B** for the trip distribution maps for the gaming establishments.

Projects on State-owned roadways are not generally eligible for Community Mitigation Funds. If a community is looking for funds to perform planning on a state-owned roadway, please contact CMF Staff to discuss possible eligibility in advance of submitting the application.

For projects proposing the planning or construction of multi-use paths, the applicant must demonstrate that the proposed project is part of a larger network of paths that provide direct access to a gaming establishment.

Transportation Planning Projects: Transportation planning projects must address an identified casino impact. Transportation planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. Transportation planning grants are intended to assist communities with gathering data and analysis, hiring planning consultants, performing engineering review/surveys, conducting public meetings, preparing final reports, and preparing analysis or design.

For any proposed transit improvement studies, the municipality must consult with the Regional Transit Authority where the gaming establishment is located and must have support from that agency before proceeding with the project.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2026 TIP criteria for the Boston MPO Region or the Pioneer Valley Planning Commission's transportation evaluation criteria, or other regional transportation project evaluation standard, whichever may be most applicable.

Applicants are strongly encouraged to include a letter of support from MassDOT with any application.

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[The application should include sufficient backup information for the review team to fully understand the project\(s\). This information could include locus maps, requests for proposals, detailed scopes of work, etc. Please see the application form for additional information.](#)

Transportation Construction Projects: Transportation construction projects must address an identified casino impact. ~~The Grant will only fund a portion of the construction costs.~~ Grant funds will provide 100% of ~~the combined total costs of all construction projects project costs~~ up to \$250,000 and will fund up to 30% of the costs associated with an individual project in excess of ~~a~~ \$250,000 up to a maximum grant of \$1.5 million. ~~If a municipality has more than one transportation construction project, the total cost of the combined projects will be used to determine the project subsidy (i.e., only the first \$250,000 of the combined projects receives the 100% subsidy).~~

[Example 1 – A community has a transportation construction project that is estimated to cost \\$3 million. The subsidy for this project would be the first \\$250,000 of the project at 100% and 30% of the remaining cost or \$\\$2,750,000 \times 0.30 = \\$825,000\$. The total subsidy for the project would then be \$\\$250,000 + \\$825,000 = \\$1,075,000\$.](#)

[Example 2 – A community has two construction projects – construction of a bike share network that costs \\$125,000 and an intersection improvement project that costs \\$800,000. The combined costs of these projects are \\$925,000. The breakdown would be as follows: the \\$250,000 would be spent across the two projects the first \\$125,000 on the bike share and the remaining 125,000 towards the intersection improvements. This would leave a remainder of \\$675,000 on the intersection project. Of that \\$675,000 MGC would cover 30% or \$\\$675,000 \times 0.30 = \\$202,500\$. Therefore, the total award for the two projects would be \$\\$250,000 + \\$202,500 = \\$452,500\$.](#)

Applicants must demonstrate that the project will begin construction no later than June 30, 2026.

Identified Impacts: The Commission has identified transportation related impacts associated with the gaming establishments, which municipalities may cite in their applications. There may be other impacts that have not been identified by the Commission that may be eligible for grant funds. If a municipality has identified additional impacts to be addressed, the applications must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- Increased traffic associated with the gaming establishment may cause increased congestion on the major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular accidents on major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular/bicycle/pedestrian conflicts.
- Increased traffic associated with the gaming establishment may cause localized increases in air pollution due to congestion.
- Increased visitation to the gaming establishment area may place a strain on public transit services.

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Eligible Transportation Planning Projects – Eligible transportation planning projects could include:

- Road safety audits
- Complete Streets evaluations and designs
- Studies to improve public transit
- Multi-use path planning and design
- Road/traffic signal improvement designs to improve vehicular safety and/or reduce traffic congestion.
- Planning for [bike](#) share networks.
- Studies to identify air pollution reduction strategies
- Studies to identify ways to reduce single occupancy vehicles

Eligible Transportation Construction Projects

- Construction of multi-use paths
- Construction of identified road safety improvements
- Construction of identified roadway capacity enhancements
- Purchase and installation of bike share networks
- Construction of transit improvements
- Construction of traffic signal improvements to enhance roadway capacity and/or improve vehicular and pedestrian safety
- Other transportation related construction projects that can be demonstrated to address an impact of a gaming establishment.

Ineligible Projects

- Routine road paving projects [that do not include capacity enhancements or safety improvements](#)
- Projects only associated with aesthetic improvements
- Operational costs associated with traffic safety (e.g., police costs for traffic enforcement, costs of traffic control equipment such as speed boards, etc.)_ Applicants should apply for these funds under public safety.
- Projects that do not address a casino related impact

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Public Safety

Public safety grants are intended to assist municipalities in addressing the increased public safety operational costs associated with the introduction of a gaming establishment to the region. Eligible entities include Police, Fire, EMS, and other public safety agencies. Any proposed project under this section must be done in response to a casino related impact. All applications for public safety personnel or other public safety operational costs, including relevant training, must demonstrate that CMF funds will supplement and not supplant historical operations funding.

Applicants that are applying for radio or other communication equipment that engages with the statewide interoperability system must submit the ICIP (Interoperable Communications Investment Proposal) form and Special Conditions Form directly to the Executive Office of Public Safety and Security (EOPSS). The applicant shall submit a copy of their forms with their public safety application. The applicant shall send the approved ICIP and Special Conditions Forms to MGCCMF@Massgaming.gov when they receive an approved copy back from EOPSS.

Applicants must include detailed hourly estimates for the costs of any public safety personnel. Applicants should include the most relevant information describing historical service or staffing levels (“baseline information”) in order to demonstrate that all funds will be used to supplement existing efforts. For example, if a community requests funding for additional staffing for a specific time period, the application should include information about the staffing levels that have been used for that same time period during the license term of the gaming facility. Applicants are requested to provide as much detailed baseline information as practicable to help the Commission in its review.

The application should include sufficient backup information for the review team to fully understand the project(s). This information could include locus maps, catalog cuts of proposed equipment purchases, quotes, training course syllabus, etc. Please see the application form for additional information.

For applications requesting vehicle purchases, communities must demonstrate the following:

- That the vehicle is needed for a new effort being conducted by the community in response to a casino related impact;
- What percent of time the vehicle will be used to address the casino impact;
- For traffic enforcement vehicles, that the community is significantly impacted by casino related traffic;traffic;
- How the proximity of the community to the gaming establishment necessitates the purchase;
- That the vehicle purchase will not be for the replacement of an existing vehicle used by the municipality; and
- _____

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- [That the request is not for the replacement of existing vehicles in the fleet.](#)

Identified Impacts: The Commission has identified public safety related impacts associated with the gaming establishments, which municipalities may cite in their applications. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If a municipality has identified additional impacts to be addressed, the applications must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- Increased visitation and employment due to the casino will likely increase the interaction between public safety personnel and casino patrons and employees.
- It is recognized by law enforcement and the casino industry that casinos and other hospitality related businesses may attract certain types of crime including but not limited to human trafficking, money laundering, and drug trafficking. Other crimes that may be attributable to casinos include increased assaults, fraud, and property crimes.
- The presence of casinos has been demonstrated to cause an increase in cases of operating under the influence.
- Increases in traffic can cause increases in congestion, accidents, and vehicular/bicycle/pedestrian conflicts.
- 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. This could lead to increased needs for mutual aid.

Possible Mitigation Measures

- Police training including de-escalation training, implicit bias training, use of force training or other training to help improve police/patron/employee interactions.
- Efforts to improve traffic safety that could include enhanced traffic enforcement, use of speed/message boards, public education programs, or other efforts that are demonstrated to improve traffic safety.
- Efforts to reduce impaired driving potentially including sobriety checkpoints, saturation patrols, education programs, or other demonstrated measures to reduce impaired driving.
- Efforts to identify, monitor and address issues related to human trafficking, drug trafficking and money laundering.
- Efforts to better track casino related crimes.
- Training to Fire Departments and EMS to address issues that arise specifically associated with the gaming establishment.

Ineligible Projects – MGC has identified the following projects/items as ineligible for grant funding:

- Equipment that is normally supplied by a public safety agency to their staff (e.g., uniforms, safety equipment, weapons, body armor, etc.).
- Routine replacement of vehicles – [these are vehicles that would otherwise be replaced by the community if CMF funds were not available.](#)
- Routine replacement of radio equipment.

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- Equipment that does not specifically address a casino related impact.
- Funding that supplants existing historical funding.
- Funding for Gaming Enforcement Unit personnel or operations costs specified or anticipated in the memoranda of understanding between the Massachusetts State Police and host communities' police departments
- Any project does not address a casino related impact.

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Gambling Harm Reduction

Funding for gambling harm reduction is designed to assist municipalities in identifying populations at risk for problem gambling, studying the impact of gambling on those populations, identifying solutions to help mitigate identified harms and implementing solutions that help reduce the risk of gambling harms.

[The Commission has received several applications to study youth gambling. If a community is proposing a study of youth gambling, please contact Commission staff prior submitting the application to discuss methodology to ensure that the proposed study will not duplicate previous work.](#)

Identified Impacts

- 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.

MGC recently worked with Gambling Research Exchange Ontario (GREO) to compile research on different groups that may be relevant to your community's needs. Please click here to access the studies on different populations that may be at increased risk for gambling harm <https://massgaming.com/about/community-mitigation-fund/application-guidelines/>

Possible Mitigation Measures

- A municipality may use these funds for the development and planning of a study or project. Projects are primarily for community engagement, vision and planning. Applicants may develop a plan to engage the community to identify a casino or gambling related topic or issue which warrants further investigation. The product of this process should be a research strategy which may be considered for detailed research funding in subsequent funding cycles. We expect these types of grants to be for a one-year term.
- A community may also use these funds for conducting detailed research on the topic identified. Applicants that have a specific research topic and/or question and are prepared to propose a research strategy. For this type of proposal, applicants must organize their proposal in the following order.

Specific Aims: State concisely the goals of the proposed research. Summarize the gambling related harms and potential impacts that the results of the proposed project will exert on Massachusetts and the research field(s) involved.

Research Strategy: Provide a detailed research strategy, including the following:

Approach: Describe the overall strategy, methodology, and analyses to be used to accomplish the specific aims of the project.

Significance: Explain the importance of the topic or question that the proposed project addresses.

Innovation: Describe any new or novel theoretical concepts, approaches or methodologies to be used.

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Protection of Human Subjects: If applicable, summarize your plan to protect human subjects and Please summarize your plan to obtain IRB approval. If you believe IRB approval is not required for this project, please provide justification.

Collaboration and Knowledge of the Community: Describe the organization's relationship and understanding of the community with whom the study will take place.

Knowledge Translation and Exchange: Describe how an answer to the question or insight on the topic may mitigate gambling related harms in the community. Identify specific activities and/or measures which may be supported by the Community Mitigation Fund in subsequent funding cycles. Describe a plan to share information with the community and or use it to inform policy or practice.

Some examples of the MGC General Research Agenda and Community Engaged Research can be found: <https://massgaming.com/about/research-agenda/> or <https://massgaming.com/about/research-agenda-search/?cat=community-engaged-research>

- [A community may also apply to fund a project that will help to mitigate a gambling harm identified via their own detailed research or the application of MGC research. Applicants can utilize research identified in the community specific interventions slide deck found <https://massgaming.com/about/community-mitigation-fund/application-guidelines/> or impacts outline in the MGC reports found <https://massgaming.com/about/research-agenda/> or <https://massgaming.com/about/research-agenda-search/?cat=community-engaged-research>](#)

Ineligible Projects – MGC has identified the following projects/items as ineligible for grant funding:

- Project does not address a casino related impact.
- Detailed research projects that are not grounded in available evidence.
- A project that will mitigate a gaming-related harm that is not grounded in their own detailed research or recommendations arising from MGC research (as outlined in the community specific interventions slide deck or MGC research reports referenced above).

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Specific Impact

Specific Impact Grants are only for projects that do not fit within the other categories of CMF Grants. The municipality must provide a thorough description of an identified impact of the gaming establishment and proposed mitigation measures to address the impact. ~~The applicant may want to contact the Commission staff to discuss prior to submitting the application.~~ The community should contact Commission staff to discuss any specific impact grants before submitting its application.

A community may also use this Specific Impact Grant space to break out administrative and or staffing costs associated with the grant as a whole.

Identified Impacts: The Specific Impact category recognizes that there may be other impacts associated with a gaming establishment that have not been identified by the Commission. If a municipality has identified an additional impact to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

The Commission's regulation 205 CMR 125.01 2(b)4 defines operational impacts as:

“The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water runoff, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community.”

Although these definitions include the types of operational impacts that may be funded, it is not limited to those. The determination will be made by the Commission after its review.

Eligible Expenses

The Commission will make funding available to mitigate gaming facility operational impacts that are being experienced or were experienced by the January 31, 2025⁴ application deadline.

Ineligible Expenses

Any expense considered to be a municipal cost such as any cost which may be included its annual budget

- Any cost for which it receives payments through its Host Community Agreement or Surrounding Community Agreement.

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- Any project that does not address a casino related impact.
- Applications from non-governmental entities.

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REGIONAL AGENCY GRANT PROGRAM

3.0 REGIONAL AGENCY GRANT PROGRAM

The Commission will accept applications by regional agencies to address impacts on communities that go beyond one municipality and can be more effectively addressed in a regional manner.

3.1 Eligibility

MGL c. 23K, Section 61 identifies eligible entities as “local and regional education, transportation, infrastructure, housing, environmental issues and public safety, including the office of the county district attorney, police, fire and emergency services. The Commission may, at its discretion, distribute funds to a governmental entity or district other than a single municipality in order to implement a mitigation measure that affects more than 1 municipality.”

This definition provides the Commission with broad authority regarding the distribution of mitigation funds to regional governmental entities. However, the Commission has identified three priority areas for project funding – regional planning efforts, regional public safety, and regional workforce education programs.

While other regional governmental entities may be eligible for funding, any such entity proposing to apply for funding should contact the Community Affairs Division well in advance of the submission deadline to discuss project eligibility and casino related impacts.

3.2 Key Programmatic Aspects

Historically, the Commission has funded regional agencies through the CMF as part of each year’s grant round. For FY 2026, the Regional Agency Grant Program will be the funding mechanism. Three categories of grants are available for FY 2026 – Regional Planning Grant, Regional Public Safety Grant, and Regional Workforce Development Grant. These categories are further described in Section 3.5 of the Guidelines. The following are some of the key aspects of the program:

- For each category of grant, the Commission has identified impacts that are likely to be caused by, or associated with, the gaming establishments. For these identified impacts, applicants may reference them in their applications.
- For each category of grant, the Commission has identified the types of projects that are generally acceptable to address casino related impacts.
- For each category of grant, the Commission has identified ineligible projects or items.

3.3 Application Requirements

Grant applications are due to the Commission by 11:59 PM on January 31, 2025 via e-mail at MGCCMF@massgaming.gov or as a response to COMMBUYS BID Number:BD25-1068-1068C-1068L-
Applications received after this time will not be considered for funding. Each regional agency must submit only one application. Applications should include the following elements.

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Please click here: www.massgaming.com/about/community-mitigation-fund/forms/ for the application forms and an example application.

- a. Applicants are required to fully complete the CMF Regional Agency Grant Application and fill out the appropriate section for the selected grant category.
- b. Applicants must identify an impact associated with the casino, describe how the project will address it, and provide justification for any funds requested.
- c. The regional agency must submit an application detailing the scope, schedule, and budget which provides details on how the agency will spend the money in accordance with the program guidelines. Agencies may submit additional materials to support their applications.

3.4 Waivers

The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines. Any requests for waivers shall be submitted with the Grant Application. Please click here for the waiver form: www.massgaming.com/about/community-mitigation-fund/forms/

3.5 Grant Categories

The Commission has identified three categories under which a regional agency may apply for funding. All applicants should make sure they are aware of each category's distinct requirements and that they apply under the relevant category. Projects that the Commission determines are incorrectly filed may be recategorized by staff.

Regional Planning Grants

Certain casino related impacts may present challenges across multiple communities or create opportunities to leverage the presence of a casino to provide regional benefits. Projects to address these types of impacts are often better served through the use of a regional agency to develop and implement solutions.

For FY 2026, the Commission is authorizing grants of up to \$250,000 for Regional Planning Agencies (RPAs) to identify and implement projects that address regional impacts associated with the gaming establishments.

The eligible RPAs for these grants are those that serve the casino's host community – the Metropolitan Area Planning Council for Region A, The Southeast Regional Planning and Economic Development District for the Category 2 facility, and the Pioneer Valley Planning Commission for Region B. Other governmental agencies may be eligible for this grant if their project meets all other program requirements, if interested please contact Commission Staff in advance of application to confirm eligibility.

Similar to the Community Planning and Transportation categories under the Municipal Block Grant Program, these grants are designed to help either address negative impacts of the gaming

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establishment on the region or to take advantage of opportunities that the gaming establishment presents.

Regional planning projects must address an identified casino related impact. Grant funds may be used for both project planning and project implementation. Planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. Applicants should work in collaboration with or on behalf of impacted municipalities. Planning grants are intended to assist agencies with gathering data and analysis, hiring planning consultants, performing engineering review/surveys, conducting public meetings, preparing final reports, and preparing analysis or design.

Identified Impacts: The Commission has identified impacts associated with the gaming establishment, which RPAs may cite in their application. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If an agency has identified additional impacts to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

Positive Impacts

- 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.
- Gaming establishments typically purchase millions of dollars of goods and services each year, much of which is purchased locally. This provides the opportunity for local businesses to provide these goods and services.
- Gaming establishments require a significant number of workers, which provide employment opportunities for local residents.

Negative Impacts

- Competition from the gaming establishment may have negative impacts on other businesses competing in the hospitality or entertainment industries.
- The presence of a gaming establishment may result in reallocated spending. Reallocated spending is spending on goods and services which would have occurred had the casinos never opened, but which did not occur because an individual chose to spend their money at the casino instead. The main areas where monies are reallocated are transportation, retail items, hotels and travel, restaurants and bars, recreation, non-live entertainment, and live entertainment.
- The marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.
- Increased traffic associated with the gaming establishment may cause increased congestion on the major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular accidents on major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular/bicycle/pedestrian conflicts.

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- Increased traffic associated with the gaming establishment may cause localized increases in air pollution due to congestion.
- Increased visitation to the gaming establishment area may place a strain on public transit services.

Eligible Projects – The following types of projects may be considered to address casino related impacts:

- Marketing and tourism plans to attract casino patrons and employees to the municipality, highlight local businesses, promote recreational and entertainment opportunities, and help communities compete with the gaming establishments for business.
- Projects to provide economic development opportunities for local businesses.
- Programs to increase business opportunities to provide goods and services to the gaming establishments.
- Other programs to encourage casino employees to live/work/play in the region.
- Road safety audits
- Complete Streets evaluations and designs
- Studies to improve public transit
- Multi-use path planning and design
- Road/traffic signal improvement designs to improve vehicular safety and/or reduce traffic congestion.
- Planning for bike share networks
- Studies to identify air pollution reduction strategies
- Studies to identify ways to reduce single occupancy vehicles

Ineligible Projects – The following types of projects have been deemed ineligible for grant funding:

- Projects that do not address a casino-related impact.
- Applications from non-governmental entities.

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Regional Public Safety Grants

MGL c. 23K, Section 61 identifies regional public safety agencies as being eligible for mitigation funds and specifically identifies the county District Attorney's Offices. The Commission seeks to support the Attorney General and District Attorney's Offices in jurisdictions where the establishment and operation of a casino have resulted in an increase in criminal cases. The objective of this category is to ensure that these offices have the necessary resources to effectively manage and prosecute cases associated with the operation of a casino.

The regional agencies eligible for funding under this category include:

- The Office of the County District Attorneys
- Attorney General's Office
- Other relevant public safety agencies

For FY 2026 the Commission has established a maximum grant of \$100,000 for the District Attorney's Offices. Grant amounts for the Attorney General or other relevant public safety agencies will be based on available funding and demonstrated need.

Identified Impacts: The Commission has identified regional public safety related impacts associated with the gaming establishments, which agencies may cite in their applications. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If an agency has identified additional impacts to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- The introduction of casinos in the Commonwealth has led to increased criminal cases being handled by the District Attorney or Attorney General.
- It is recognized by law enforcement and the casino industry that casinos and other hospitality related businesses may attract certain types of crime. This is including but not limited to human trafficking, money laundering, and drug trafficking. Other crimes that may be attributable to casinos include increased assaults, fraud, and property crimes.
- The presence of casinos has been demonstrated to cause an increase in cases of operating under the influence.

Eligible Costs

- Funding for personnel, including prosecutors, investigators, and administrative staff, and victim witness advocates to assist these offices in handling the additional workload created by the casino's presence. The office must demonstrate an increase in criminal cases directly related to the presence of the casino. The office must have a clear plan for the utilization and record keeping of the grant funds, specifying the roles and responsibilities of the additional personnel to be hired or assigned to the grant.

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Ineligible Costs

- Staff whose jobs are not directly tied to the increased case load associated with a casino.
- A project that does not address a casino related impact

Reporting and Accountability

Grant recipients will be required to provide quarterly progress reports on their progress as well as a final report with case numbers to ensure that the funds are being used as intended and to assess the program's impact on case management. The grantee will also provide to the Commission staff a record of the following case types.

- Motor Vehicle/OUI
- Property Damage/Theft
- Assaults
- Sexual Assault
- Drug Offenses
- Money Laundering
- Disorderly Conduct
- Human Trafficking
- Firearms
- RICO
- Identity Theft

Additional detail with respect to reporting will be included in the grant documents if awarded.

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Regional Workforce Development Grants

Regional Workforce Development Grant applicants should focus on areas highly impacted by casino operations to mitigate a strain in existing resources and a potential impact to the regional labor market. Applicants must be able to demonstrate that the education and skills training programs proposed are in response to an identified need at the casinos or to provide a sufficient supply of workers to backfill jobs being lost to the casinos. The Commission encourages new and innovative program ideas that align with the grant program's intention.

A consortium application is required. Eligible workforce development proposals must include a regional consortium approach to improve the skills, knowledge, and credential attainment for residents. The proposal must also include regional labor market information and evidence of employer partnerships.

Grantees will be expected to track numbers related to student participation and job placement across several defined parameters such as gender, minority status, and veteran status.

Regional Workforce Development Program Spending

The Commission anticipates awarding one grant per region with the following maximum value:

- Region A - \$750,000
- Region B - \$750,000

Identified Impacts: The Commission has identified the following impacts associated with the gaming establishment, which may be cited in the application. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If an agency has identified additional impacts to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- Increase in demand for employees with a high school diploma or equivalent credentials
- Increase in demand for employees with understanding of roles in the hospitality field
- Increase in demand for employees who speak English
- Increase in demand for applicants with basic digital literacy

Eligible Expenses

- Gaming school scholarships
- Post-secondary vocational programs in culinary, hospitality skills, banking, or general customer service training or vocational programs focused on English language/adult basic education
- A program that structures intentional connections among adult basic education, occupational training, and post-secondary education programs designed to meet the needs of both adult learners and employers
- Registered apprenticeships in the hospitality and banking fields
- Courses leading to college credits or industry-recognized certificates
- Adult Basic Education ("ABE") and vocationally based English for Speakers of Other Languages ("ESOL") training programs; contextualized learning
- Integrated Education and Training and industry-recognized credentials

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- Translation services to help with student success
- Transportation and childcare vouchers
- Technology related to participant access
- Administrative costs include activities related to management, oversight, reporting, and record keeping, and monitoring of the grant program. This amount may not exceed 7.5% of the grant.

Ineligible Expenses

- Programs that are not directly or indirectly tied to the presence of a casino.

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4.0 OTHER GRANTS

4.1 Emergency Mitigation Grants

The Commission continues to set aside \$200,000 to cover newly identified impacts of an emergency nature that would cause significant harm to a community if it were not remedied in an expeditious fashion. The intent of this grant is to allow the Commission to be more responsive in addressing significant casino related issues that do not fall within the normal CMF timelines. This grant is not intended to circumvent the normal CMF processes.

4.2 Tribal Gaming Technical Assistance Grants

The Commission continues to set aside \$200,000 of funding to assist in the determination of potential impacts that may be experienced by communities in geographic proximity to the potential Tribal Gaming facility in Taunton. Such funding will only be made available after approval of any application by SRPEDD or a comparable regional entity.

5.0 OTHER PROGRAM ELEMENTS

5.1 Administrative Costs

For FY 2026 administrative costs are eligible under the CMF. Grantees may use up to 7.5% of the grant for administrative purposes up to \$50,000. Administrative costs include activities related to management, oversight, reporting, record keeping, and monitoring of the grant program. The grant application must identify how much of the grant funding is being used for administrative purposes and must also outline what funds are being contributed by the entity, such as in-kind services. Workforce Development Grants are not subject to the \$50,000 cap. ~~Applicants should indicate administrative costs by project where necessary and under specific impact when the funds will be directed across multiple projects. Is it 7.5 off the top by project or entire grant? Percentage of total grant demonstrate by category or specific impact?~~

5.2 Operational Costs

Operational costs are intended to supplement existing departmental budgets impacted by the operation of a gaming facility. Examples of eligible items could include the cost of staff to run a program, overtime of public safety personnel; public safety equipment upgrades and/or supplies, increased demand on community regional water and sewer systems; and stresses on the community's housing.

5.3 Collaborative Applications

Applicants are encouraged to work with other local municipalities in the development of joint applications. Applications should provide details regarding consultations with nearby communities for cooperative regional efforts for pooling CMF funds for joint projects. For a joint application, the application must specify which community will be the fiscal agent for the grant. Each community must state how much and from which distribution category the funds are being drawn from. The administering entity would be responsible for all activities related to the management of the grant

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such as providing timely quarterly reports, preparing expenditures reports and all documentation needed as part of the Close-out Process. Each Community would list the joint applicant, specify which category, and how much each community is contributing. The funding may be requested only for the costs of a joint project being proposed by more than one community, not similar projects.

5.4 Regional Agencies

There are several Regional Planning Agencies which entities can use to provide services and resources. These agencies have expertise in planning, planning studies, development of mitigation plans for impacts, and can provide other technical assistance in its region.

5.5 Waivers and Variances

Applicants may request a waiver of a condition set forth in the Application for the Commission's consideration. All requests for waivers or variances shall be submitted with the Application. The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines where the Commission finds that:

- 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.

The Waiver shall set forth the specific provision of the Guidelines to which the waiver or variance is sought. The Waiver Form can be found at: www.massgaming.com/about/community-mitigation-fund/forms/

Applicant may contact Mary Thurlow at mary.thurlow@massgaming.gov with any questions.

The Commission may grant a waiver or variance, deny a waiver or variance, or grant a waiver or variance subject to such terms, conditions and limitations as the Commission may determine. The terms, conditions, covenants, duties and obligations contained in this Application may be waived only by written agreement executed by duly authorized representatives of the Commission and the Grantee. No waiver by either party of any term, condition, covenant, duty or obligation shall be construed as a waiver of any other term, condition, covenant, duty or obligation nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or a different section, subsection, paragraph, clause, phrase, or other provision of this Grant.

5.6 Requests for Changes to Components of Grant Awards

The Commission authorized MGC staff to approve requests for changes to components of grant awards provided that staff provides notice of such changes to all Commission members and provided further that such changes shall not exceed 10% of the grant award or \$25,000, whichever is smaller. Requests over this amount must be approved by a vote of the Commission.

5.7 Application Review Process

FY 2026 Community Mitigation Fund Guidelines

Commission Process:

The Commission may ask Applicants for supplementary materials, may request a meeting with Applicants, and reserves the ability to host a hearing or hearings on any Application. Depending on the content of the Application Commission Staff may consult with outside agencies with expertise in various areas to assist the review process. Staff provides detailed memoranda of considerations for the Commissioner's to review in a public meeting.

The Commission reserves the ability to fund only portions of requested projects and to fund only a percentage of amounts requested. The Commission also reserves the ability to place conditions on any award.

The Commission reserves the right to determine which requests to fund based on its assessment of a broad range of factors including the extent of public benefit each grant is likely to produce.

Evaluation Factors:

- A demonstration that the impact is being caused by the gaming facility;
- The significance of the impact to be remedied;
- The potential for the proposed mitigation measure to address the impact;
- The feasibility and reasonableness of the proposed mitigation measure;
- A demonstration that any program to assist non-governmental entities is for a demonstrated public purpose and not for the benefit or maintenance of a private party;
- The significance of any matching funds including but not limited to the ability to compete for state or federal workforce, transportation or other funds;
- Any demonstration of regional benefits from a grant award;
- A demonstration that other funds from host or surrounding community agreements are not available to fund the proposed mitigation measure;
- A demonstration that such mitigation measure is not already required to be completed by the licensee pursuant to any regulatory requirements or pursuant to any agreements between such licensee and Applicant;
- The inclusion of a detailed scope, budget, and schedule for each mitigation request; and
- The inclusion of information detailing diversity in vendor/supplier spending practices relative to Minority Business Enterprises ("MBE"), Veteran's Business Enterprises ("VBE") and Women's Business Enterprises ("WBE").

5.8 Grant Award Process for Municipal Block Grants

The following is the anticipated process for the CMF Municipal Block Grants:

- a. Eligible municipalities will receive notification from the Commission regarding the amount of proposed grant funding for their community. This notification will be sent via email to their respective Town Manager/City Administrator/Grant Manager and current CMF Grant Managers noted on previous applications. **Entities should notify the Community Affairs Division of any additional people or changes to ensure that notifications are correctly distributed.**
- b. Municipalities will have until January 31, 2025 to submit their application for the proposed grant amount previously issued by the Commission. This will constitute their application for

FY 2026 Community Mitigation Fund Guidelines

funds as required by 23K Section 61. These applications must detail how the municipality plans to use the funding.

- c. If applications are not submitted by January 31, 2025 the municipality forfeits the funds for that year.
- d. **After receipt of the Applications:** Members of the Review Team analyze and develop recommendations on the applications for the Commission. The Review Team will review each communities' conformance with the Guidelines. Communities will be given the opportunity to modify their applications if the Review Team finds areas that do not comply with the Guidelines or require additional information.
- e. Once the applications are finalized, these will be brought to the Commission for final approval. Such decisions will be made prior to July 1, 2025.
- f. After the Commission's decision, grant instruments and contracts will be prepared and sent to the Applicants. These documents will be based on FY 2026.

5.9 Rescission of Grants

If a Grantee does not expend the funds in a timely manner, the Commission may rescind the grant and make those funds available in the next grant round for the Region in which the grant originated. Before any grant is rescinded, Commission staff will notify the Grantee that the expenditures on the grant are not timely and establish a timeline for the Grantee to either expend the funds or have the grant rescinded.

5.10 Program Staff Directory

CMF Applicants are encouraged to contact the Commission's staff with any questions or concerns. The Commission's Chief of the Division of Community Affairs, Joseph Delaney, can be reached at (617) 721-9198 or via e-mail at joseph.delaney@massgaming.gov or MGCCMF. The Commission's address is 101 Federal Street, 12th Floor, Boston, MA 02110.

Joseph Delaney	617 721-9198	Joseph.Delaney@massgaming.gov
Mary Thurlow	617 979-8420	Mary.Thurlow@massgaming.gov
Lily Wallace	617 533-9715	Lily.Wallace@massgaming.gov

FY 2026 Community Mitigation Fund Guidelines

ATTACHMENT A- CMF 2026 PROPOSED GRANT AMOUNTS BY REGION

Region A – Encore Boston Harbor FY 2026 Proposed Grant Amounts

Total Funding Available - \$11.5 million

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Everett (Host)	\$200,000	\$400,000	\$1,600,000	\$662,000	\$2,862,000
Boston	\$200,000	\$200,000	\$800,000	\$1,407,000	\$2,607,000
Cambridge	\$200,000	\$200,000	\$300,000	\$0	\$700,000
Somerville	\$200,000	\$200,000	\$400,000	\$310,000	\$1,110,000
Medford	\$200,000	\$200,000	\$400,000	\$248,400	\$1,048,400
Malden	\$200,000	\$200,000	\$400,000	\$82,800	\$882,800
Revere	\$200,000	\$0	\$400,000	\$62,100	\$662,100
Chelsea	\$200,000	\$200,000	\$400,000	\$227,700	\$1,027,700
Saugus	\$200,000	\$0	\$0	\$0	\$200,000
Lynn	\$200,000	\$0	\$0	\$0	\$200,000
Melrose	\$200,000	\$0	\$0	\$0	\$200,000
Total	\$2,200,000	\$1,600,000	\$4,700,000	\$3,000,000	\$11,500,000

Category 2 – Plainridge Park Casino FY 2026 Proposed Grant Amounts

Available Funding - \$500,000

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Plainville (Host)	\$25,000	\$50,000	\$50,000	\$28,300	\$153,300
Wrentham	\$25,000	\$25,000	\$20,000	\$6,800	\$76,800
Foxborough	\$25,000	\$25,000	\$10,000	\$4,500	\$64,500
Mansfield	\$25,000	\$25,000	\$10,000	\$3,000	\$63,000
North Attleborough	\$25,000	\$25,000	\$10,000	\$21,700	\$81,700
Attleborough	\$25,000	\$25,000	\$0	\$10,700	\$60,700
Total	\$150,000	\$175,000	\$100,000	\$75,000	\$500,000

Region B –MGM Springfield FY 2026 Proposed Grant Amounts

Available Funds - \$4,300,000

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Springfield (Host)	\$75,000	\$150,000	\$666,000	\$512,700	\$1,403,700
West Springfield	\$75,000	\$75,000	\$281,000	\$87,300	\$518,300
Holyoke	\$75,000	\$75,000	\$84,000	\$60,000	\$294,000
Chicopee	\$75,000	\$75,000	\$142,000	\$49,100	\$341,100
Ludlow	\$75,000	\$75,000	\$84,000	\$10,900	\$244,900
Wilbraham	\$75,000	\$75,000	\$142,000	\$21,800	\$313,800
East Longmeadow	\$75,000	\$75,000	\$142,000	\$60,000	\$352,000
Longmeadow	\$75,000	\$75,000	\$142,000	\$32,800	\$324,800
Agawam	\$75,000	\$75,000	\$142,000	\$65,400	\$357,400
Hampden	\$75,000	\$0	\$0	\$0	\$75,000
Northampton	\$75,000	\$0	\$0	\$0	\$75,000
Total	\$825,000	\$750,000	\$1,825,000	\$900,000	\$4,300,000

FY2026 Community Mitigation Fund Guidelines

ATTACHMENT B- TRIP DISTRIBUTION MAPS REGION A ENCORE BOSTON HARBOR

Encore Boston Harbor Patron Trip Distribution

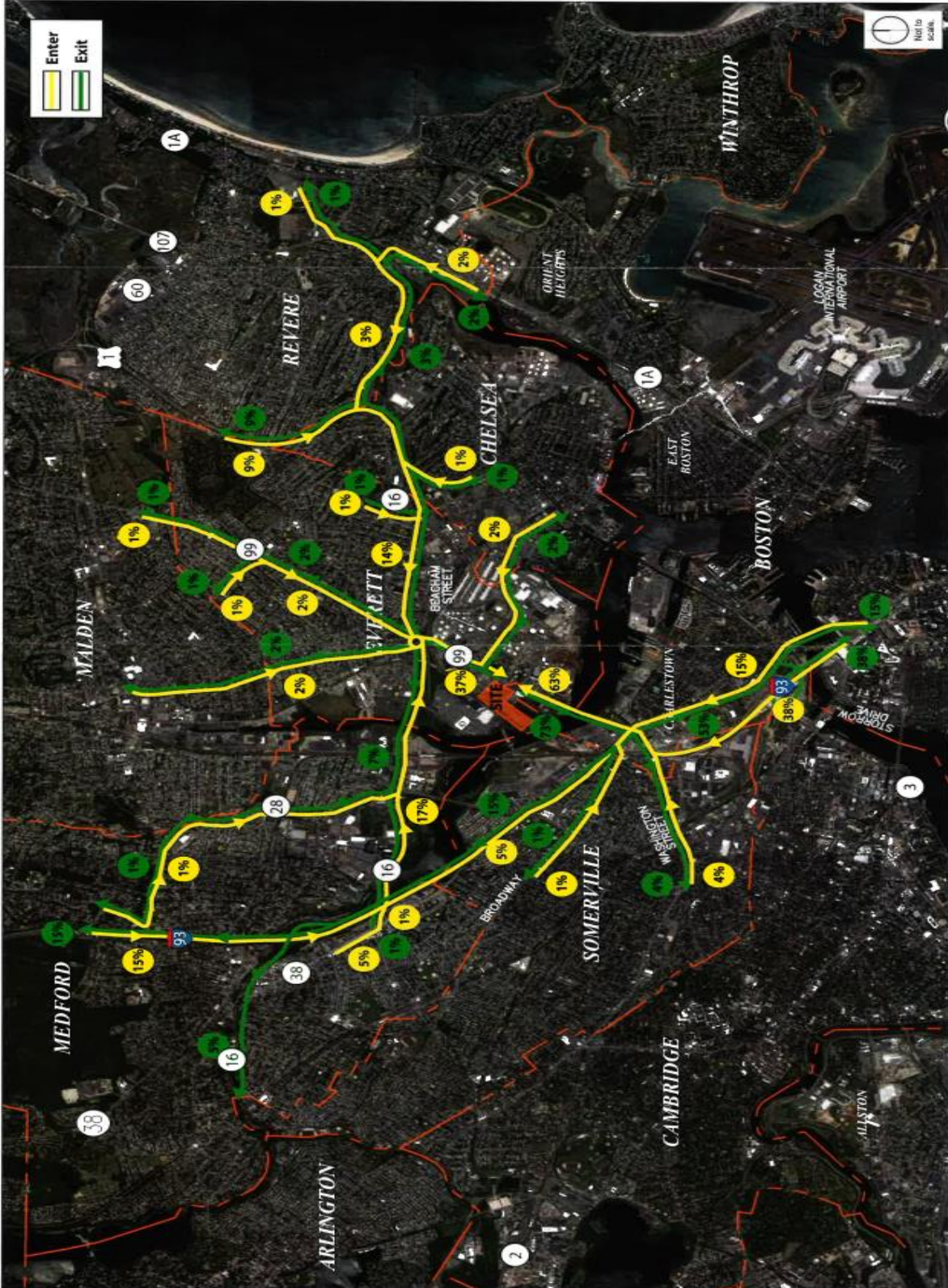
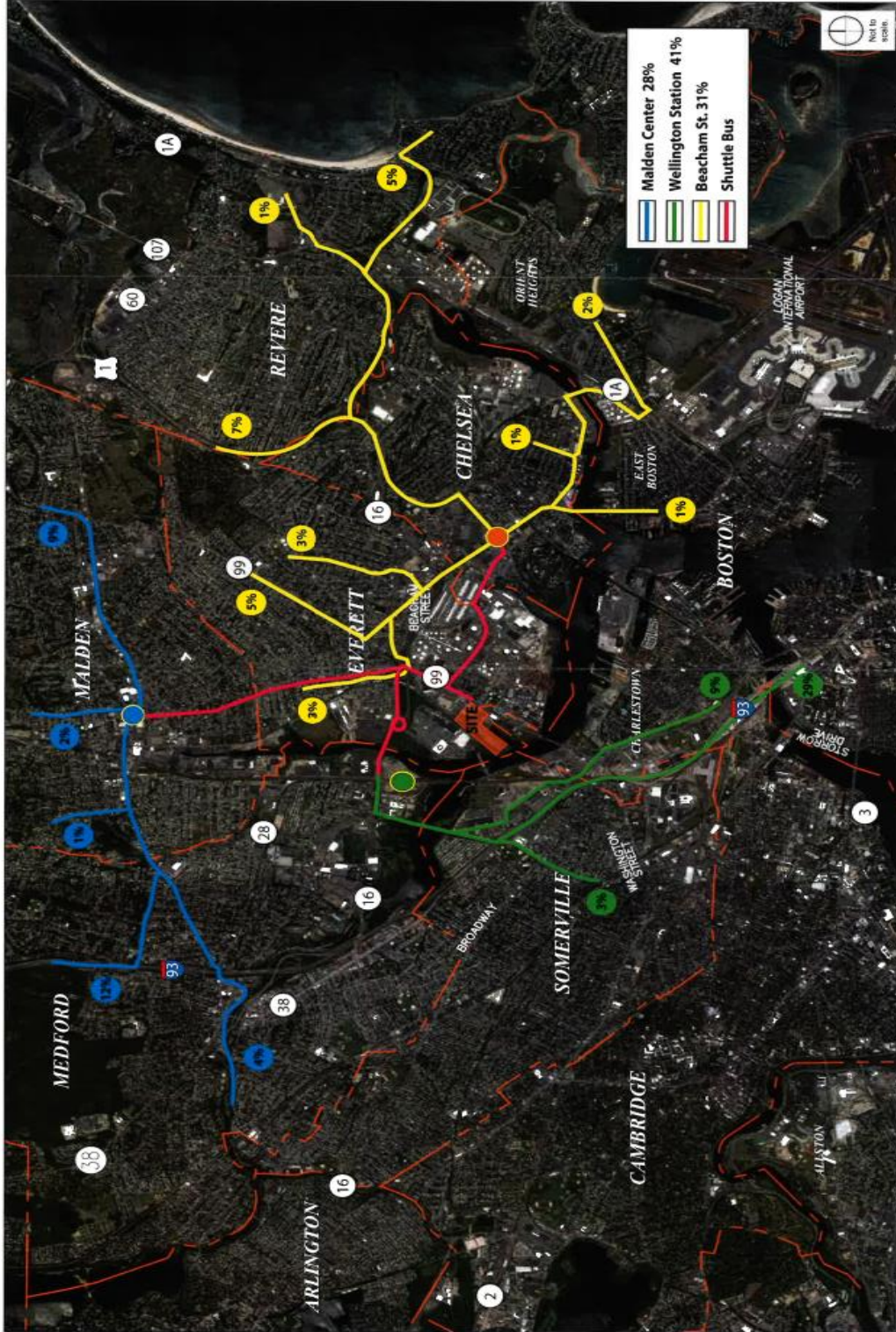


Figure 4-49
Trip Distribution (Patrons)
Source: Howard/Stein-Hudson Associates, Inc., 2013

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Encore Boston Harbor Employee Trip Distribution

Draft Environmental Impact Report



Wynn Everett

Figure 4-50
Trip Distribution (Employees)
Source: Howard/Stein-Hudson Associates, Inc., 2013

Wynn Everett
Everett, Massachusetts

FY2026 Community Mitigation Fund Guidelines

Encore Boston Harbor Employee and Patron Composite Trip Distribution

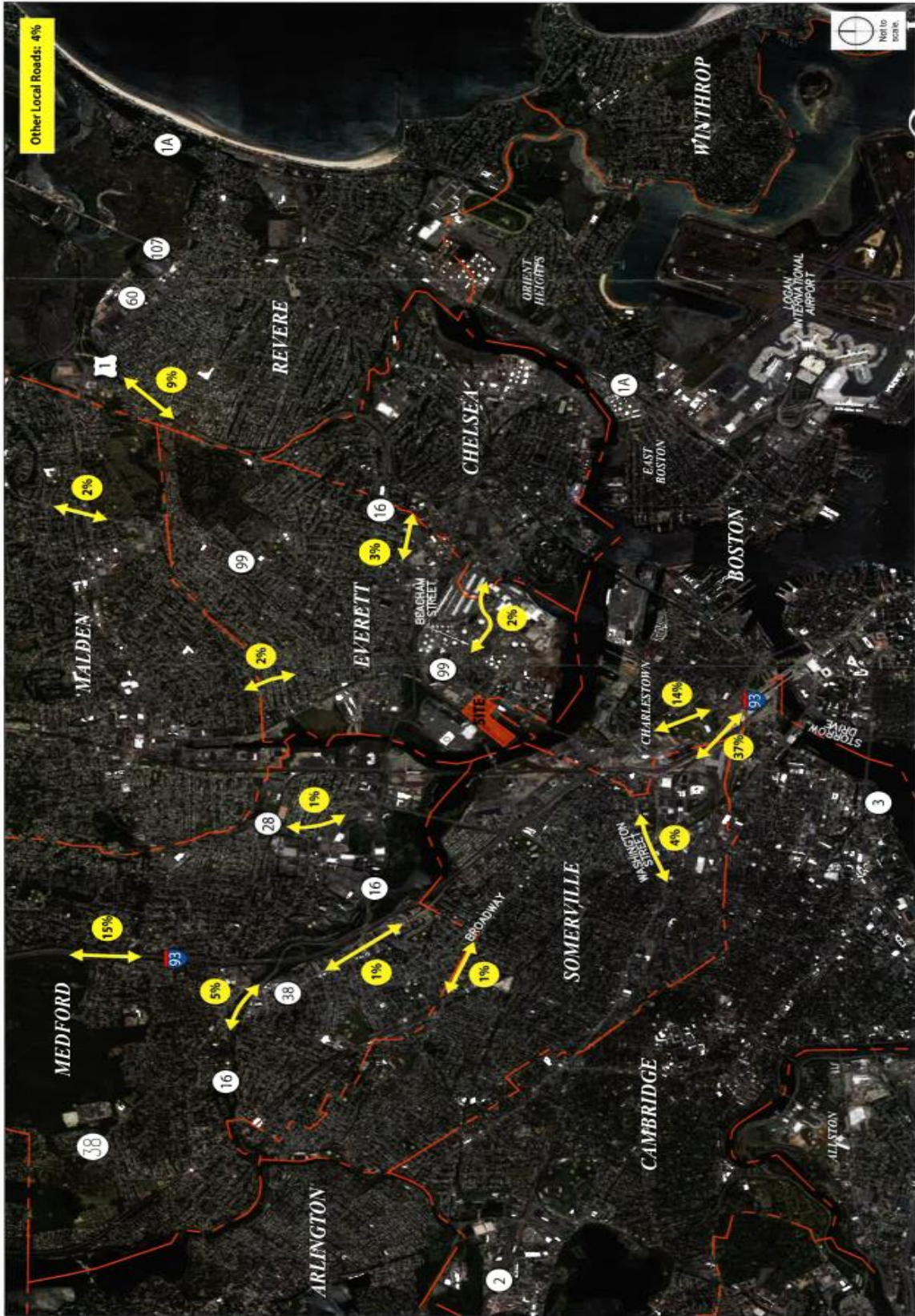


Figure 4-51
Composite Trip Distribution (Patrons and Employees)
Source: Howard/Stein-Hudson Associates, Inc., 2013

FY2026 Community Mitigation Fund Guidelines

Encore Boston Harbor Trip Distribution by Travel Corridor

Wynn Everett

Draft Environmental Impact Report

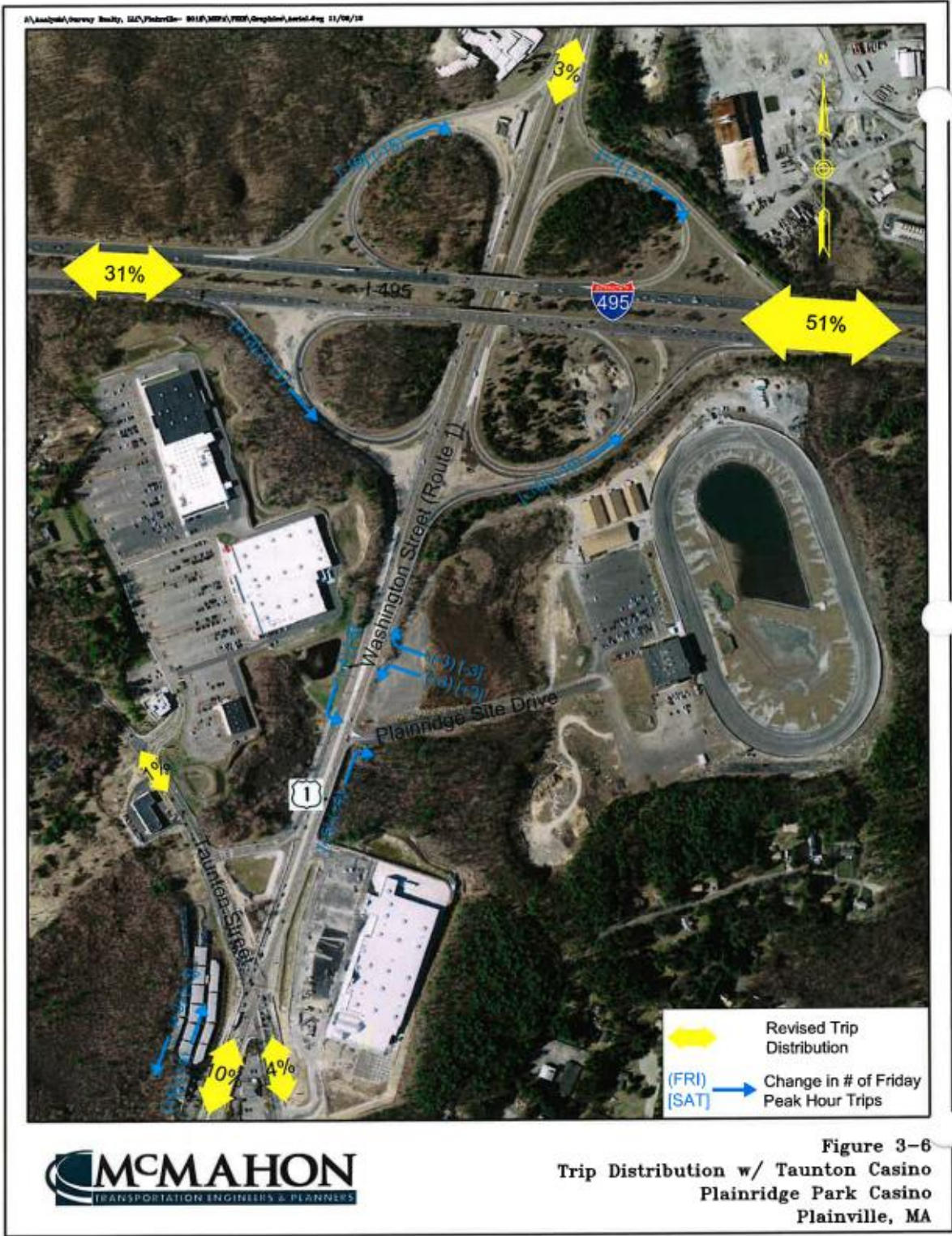
Table 4-21, Vehicle Trip Distribution by Travel Corridor

Travel Corridor	Patron Percent	Employee Percent	Composite Percent
I-93 North	15%	12%	15%
Route 16 West	5%	3%	5%
Route 38 West	1%	1%	1%
Broadway West	1%	1%	1%
Washington Street West	4%	3%	4%
I-93 South	38%	29%	37%
Rutherford Avenue	15%	9%	14%
Beacham Street East	2%	4%	2%
Route 16 East	3%	6%	3%
Route 1 North	9%	7%	9%
Route 99 North	2%	5%	2%
Main St (Everett Malden)	2%	3%	2%
Route 28 North	1%	1%	1%
Other Local	2%	16%	4%
Total	100%	100%	100%

The patron and employee trip distribution patterns were used to assign new Project vehicle trips to the area roadway network. Figure 4-51A and Figure 4-51B depict the Friday p.m. peak hour Project trip assignments at intersections 1-26, located in Everett. Figure 4-52 shows Friday p.m. peak hour Project trip assignments at intersections 27-32, located in Chelsea and Revere. Figure 4-53 shows the Friday p.m. peak hour Project trip assignments at intersections 33-44, located in Medford. Figure 4-54 shows the Friday p.m. peak hour Project trip assignments at intersections 45-57, located in Somerville, Boston, and Cambridge. Figure 4-55A and Figure 4-55B depict the Saturday afternoon peak hour Project trip assignments at intersections 1-26, located in Everett. Figure 4-56 shows the Saturday afternoon peak hour Project trip assignments at intersections 27-32, located in Chelsea and Revere. Figure 4-57 shows the Saturday afternoon peak hour Project trip assignments at intersections 33-44, located in Medford. Figure 4-58 shows the Saturday afternoon peak hour Project trip assignments at intersections 45-57, located in Somerville, Boston, and Cambridge.

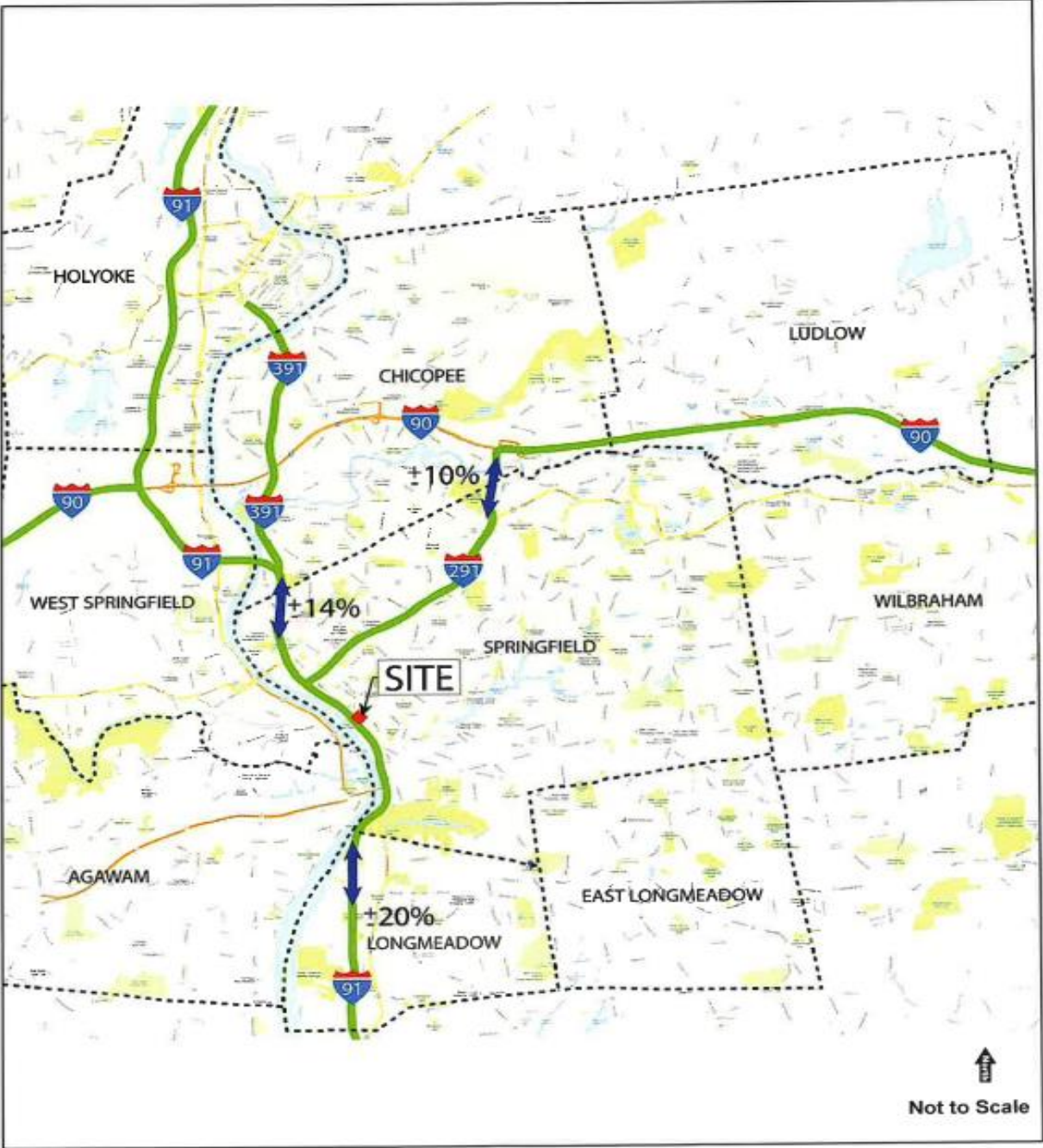
FY2026 Community Mitigation Fund Guidelines

Plainridge Park Casino Trip Distribution



FY2026 Community Mitigation Fund Guidelines

MGM Springfield Trip Distribution Freeway



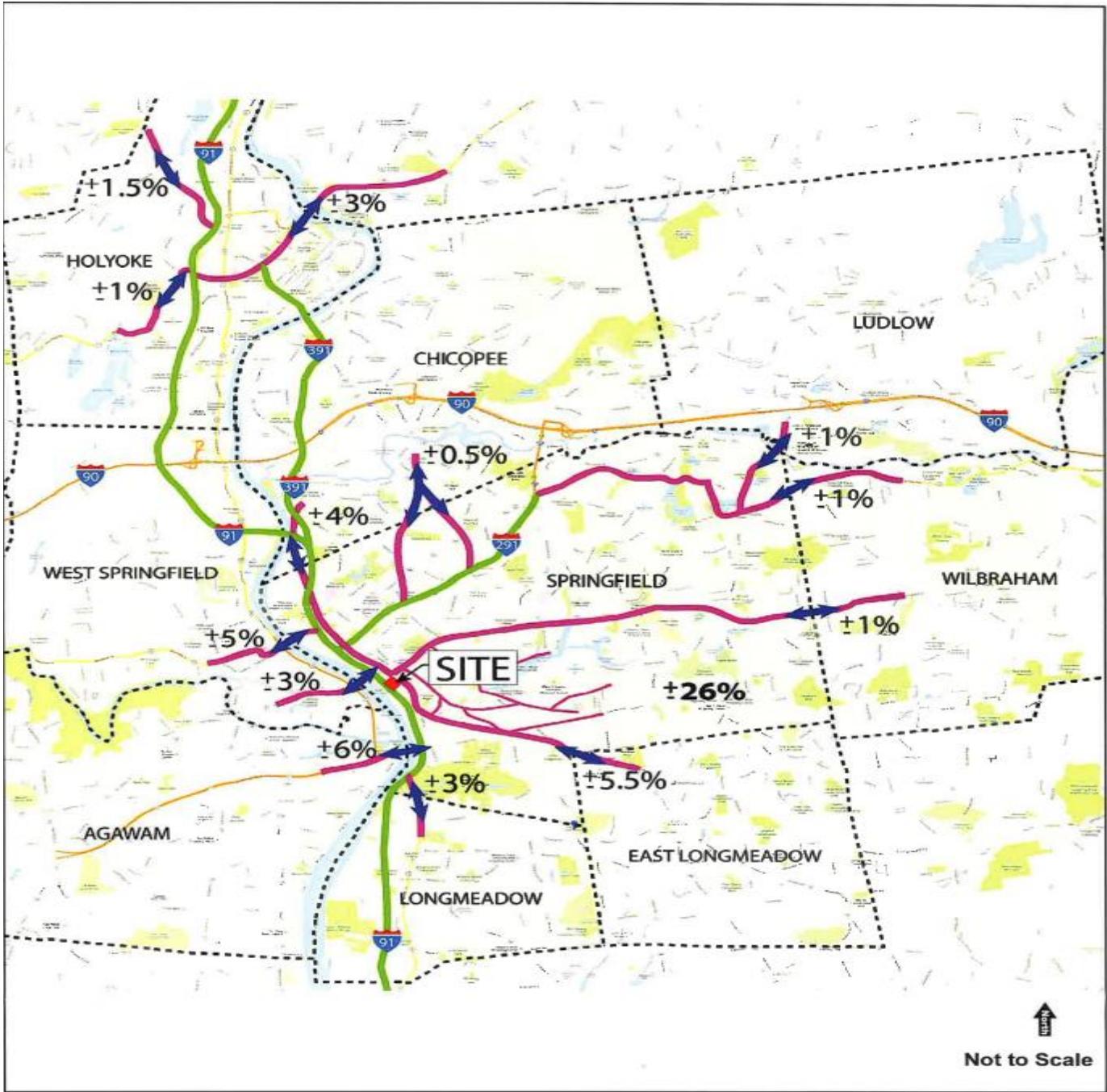
MGM Springfield Springfield, Massachusetts



Figure 6.2-9
Total Site-Generated Trip Distribution - Freeway Corridors

FY2026 Community Mitigation Fund Guidelines

MGM Springfield Trip Distribution - Surface Roads



MGM Springfield Springfield, Massachusetts



Figure 6.2-8
Total Site-Generated Trip Distribution - Surface Roads

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MGM Springfield Trip Distribution -Surface Roads

Trip Distribution Summary

The resulting trip distribution by land use for the proposed development is summarized in Table 6.2-9. The site-generated traffic volume networks for each land use are presented in Appendix B-12. The regional scale distribution of trips is shown in Figures 6.2-8 and 6.2-9 for the local roadways and freeway corridors, respectively. The regional scale site-generated trip increases is shown in Figures 6.2-10 and 6.2-11 for local roadways and freeway corridors, respectively. The resulting site-generated traffic-volume networks for Friday evening and Saturday midday peak hours are shown in Figures 6.2-12 through 6.2-15.

Table 6.2-9 Trip Distribution Summary

Routes	Percentage from Route / Community				
	Casino / Hotel Patron	Casino / Hotel Employee & Armory Square Office	Armory Retail	Apartment	Total
Route 5 - Longmeadow	1.0%	3.9%	5.0%	0.6%	2.8%
Route 83 - East Longmeadow	3.9%	5.7%	7.2%	5.6%	5.4%
South End Bridge - Agawam	5.0%	5.0%	8.0%	3.2%	6.1%
Memorial Bridge - West Springfield	2.5%	4.0%	4.0%	3.7%	3.3%
North End Bridge - West Springfield	3.5%	5.0%	6.0%	6.3%	4.7%
Main Street - Chicopee	3.7%	5.5%	3.8%	5.5%	4.0%
Liberty St / St. James Ave - Chicopee	0.4%	0.8%	0.7%	0.7%	0.6%
Boston Road (Route 20) - Wilbraham	0.8%	4.0%	0.7%	1.5%	1.1%
Wilbraham St - Wilbraham	0.9%	0.9%	1.5%	0.2%	1.1%
Route 21 - Ludlow	0.6%	2.0%	1.2%	0.9%	1.0%
Route 141 - Holyoke	1.5%	1.9%	1.3%	0.5%	1.4%
Route 202 West - Holyoke	1.6%	0.8%	0.3%	1.0%	1.0%
Route 202/16 - Holyoke	3.5%	3.6%	1.6%	3.6%	2.8%
I-91 North*	22.0%	12.0%	6.0%	6.1%	14.3%
I-91 South	30.0%	2.0%	13.0%	0.0%	19.6%
I-291 Northeast	15.3%	7.3%	5.3%	1.1%	10.1%
City of Springfield	10.5%	41.9%	37.7%	64.7%	26.0%
Total*	100.0%	100.0%	100.0%	100.0%	100.0%

*Note that all routes through Holyoke will also use I-91 North. Therefore, the percentages shown for I-91 North also include traffic from Holyoke.



COMMUNITY MITIGATION FUND



FY 2026 Program Guidelines



Approved by the Massachusetts Gaming Commission on _____, 2024

FY 2026 Community Mitigation Fund Guidelines

Welcome to the FY 2026 Community Mitigation Fund (CMF) Guidelines. The below sections illustrate some of the major changes made last year and clarifications that have been added to the Guidelines for this year.

The Massachusetts Gaming Commission created a new structure last year for the program, which provides municipalities with certainty regarding the availability of mitigation funds and assist them in funding actionable, mitigation-based projects tailored their community.

FISCAL YEAR 2026

For FY 2026 there are few changes to the block grant style program introduced last year. Additional guidance has been provided to help clarify areas where applicants had some challenges in preparing applications .

For FY 2026, the State Legislature diverted expected Community Mitigation Funds for other uses. There are currently sufficient funds available to operate this program at the same level as last year. However, in order to do so funds need to be diverted from Region A to Region B. We are continuing with the two-tiered grant program developed last year and are using the same grant distribution formula and proposed grant amounts as FY 2025. The Guidelines provide additional detail on this diversion of funds.

The following are the grant applications that will be accepted in FY 2026:

- The Municipal Block Grant Program – All eligible communities will file applications under this program. Municipalities are required to submit a single application that includes all of the proposed projects for that community.
- The Regional Agency Grant Program – This application is for the workforce grants, regional planning agency grants, regional public safety grants and other grant that may be filed by eligible regional entities.

Applications are due to the Commission by January 31, 2025 at 11:59 PM. The application must describe how the municipality will spend the proposed grant amount in accordance with the program guidelines. **If a municipality does not submit an application by January 31, they will forfeit the funds for that year.**

CMF Applicants are encouraged to contact the Commission's staff with any questions or concerns.

Joseph Delaney, Chief of Community Affairs- Joseph.Delaney@massgaming.gov

Mary Thurlow, Senior Program Manager Region A- Mary.Thurlow@massgaming.gov

Lily Wallace, Program Manager Region B- Lily.Wallace@massgaming.gov

FY 2026 Community Mitigation Fund Guidelines

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FY 2026 Community Mitigation Fund Guidelines

1.0 COMMUNITY MITIGATION FUND GRANT PROGRAM

The Expanded Gaming Act created the Community Mitigation Fund to help communities and other entities offset costs related to the construction and operation of a gaming establishment. Applications for the Fiscal Year 2026 (FY 2026) grant round are due **January 31, 2025**. The Massachusetts Gaming Commission anticipates making funding decisions on any requests for grant assistance before July 2025.

For FY 2026, there are two types of grants programs within the CMF:

- The Municipal Block Grant Program
- The Regional Agency Grant Program

The Municipal Block Grant Program will provide funds for eligible municipalities to mitigate casino-related impacts and the Regional Agency Grant Program will fund projects to be carried out by regional agencies in the area of workforce development, public safety, and regional planning.

1.1 Program Eligibility

The Commission's regulations identify a range of eligible entities including, but not limited to:

- The host communities and surrounding communities; communities that entered into a nearby community agreement; any communities that petitioned to be a surrounding community; and any communities that are geographically adjacent to a host community
- Water and sewer districts in the vicinity of a gaming establishment
- Local and regional agencies involved in education, transportation, infrastructure, housing and environmental issues; governmental entities within communities such as redevelopment authorities or non-regional school districts must submit applications through a municipal administrator in its service area
- The county district attorney, police, fire, and emergency services

Any governmental entity seeking funding for mitigation is required to ensure that any planned use of funding complies with all applicable laws and regulations as well as provisions of the Massachusetts Constitution. This includes but is not limited to, the Anti-Aid Amendment of the Massachusetts Constitution.

The Anti-Aid Amendment of the Massachusetts Constitution prohibits the use of public money, which includes state appropriated funds such as those that comprise the Community Mitigation Funds, for the purpose of solely benefiting or aiding a private party. Private non-governmental parties may not apply for Community Mitigation Funds. Governmental entities may apply to the Commission for funds to mitigate casino-related impacts provided that the funding is used for a "public purpose" and not for the direct benefit or maintenance of a private party. In some instances, the intended use of funds may result in both a public and a private benefit. In such cases, the use may be permitted in accordance with the Anti-Aid Amendment if the private benefit is not the primary benefit and is only incidental to the public purpose.

If you are unsure of your agency's eligibility please contact program staff in advance of submitting your application.

FY 2026 Community Mitigation Fund Guidelines

1.2 Ineligible Expenses for all Grants

The CMF will not fund the mitigation of impacts already being addressed by a Host or Surrounding Community Agreement. All applications must demonstrate that CMF funds will supplement and not supplant historical operations funding.

FY 2026 grant funds may not be used for the mitigation of:

- Impacts that are projected or predicted but that are not occurring or have not occurred by January 31, 2025
- Impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction and operation of gaming establishments
- Other impacts determined annually by the Commission

1.3 Application Requirements

The following requirements are applicable for all grants. Please see the individual grant guidelines for specific instructions regarding each type of grant.

- Applicants are required to fully complete the grant application appropriate to their type of grant.
- All applications must identify an impact associated with the casino and describe how the project will address the impact.
- All applications must submit a detailed scope of work and timeline for implementation of the project identified in the application.
- All applications must contain appropriate backup materials that support the application.
- **All applications must be submitted by 11:59 PM January 31, 2025. Submissions must be sent via e-mail to MGCCMF@massgaming.gov. Any application received after the deadline will not be considered for funding in FY 2026.**

1.4 Funding Allocation

The Commission intends to allocate FY 2026 CMF funding based on the funds paid into the CMF from the taxes and fines generated by the MGM Springfield and Encore Boston Harbor facilities.¹

For FY 2026, the Commission plans to allocate \$16.3 million to the eligible municipalities in Region A, Region B and the Category 2 facility:

- Region A \$11.5 million
- Category 2 \$ 0.5 million
- Region B \$ 4.3 million

For FY 2026, funds will be transferred from Region A to Region B to provide sufficient funding for the Region B municipalities and regional agency grants. The expected amount of the transfer is approximately \$4.3 million. The exact amount will be determined after the grant awards are made

¹ These Guidelines do not describe revenue estimates from the potential Tribal facility in Taunton or the participation of a Region C facility, as no Region C license or Tribal facility has yet been fully authorized.

FY 2026 Community Mitigation Fund Guidelines

and a final accounting of the total cost of the Region B grants is tallied. Category 2 grants will also be funded from Region A as Plainridge Park Casino lies within the boundaries of Region A.

The Commission intends to reinstate the previous policy regarding the distribution of funds for FY 2027 depending on the action the Massachusetts Legislature takes with respect to the FY 2026 budget.

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FY 2026 Community Mitigation Fund Guidelines

2.0 MUNICIPAL BLOCK GRANT PROGRAM

The Municipal Block Grant Program is designed to give municipalities in the vicinity of the gaming establishments some certainty regarding the availability of mitigation funds to their communities. FY 2026 proposed grant amounts do not constitute a guarantee of funding. While the proposed grant amounts are calculated in advance, actual grant awards will be based on the documented nexus to casino related impacts and the ability of the projects to address those impacts.

2.1 Program Eligibility

The Municipal Block Grant Program will include all eligible municipalities. Eligible municipalities are:

- **Region A** - Everett, Boston, Cambridge, Chelsea, Lynn, Malden, Medford, Melrose, Revere, Somerville, and Saugus
- **Category 2** – Attleboro, Foxborough, Mansfield, North Attleborough, Plainville, and Wrentham
- **Region B** - Springfield, Agawam, Chicopee, Holyoke, East Longmeadow, Hampden, Longmeadow, Ludlow, Northampton, West Springfield, and Wilbraham

2.2 Key Programmatic Aspects

The Municipal Block Grant will fund projects in several categories – Community Planning, Transportation, Public Safety, Gambling Harm Reduction, and Specific Impact. These categories are further described in Section 2.6 of the Guidelines. The following are some of the key aspects of the program:

- The proposed grant amount for each eligible municipality is based on a distribution formula.
- For each category of grant, the Commission has identified impacts that are likely to be caused by, or associated with, the gaming establishments. For these identified impacts, applicants may reference them in their applications.
- For each category of grant, the Commission has identified the types of projects that are generally acceptable to address casino related impacts.
- For each category of grant, the Commission has identified ineligible projects or items.

2.3 Proposed Municipal Grant Amounts

The proposed grant amounts for FY 2026 can be found on **ATTACHMENT-A** .

Proposed grant amounts were voted by the Commission on **November __, 2024** and each eligible municipality will have received a letter outlining their proposed grant amount and the steps that must be taken to receive that award.

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Suggested Grant Spending

The Commission would like to see spending spread among the several project categories to address a diverse collection of casino-related impacts. The Commission will monitor category spending and use this data to evaluate future program guidelines.

2.4 Application Requirements

Grant applications are due to the Commission by 11:59 PM on January 31, 2025 via e-mail at MGCCMF@massgaming.gov or as a response to COMMBUYS BID Number: BD25-1068-1068C-1068L- [REDACTED]. **Applications received after this time will not be considered for funding. Each municipality must submit only one application for the entire municipality. Applications should include the following elements.**

Please click here: www.massgaming.com/about/community-mitigation-fund/forms/ for the application forms and an example application.

- a. Applicants are required to fully complete the CMF Municipal Block Grant Application and select the appropriate categories for their proposed projects.
- b. Applicants must identify an impact associated with the casino, describe how the project will address it, and provide justification for any funds requested.
- c. The municipality must submit a separate section for each project within a grant category detailing the scope, schedule, and budget in accordance with the Guidelines. Applicants must submit additional supporting materials. These combined forms and attachments will make up each municipality's complete application.
- d. If a municipality cannot identify sufficient projects that will expend the entire proposed grant amount, a municipality may apply for a lower amount of funding. Any unused funding for that fiscal year will be forfeited by the municipality.

2.5 Waivers

The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines. Any requests for waivers shall be submitted with the Grant Application. Please click here for the waiver form: www.massgaming.com/about/community-mitigation-fund/forms/. **Funding Waiver-** If any applicant 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. **The 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 an applicant's annual CMF allocation.** For example, if a community's grant allocation is \$500,000 and it has a relevant transportation construction project that meets the programmatic funding requirements which exceeds the proposed grant allocation, that community can file for a funding waiver for the additional expense.

Please see Section 5.5 of these Guidelines for additional information about waivers.

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2.6 Grant Categories

The Commission has identified five categories under which a municipality may apply for funding. All applicants should make sure they are aware of each category's distinct requirements and that they apply under the relevant category. Projects that the Commission determines are incorrectly filed may be recategorized by staff.

Community Planning

The Community Planning grant category is designed to help municipalities either address negative impacts of the gaming establishment on the local community or take advantage of opportunities that the gaming establishment presents. Community Planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results.

Community Planning projects must address an identified casino related impact. Grant funds may be used for both project planning and project implementation. Past projects have included the development of marketing and tourism plans, design and implementation of web sites highlighting local businesses, wayfinding projects, re-zoning studies, and projects to improve the local economic capacity.

Applicants should consult with the Regional Planning Agency (RPA) or nearby communities to determine the potential for cooperative regional efforts regarding planning activities. Details of these consultations should be provided in the application.

A project may identify the addition of staff to implement the project. The Commission will fund the portion of the staff member's salary that is directly related to the implementation of the mitigation efforts. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. The Commission will not cover fringe benefits under this category.

The application should include sufficient backup information for the review team to fully understand the project(s). This information could include locus maps, requests for proposals, detailed scopes of work, drawings etc. Please see the application form for additional information.

Identified Impacts: The Commission has identified impacts associated with the gaming establishment, which municipalities may cite in their application. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If a municipality has identified an additional impact to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

Positive Impacts

- 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

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for local communities and businesses to attract these patrons and employees to their communities and business establishments.

- Gaming establishments typically purchase millions of dollars of goods and services each year, much of which is purchased locally. This provides the opportunity for local businesses to provide these goods and services.
- Gaming establishments require a significant number of workers, which provide employment opportunities for local residents.

Negative Impacts

- Competition from the gaming establishment may have negative impacts on other businesses competing in the hospitality and entertainment industries.
- The presence of a gaming establishment may result in reallocated spending. Reallocated spending is spending on goods and services which would have occurred had the casinos never opened, but which did not occur because an individual chose to spend their money at the casino instead. The main areas where monies are reallocated are transportation, retail items, hotels and travel, restaurants and bars, recreation, non-live entertainment and live entertainment.
- The marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.

Eligible Community Planning and Implementation Projects – The following types of projects may be considered to address casino related impacts:

- Marketing and tourism plans to attract casino patrons and employees to the municipality, highlight local businesses, promote recreational and entertainment opportunities, and help communities compete with the gaming establishments for business.
- Projects to provide economic development opportunities for local businesses. Projects of this nature should be community-run efforts that have the potential to improve the competitiveness of local businesses as a whole. These projects must provide a public benefit and not provide a direct benefit to private entities.
- Programs to increase business opportunities to provide goods and services to the gaming establishments.
- Other programs to encourage casino employees to live/work/play in the community.

Ineligible Projects – The following types of projects have been deemed ineligible for grant funding:

- Projects that do not address a casino-related impact.
- Projects that primarily provide a direct benefit to or maintenance of a private party.

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Transportation

The Transportation grant category is designed to help municipalities deal with the transportation related impacts that a gaming establishment may have on all modes of transportation including vehicular travel, public transit and pedestrian/bicycle travel. This category includes both the planning for transportation improvements and the construction of identified transportation improvement projects.

Transportation Planning and Construction projects for road and intersection improvements will only be funded on routes that have been identified in the Environmental Impact Report for the gaming establishment as carrying at least 1 percent of the casino related traffic. The Commission may consider other roadway sections if the applicant can affirmatively demonstrate that the road section is significantly impacted by casino related traffic. Acceptable documentation could include traffic studies done by Regional Planning Agencies or private developers that could reasonably conclude that approximately 1% of the casino related traffic is using the identified road/intersection. Please see **ATTACHMENT B** for the trip distribution maps for the gaming establishments.

Projects on State-owned roadways are not generally eligible for Community Mitigation Funds. If a community is looking for funds to perform planning on a state-owned roadway, please contact CMF Staff to discuss possible eligibility in advance of submitting the application.

For projects proposing the planning or construction of multi-use paths, the applicant must demonstrate that the proposed project is part of a larger network of paths that provide direct access to a gaming establishment.

Transportation Planning Projects: Transportation planning projects must address an identified casino impact. Transportation planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. Transportation planning grants are intended to assist communities with gathering data and analysis, hiring planning consultants, performing engineering review/surveys, conducting public meetings, preparing final reports, and preparing analysis or design.

For any proposed transit improvement studies, the municipality must consult with the Regional Transit Authority where the gaming establishment is located and must have support from that agency before proceeding with the project.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2026 TIP criteria for the Boston MPO Region or the Pioneer Valley Planning Commission's transportation evaluation criteria, or other regional transportation project evaluation standard, whichever may be most applicable.

Applicants are strongly encouraged to include a letter of support from MassDOT with any application.

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The application should include sufficient backup information for the review team to fully understand the project(s). This information could include locus maps, requests for proposals, detailed scopes of work, etc. Please see the application form for additional information.

Transportation Construction Projects: Transportation construction projects must address an identified casino impact. Grant funds will provide 100% of the combined total costs of all construction projects up to \$250,000 and will fund up to 30% of the costs associated with an individual project in excess of \$250,000 up to a maximum grant of \$1.5 million.

Example 1 – A community has a transportation construction project that is estimated to cost \$3 million. The subsidy for this project would be the first \$250,000 of the project at 100% and 30% of the remaining cost or $\$2,750,000 \times 0.30 = \$825,000$. The total subsidy for the project would then be $\$250,000 + \$825,000 = \$1,075,000$.

Example 2 – A community has two construction projects – construction of a bike share network that costs \$125,000 and an intersection improvement project that costs \$800,000. The combined costs of these projects are \$925,000. The breakdown would be as follows: the \$250,000 would be spent across the two projects the first \$125,000 on the bike share and the remaining 125,000 towards the intersection improvements. This would leave a remainder of \$675,000 on the intersection project. Of that \$675,000 MGC would cover 30% or $\$675,000 \times 0.30 = \$202,500$. Therefore, the total award for the two projects would be $\$250,000 + \$202,500 = \$452,500$.

Applicants must demonstrate that the project will begin construction no later than June 30, 2026.

Identified Impacts: The Commission has identified transportation related impacts associated with the gaming establishments, which municipalities may cite in their applications. There may be other impacts that have not been identified by the Commission that may be eligible for grant funds. If a municipality has identified additional impacts to be addressed, the applications must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- Increased traffic associated with the gaming establishment may cause increased congestion on the major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular accidents on major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular/bicycle/pedestrian conflicts.
- Increased traffic associated with the gaming establishment may cause localized increases in air pollution due to congestion.
- Increased visitation to the gaming establishment area may place a strain on public transit services.

Eligible Transportation Planning Projects – Eligible transportation planning projects could include:

- Road safety audits
- Complete Streets evaluations and designs
- Studies to improve public transit

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- Multi-use path planning and design
- Road/traffic signal improvement designs to improve vehicular safety and/or reduce traffic congestion.
- Planning for bike share networks.
- Studies to identify air pollution reduction strategies
- Studies to identify ways to reduce single occupancy vehicles

Eligible Transportation Construction Projects

- Construction of multi-use paths
- Construction of identified road safety improvements
- Construction of identified roadway capacity enhancements
- Purchase and installation of bike share networks
- Construction of transit improvements
- Construction of traffic signal improvements to enhance roadway capacity and/or improve vehicular and pedestrian safety
- Other transportation related construction projects that can be demonstrated to address an impact of a gaming establishment.

Ineligible Projects

- Routine road paving projects that do not include capacity enhancements or safety improvements
- Projects only associated with aesthetic improvements
- Operational costs associated with traffic safety (e.g., police costs for traffic enforcement, costs of traffic control equipment such as speed boards, etc.). Applicants should apply for these funds under public safety.
- Projects that do not address a casino related impact

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Public Safety

Public safety grants are intended to assist municipalities in addressing the increased public safety operational costs associated with the introduction of a gaming establishment to the region. Eligible entities include Police, Fire, EMS, and other public safety agencies. Any proposed project under this section must be done in response to a casino related impact. All applications for public safety personnel or other public safety operational costs, including relevant training, must demonstrate that CMF funds will supplement and not supplant historical operations funding.

Applicants that are applying for radio or other communication equipment that engages with the statewide interoperability system must submit the ICIP (Interoperable Communications Investment Proposal) form and Special Conditions Form directly to the Executive Office of Public Safety and Security (EOPSS). The applicant shall submit a copy of their forms with their public safety application. The applicant shall send the approved ICIP and Special Conditions Forms to MGCCMF@Massgaming.gov when they receive an approved copy back from EOPSS.

Applicants must include detailed hourly estimates for the costs of any public safety personnel. Applicants should include the most relevant information describing historical service or staffing levels (“baseline information”) in order to demonstrate that all funds will be used to supplement existing efforts. For example, if a community requests funding for additional staffing for a specific time period, the application should include information about the staffing levels that have been used for that same time period during the license term of the gaming facility. Applicants are requested to provide as much detailed baseline information as practicable to help the Commission in its review.

The application should include sufficient backup information for the review team to fully understand the project(s). This information could include locus maps, catalog cuts of proposed equipment purchases, quotes, training course syllabus, etc. Please see the application form for additional information.

For applications requesting vehicle purchases, communities must demonstrate the following:

- That the vehicle is needed for a new effort being conducted by the community in response to a casino related impact;
- What percent of time the vehicle will be used to address the casino impact;
- For traffic enforcement vehicles, that the community is significantly impacted by casino related traffic;traffic;
- How the proximity of the community to the gaming establishment necessitates the purchase;
- That the vehicle purchase will not be for the replacement of an existing vehicle used by the municipality; and
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- That the request is not for the replacement of existing vehicles in the fleet.

Identified Impacts: The Commission has identified public safety related impacts associated with the gaming establishments, which municipalities may cite in their applications. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If a municipality has identified additional impacts to be addressed, the applications must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- Increased visitation and employment due to the casino will likely increase the interaction between public safety personnel and casino patrons and employees.
- It is recognized by law enforcement and the casino industry that casinos and other hospitality related businesses may attract certain types of crime including but not limited to human trafficking, money laundering, and drug trafficking. Other crimes that may be attributable to casinos include increased assaults, fraud, and property crimes.
- The presence of casinos has been demonstrated to cause an increase in cases of operating under the influence.
- Increases in traffic can cause increases in congestion, accidents, and vehicular/bicycle/pedestrian conflicts.
- 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. This could lead to increased needs for mutual aid.

Possible Mitigation Measures

- Police training including de-escalation training, implicit bias training, use of force training or other training to help improve police/patron/employee interactions.
- Efforts to improve traffic safety that could include enhanced traffic enforcement, use of speed/message boards, public education programs, or other efforts that are demonstrated to improve traffic safety.
- Efforts to reduce impaired driving potentially including sobriety checkpoints, saturation patrols, education programs, or other demonstrated measures to reduce impaired driving.
- Efforts to identify, monitor and address issues related to human trafficking, drug trafficking and money laundering.
- Efforts to better track casino related crimes.
- Training to Fire Departments and EMS to address issues that arise specifically associated with the gaming establishment.

Ineligible Projects – MGC has identified the following projects/items as ineligible for grant funding:

- Equipment that is normally supplied by a public safety agency to their staff (e.g., uniforms, safety equipment, weapons, body armor, etc.).
- Routine replacement of vehicles – these are vehicles that would otherwise be replaced by the community if CMF funds were not available.
- Routine replacement of radio equipment.

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- Equipment that does not specifically address a casino related impact.
- Funding that supplants existing historical funding.
- Funding for Gaming Enforcement Unit personnel or operations costs specified or anticipated in the memoranda of understanding between the Massachusetts State Police and host communities' police departments
- Any project does not address a casino related impact.

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Gambling Harm Reduction

Funding for gambling harm reduction is designed to assist municipalities in identifying populations at risk for problem gambling, studying the impact of gambling on those populations, identifying solutions to help mitigate identified harms and implementing solutions that help reduce the risk of gambling harms.

The Commission has received several applications to study youth gambling. If a community is proposing a study of youth gambling, please contact Commission staff prior submitting the application to discuss methodology to ensure that the proposed study will not duplicate previous work.

Identified Impacts

- 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.

MGC recently worked with Gambling Research Exchange Ontario (GREO) to compile research on different groups that may be relevant to your community's needs. Please click here to access the studies on different populations that may be at increased risk for gambling harm <https://massgaming.com/about/community-mitigation-fund/application-guidelines/>

Possible Mitigation Measures

- A municipality may use these funds for the development and planning of a study or project. Projects are primarily for community engagement, vision and planning. Applicants may develop a plan to engage the community to identify a casino or gambling related topic or issue which warrants further investigation. The product of this process should be a research strategy which may be considered for detailed research funding in subsequent funding cycles. We expect these types of grants to be for a one-year term.
- A community may also use these funds for conducting detailed research on the topic identified. Applicants that have a specific research topic and/or question and are prepared to propose a research strategy. For this type of proposal, applicants must organize their proposal in the following order.

Specific Aims: State concisely the goals of the proposed research. Summarize the gambling related harms and potential impacts that the results of the proposed project will exert on Massachusetts and the research field(s) involved.

Research Strategy: Provide a detailed research strategy, including the following:

Approach: Describe the overall strategy, methodology, and analyses to be used to accomplish the specific aims of the project.

Significance: Explain the importance of the topic or question that the proposed project addresses.

Innovation: Describe any new or novel theoretical concepts, approaches or methodologies to be used.

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Protection of Human Subjects: Please summarize your plan to obtain IRB approval. If you believe IRB approval is not required for this project, please provide justification.

Collaboration and Knowledge of the Community: Describe the organization's relationship and understanding of the community with whom the study will take place.

Knowledge Translation and Exchange: Describe how an answer to the question or insight on the topic may mitigate gambling related harms in the community. Identify specific activities and/or measures which may be supported by the Community Mitigation Fund in subsequent funding cycles. Describe a plan to share information with the community and or use it to inform policy or practice.

Some examples of the MGC General Research Agenda and Community Engaged Research can be found: <https://massgaming.com/about/research-agenda/> or <https://massgaming.com/about/research-agenda-search/?cat=community-engaged-research>

- A community may also apply to fund a project that will help to mitigate a gambling harm identified via their own detailed research or the application of MGC research. Applicants can utilize research identified in the community specific interventions slide deck found <https://massgaming.com/about/community-mitigation-fund/application-guidelines/> or impacts outline in the MGC reports found <https://massgaming.com/about/research-agenda/> or <https://massgaming.com/about/research-agenda-search/?cat=community-engaged-research>

Ineligible Projects – MGC has identified the following projects/items as ineligible for grant funding:

- Project does not address a casino related impact.
- Detailed research projects that are not grounded in available evidence.
- A project that will mitigate a gaming-related harm that is not grounded in their own detailed research or recommendations arising from MGC research (as outlined in the community specific interventions slide deck or MGC research reports referenced above).

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Specific Impact

Specific Impact Grants are only for projects that do not fit within the other categories of CMF Grants. The municipality must provide a thorough description of an identified impact of the gaming establishment and proposed mitigation measures to address the impact. The community should contact Commission staff to discuss any specific impact grants before submitting its application.

A community may also use this Specific Impact Grant to break out administrative and or staffing costs associated with the grant as a whole.

Identified Impacts: The Specific Impact category recognizes that there may be other impacts associated with a gaming establishment that have not been identified by the Commission. If a municipality has identified an additional impact to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

The Commission's regulation 205 CMR 125.01 2(b)4 defines operational impacts as:

“The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water runoff, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community.”

Although these definitions include the types of operational impacts that may be funded, it is not limited to those. The determination will be made by the Commission after its review.

Eligible Expenses

The Commission will make funding available to mitigate gaming facility operational impacts that are being experienced or were experienced by the January 31, 2025 application deadline.

Ineligible Expenses

Any expense considered to be a municipal cost such as any cost which may be included its annual budget

- Any cost for which it receives payments through its Host Community Agreement or Surrounding Community Agreement.
- Any project that does not address a casino related impact.
- Applications from non-governmental entities

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REGIONAL AGENCY GRANT PROGRAM

3.0 REGIONAL AGENCY GRANT PROGRAM

The Commission will accept applications by regional agencies to address impacts on communities that go beyond one municipality and can be more effectively addressed in a regional manner.

3.1 Eligibility

MGL c. 23K, Section 61 identifies eligible entities as “local and regional education, transportation, infrastructure, housing, environmental issues and public safety, including the office of the county district attorney, police, fire and emergency services. The Commission may, at its discretion, distribute funds to a governmental entity or district other than a single municipality in order to implement a mitigation measure that affects more than 1 municipality.”

This definition provides the Commission with broad authority regarding the distribution of mitigation funds to regional governmental entities. However, the Commission has identified three priority areas for project funding – regional planning efforts, regional public safety, and regional workforce education programs.

While other regional governmental entities may be eligible for funding, any such entity proposing to apply for funding should contact the Community Affairs Division well in advance of the submission deadline to discuss project eligibility and casino related impacts.

3.2 Key Programmatic Aspects

Historically, the Commission has funded regional agencies through the CMF as part of each year’s grant round. For FY 2026, the Regional Agency Grant Program will be the funding mechanism. Three categories of grants are available for FY 2026 – Regional Planning Grant, Regional Public Safety Grant, and Regional Workforce Development Grant. These categories are further described in Section 3.5 of the Guidelines. The following are some of the key aspects of the program:

- For each category of grant, the Commission has identified impacts that are likely to be caused by, or associated with, the gaming establishments. For these identified impacts, applicants may reference them in their applications.
- For each category of grant, the Commission has identified the types of projects that are generally acceptable to address casino related impacts.
- For each category of grant, the Commission has identified ineligible projects or items.

3.3 Application Requirements

Grant applications are due to the Commission by 11:59 PM on January 31, 2025 via e-mail at MGCCMF@massgaming.gov or as a response to COMMBUYS BID Number:BD25-1068-1068C-1068L-
Applications received after this time will not be considered for funding. Each regional agency must submit only one application. Applications should include the following elements.

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Please click here: www.massgaming.com/about/community-mitigation-fund/forms/ for the application forms and an example application.

- a. Applicants are required to fully complete the CMF Regional Agency Grant Application and fill out the appropriate section for the selected grant category.
- b. Applicants must identify an impact associated with the casino, describe how the project will address it, and provide justification for any funds requested.
- c. The regional agency must submit an application detailing the scope, schedule, and budget which provides details on how the agency will spend the money in accordance with the program guidelines. Agencies may submit additional materials to support their applications.

3.4 Waivers

The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines. Any requests for waivers shall be submitted with the Grant Application. Please click here for the waiver form: www.massgaming.com/about/community-mitigation-fund/forms/

3.5 Grant Categories

The Commission has identified three categories under which a regional agency may apply for funding. All applicants should make sure they are aware of each category's distinct requirements and that they apply under the relevant category. Projects that the Commission determines are incorrectly filed may be recategorized by staff.

Regional Planning Grants

Certain casino related impacts may present challenges across multiple communities or create opportunities to leverage the presence of a casino to provide regional benefits. Projects to address these types of impacts are often better served through the use of a regional agency to develop and implement solutions.

For FY 2026, the Commission is authorizing grants of up to \$250,000 for Regional Planning Agencies (RPAs) to identify and implement projects that address regional impacts associated with the gaming establishments.

The eligible RPAs for these grants are those that serve the casino's host community – the Metropolitan Area Planning Council for Region A, The Southeast Regional Planning and Economic Development District for the Category 2 facility, and the Pioneer Valley Planning Commission for Region B. Other governmental agencies may be eligible for this grant if their project meets all other program requirements, if interested please contact Commission Staff in advance of application to confirm eligibility.

Similar to the Community Planning and Transportation categories under the Municipal Block Grant Program, these grants are designed to help either address negative impacts of the gaming

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establishment on the region or to take advantage of opportunities that the gaming establishment presents.

Regional planning projects must address an identified casino related impact. Grant funds may be used for both project planning and project implementation. Planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. Applicants should work in collaboration with or on behalf of impacted municipalities. Planning grants are intended to assist agencies with gathering data and analysis, hiring planning consultants, performing engineering review/surveys, conducting public meetings, preparing final reports, and preparing analysis or design.

Identified Impacts: The Commission has identified impacts associated with the gaming establishment, which RPAs may cite in their application. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If an agency has identified additional impacts to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

Positive Impacts

- 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.
- Gaming establishments typically purchase millions of dollars of goods and services each year, much of which is purchased locally. This provides the opportunity for local businesses to provide these goods and services.
- Gaming establishments require a significant number of workers, which provide employment opportunities for local residents.

Negative Impacts

- Competition from the gaming establishment may have negative impacts on other businesses competing in the hospitality or entertainment industries.
- The presence of a gaming establishment may result in reallocated spending. Reallocated spending is spending on goods and services which would have occurred had the casinos never opened, but which did not occur because an individual chose to spend their money at the casino instead. The main areas where monies are reallocated are transportation, retail items, hotels and travel, restaurants and bars, recreation, non-live entertainment, and live entertainment.
- The marketing capabilities of the gaming establishments may put other competing local businesses at a disadvantage.
- Increased traffic associated with the gaming establishment may cause increased congestion on the major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular accidents on major routes leading to/from the gaming establishment.
- Increased traffic associated with the gaming establishment may result in increased vehicular/bicycle/pedestrian conflicts.

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- Increased traffic associated with the gaming establishment may cause localized increases in air pollution due to congestion.
- Increased visitation to the gaming establishment area may place a strain on public transit services.

Eligible Projects – The following types of projects may be considered to address casino related impacts:

- Marketing and tourism plans to attract casino patrons and employees to the municipality, highlight local businesses, promote recreational and entertainment opportunities, and help communities compete with the gaming establishments for business.
- Projects to provide economic development opportunities for local businesses.
- Programs to increase business opportunities to provide goods and services to the gaming establishments.
- Other programs to encourage casino employees to live/work/play in the region.
- Road safety audits
- Complete Streets evaluations and designs
- Studies to improve public transit
- Multi-use path planning and design
- Road/traffic signal improvement designs to improve vehicular safety and/or reduce traffic congestion.
- Planning for bike share networks
- Studies to identify air pollution reduction strategies
- Studies to identify ways to reduce single occupancy vehicles

Ineligible Projects – The following types of projects have been deemed ineligible for grant funding:

- Projects that do not address a casino-related impact.
- Applications from non-governmental entities.

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Regional Public Safety Grants

MGL c. 23K, Section 61 identifies regional public safety agencies as being eligible for mitigation funds and specifically identifies the county District Attorney's Offices. The Commission seeks to support the Attorney General and District Attorney's Offices in jurisdictions where the establishment and operation of a casino have resulted in an increase in criminal cases. The objective of this category is to ensure that these offices have the necessary resources to effectively manage and prosecute cases associated with the operation of a casino.

The regional agencies eligible for funding under this category include:

- The Office of the County District Attorneys
- Attorney General's Office
- Other relevant public safety agencies

For FY 2026 the Commission has established a maximum grant of \$100,000 for the District Attorney's Offices. Grant amounts for the Attorney General or other relevant public safety agencies will be based on available funding and demonstrated need.

Identified Impacts: The Commission has identified regional public safety related impacts associated with the gaming establishments, which agencies may cite in their applications. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If an agency has identified additional impacts to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- The introduction of casinos in the Commonwealth has led to increased criminal cases being handled by the District Attorney or Attorney General.
- It is recognized by law enforcement and the casino industry that casinos and other hospitality related businesses may attract certain types of crime. This is including but not limited to human trafficking, money laundering, and drug trafficking. Other crimes that may be attributable to casinos include increased assaults, fraud, and property crimes.
- The presence of casinos has been demonstrated to cause an increase in cases of operating under the influence.

Eligible Costs

- Funding for personnel, including prosecutors, investigators, and administrative staff, and victim witness advocates to assist these offices in handling the additional workload created by the casino's presence. The office must demonstrate an increase in criminal cases directly related to the presence of the casino. The office must have a clear plan for the utilization and record keeping of the grant funds, specifying the roles and responsibilities of the additional personnel to be hired or assigned to the grant.

FY 2026 Community Mitigation Fund Guidelines

Ineligible Costs

- Staff whose jobs are not directly tied to the increased case load associated with a casino.
- A project that does not address a casino related impact

Reporting and Accountability

Grant recipients will be required to provide quarterly progress reports on their progress as well as a final report with case numbers to ensure that the funds are being used as intended and to assess the program's impact on case management. The grantee will also provide to the Commission staff a record of the following case types.

- Motor Vehicle/OUI
- Property Damage/Theft
- Assaults
- Sexual Assault
- Drug Offenses
- Money Laundering
- Disorderly Conduct
- Human Trafficking
- Firearms
- RICO
- Identity Theft

Additional detail with respect to reporting will be included in the grant documents if awarded.

FY 2026 Community Mitigation Fund Guidelines

Regional Workforce Development Grants

Regional Workforce Development Grant applicants should focus on areas highly impacted by casino operations to mitigate a strain in existing resources and a potential impact to the regional labor market. Applicants must be able to demonstrate that the education and skills training programs proposed are in response to an identified need at the casinos or to provide a sufficient supply of workers to backfill jobs being lost to the casinos. The Commission encourages new and innovative program ideas that align with the grant program's intention.

A consortium application is required. Eligible workforce development proposals must include a regional consortium approach to improve the skills, knowledge, and credential attainment for residents. The proposal must also include regional labor market information and evidence of employer partnerships.

Grantees will be expected to track numbers related to student participation and job placement across several defined parameters such as gender, minority status, and veteran status.

Regional Workforce Development Program Spending

The Commission anticipates awarding one grant per region with the following maximum value:

- Region A - \$750,000
- Region B - \$750,000

Identified Impacts: The Commission has identified the following impacts associated with the gaming establishment, which may be cited in the application. There may be other impacts that have not been identified by the Commission that could be eligible for grant funds. If an agency has identified additional impacts to be addressed, the application must identify the impact and provide sufficient evidence that the impact is caused or is associated with a gaming establishment.

- Increase in demand for employees with a high school diploma or equivalent credentials
- Increase in demand for employees with understanding of roles in the hospitality field
- Increase in demand for employees who speak English
- Increase in demand for applicants with basic digital literacy

Eligible Expenses

- Gaming school scholarships
- Post-secondary vocational programs in culinary, hospitality skills, banking, or general customer service training or vocational programs focused on English language/adult basic education
- A program that structures intentional connections among adult basic education, occupational training, and post-secondary education programs designed to meet the needs of both adult learners and employers
- Registered apprenticeships in the hospitality and banking fields
- Courses leading to college credits or industry-recognized certificates
- Adult Basic Education ("ABE") and vocationally based English for Speakers of Other Languages ("ESOL") training programs; contextualized learning
- Integrated Education and Training and industry-recognized credentials

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- Translation services to help with student success
- Transportation and childcare vouchers
- Technology related to participant access
- Administrative costs include activities related to management, oversight, reporting, and record keeping, and monitoring of the grant program. This amount may not exceed 7.5% of the grant.

Ineligible Expenses

- Programs that are not directly or indirectly tied to the presence of a casino.

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FY 2026 Community Mitigation Fund Guidelines

4.0 OTHER GRANTS

4.1 Emergency Mitigation Grants

The Commission continues to set aside \$200,000 to cover newly identified impacts of an emergency nature that would cause significant harm to a community if it were not remedied in an expeditious fashion. The intent of this grant is to allow the Commission to be more responsive in addressing significant casino related issues that do not fall within the normal CMF timelines. This grant is not intended to circumvent the normal CMF processes.

4.2 Tribal Gaming Technical Assistance Grants

The Commission continues to set aside \$200,000 of funding to assist in the determination of potential impacts that may be experienced by communities in geographic proximity to the potential Tribal Gaming facility in Taunton. Such funding will only be made available after approval of any application by SRPEDD or a comparable regional entity.

5.0 OTHER PROGRAM ELEMENTS

5.1 Administrative Costs

For FY 2026 administrative costs are eligible under the CMF. Grantees may use up to 7.5% of the grant for administrative purposes up to \$50,000. Administrative costs include activities related to management, oversight, reporting, record keeping, and monitoring of the grant program. The grant application must identify how much of the grant funding is being used for administrative purposes and must also outline what funds are being contributed by the entity, such as in-kind services. Workforce Development Grants are not subject to the \$50,000 cap. Applicants should indicate administrative costs by project where necessary and under specific impact when the funds will be directed across multiple projects. **5.2 Operational Costs**

Operational costs are intended to supplement existing departmental budgets impacted by the operation of a gaming facility. Examples of eligible items could include the cost of staff to run a program, overtime of public safety personnel; public safety equipment upgrades and/or supplies, increased demand on community regional water and sewer systems; and stresses on the community's housing.

5.3 Collaborative Applications

Applicants are encouraged to work with other local municipalities in the development of joint applications. Applications should provide details regarding consultations with nearby communities for cooperative regional efforts for pooling CMF funds for joint projects. For a joint application, the application must specify which community will be the fiscal agent for the grant. Each community must state how much and from which distribution category the funds are being drawn from. The administering entity would be responsible for all activities related to the management of the grant such as providing timely quarterly reports, preparing expenditures reports and all documentation needed as part of the Close-out Process. Each Community would list the joint applicant, specify

FY 2026 Community Mitigation Fund Guidelines

which category, and how much each community is contributing. The funding may be requested only for the costs of a joint project being proposed by more than one community, not similar projects.

5.4 Regional Agencies

There are several Regional Planning Agencies which entities can use to provide services and resources. These agencies have expertise in planning, planning studies, development of mitigation plans for impacts, and can provide other technical assistance in its region.

5.5 Waivers and Variances

Applicants may request a waiver of a condition set forth in the Application for the Commission's consideration. All requests for waivers or variances shall be submitted with the Application. The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines where the Commission finds that:

- 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.

The Waiver shall set forth the specific provision of the Guidelines to which the waiver or variance is sought. The Waiver Form can be found at: www.massgaming.com/about/community-mitigation-fund/forms/

Applicant may contact Mary Thurlow at mary.thurlow@massgaming.gov with any questions.

The Commission may grant a waiver or variance, deny a waiver or variance, or grant a waiver or variance subject to such terms, conditions and limitations as the Commission may determine. The terms, conditions, covenants, duties and obligations contained in this Application may be waived only by written agreement executed by duly authorized representatives of the Commission and the Grantee. No waiver by either party of any term, condition, covenant, duty or obligation shall be construed as a waiver of any other term, condition, covenant, duty or obligation nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or a different section, subsection, paragraph, clause, phrase, or other provision of this Grant.

5.6 Requests for Changes to Components of Grant Awards

The Commission authorized MGC staff to approve requests for changes to components of grant awards provided that staff provides notice of such changes to all Commission members and provided further that such changes shall not exceed 10% of the grant award or \$25,000, whichever is smaller. Requests over this amount must be approved by a vote of the Commission.

5.7 Application Review Process

Commission Process:

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The Commission may ask Applicants for supplementary materials, may request a meeting with Applicants, and reserves the ability to host a hearing or hearings on any Application. Depending on the content of the Application Commission Staff may consult with outside agencies with expertise in various areas to assist the review process. Staff provides detailed memoranda of considerations for the Commissioner's to review in a public meeting.

The Commission reserves the ability to fund only portions of requested projects and to fund only a percentage of amounts requested. The Commission also reserves the ability to place conditions on any award.

The Commission reserves the right to determine which requests to fund based on its assessment of a broad range of factors including the extent of public benefit each grant is likely to produce.

Evaluation Factors:

- A demonstration that the impact is being caused by the gaming facility;
- The significance of the impact to be remedied;
- The potential for the proposed mitigation measure to address the impact;
- The feasibility and reasonableness of the proposed mitigation measure;
- A demonstration that any program to assist non-governmental entities is for a demonstrated public purpose and not for the benefit or maintenance of a private party;
- The significance of any matching funds including but not limited to the ability to compete for state or federal workforce, transportation or other funds;
- Any demonstration of regional benefits from a grant award;
- A demonstration that other funds from host or surrounding community agreements are not available to fund the proposed mitigation measure;
- A demonstration that such mitigation measure is not already required to be completed by the licensee pursuant to any regulatory requirements or pursuant to any agreements between such licensee and Applicant;
- The inclusion of a detailed scope, budget, and schedule for each mitigation request; and
- The inclusion of information detailing diversity in vendor/supplier spending practices relative to Minority Business Enterprises ("MBE"), Veteran's Business Enterprises ("VBE") and Women's Business Enterprises ("WBE").

5.8 Grant Award Process for Municipal Block Grants

The following is the anticipated process for the CMF Municipal Block Grants:

- a. Eligible municipalities will receive notification from the Commission regarding the amount of proposed grant funding for their community. This notification will be sent via email to their respective Town Manager/City Administrator/Grant Manager and current CMF Grant Managers noted on previous applications. **Entities should notify the Community Affairs Division of any additional people or changes to ensure that notifications are correctly distributed.**
- b. Municipalities will have until January 31, 2025 to submit their application for the proposed grant amount previously issued by the Commission. This will constitute their application for funds as required by 23K Section 61. These applications must detail how the municipality plans to use the funding.

FY 2026 Community Mitigation Fund Guidelines

- c. If applications are not submitted by January 31, 2025 the municipality forfeits the funds for that year.
- d. **After receipt of the Applications:** Members of the Review Team analyze and develop recommendations on the applications for the Commission. The Review Team will review each communities' conformance with the Guidelines. Communities will be given the opportunity to modify their applications if the Review Team finds areas that do not comply with the Guidelines or require additional information.
- e. Once the applications are finalized, these will be brought to the Commission for final approval. Such decisions will be made prior to July 1, 2025.
- f. After the Commission's decision, grant instruments and contracts will be prepared and sent to the Applicants. These documents will be based on FY 2026.

5.9 Rescission of Grants

If a Grantee does not expend the funds in a timely manner, the Commission may rescind the grant and make those funds available in the next grant round for the Region in which the grant originated. Before any grant is rescinded, Commission staff will notify the Grantee that the expenditures on the grant are not timely and establish a timeline for the Grantee to either expend the funds or have the grant rescinded.

5.10 Program Staff Directory

CMF Applicants are encouraged to contact the Commission's staff with any questions or concerns. The Commission's Chief of the Division of Community Affairs, Joseph Delaney, can be reached at (617) 721-9198 or via e-mail at joseph.delaney@massgaming.gov or MGCCMF. The Commission's address is 101 Federal Street, 12th Floor, Boston, MA 02110.

Joseph Delaney	617 721-9198	Joseph.Delaney@massgaming.gov
Mary Thurlow	617 979-8420	Mary.Thurlow@massgaming.gov
Lily Wallace	617 533-9715	Lily.Wallace@massgaming.gov

FY 2026 Community Mitigation Fund Guidelines

ATTACHMENT A- CMF 2026 PROPOSED GRANT AMOUNTS BY REGION

Region A – Encore Boston Harbor FY 2026 Proposed Grant Amounts

Total Funding Available - \$11.5 million

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Everett (Host)	\$200,000	\$400,000	\$1,600,000	\$662,000	\$2,862,000
Boston	\$200,000	\$200,000	\$800,000	\$1,407,000	\$2,607,000
Cambridge	\$200,000	\$200,000	\$300,000	\$0	\$700,000
Somerville	\$200,000	\$200,000	\$400,000	\$310,000	\$1,110,000
Medford	\$200,000	\$200,000	\$400,000	\$248,400	\$1,048,400
Malden	\$200,000	\$200,000	\$400,000	\$82,800	\$882,800
Revere	\$200,000	\$0	\$400,000	\$62,100	\$662,100
Chelsea	\$200,000	\$200,000	\$400,000	\$227,700	\$1,027,700
Saugus	\$200,000	\$0	\$0	\$0	\$200,000
Lynn	\$200,000	\$0	\$0	\$0	\$200,000
Melrose	\$200,000	\$0	\$0	\$0	\$200,000
Total	\$2,200,000	\$1,600,000	\$4,700,000	\$3,000,000	\$11,500,000

Category 2 – Plainridge Park Casino FY 2026 Proposed Grant Amounts

Available Funding - \$500,000

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Plainville (Host)	\$25,000	\$50,000	\$50,000	\$28,300	\$153,300
Wrentham	\$25,000	\$25,000	\$20,000	\$6,800	\$76,800
Foxborough	\$25,000	\$25,000	\$10,000	\$4,500	\$64,500
Mansfield	\$25,000	\$25,000	\$10,000	\$3,000	\$63,000
North Attleborough	\$25,000	\$25,000	\$10,000	\$21,700	\$81,700
Attleborough	\$25,000	\$25,000	\$0	\$10,700	\$60,700
Total	\$150,000	\$175,000	\$100,000	\$75,000	\$500,000

Region B –MGM Springfield FY 2026 Proposed Grant Amounts

Available Funds - \$4,300,000

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Springfield (Host)	\$75,000	\$150,000	\$666,000	\$512,700	\$1,403,700
West Springfield	\$75,000	\$75,000	\$281,000	\$87,300	\$518,300
Holyoke	\$75,000	\$75,000	\$84,000	\$60,000	\$294,000
Chicopee	\$75,000	\$75,000	\$142,000	\$49,100	\$341,100
Ludlow	\$75,000	\$75,000	\$84,000	\$10,900	\$244,900
Wilbraham	\$75,000	\$75,000	\$142,000	\$21,800	\$313,800
East Longmeadow	\$75,000	\$75,000	\$142,000	\$60,000	\$352,000
Longmeadow	\$75,000	\$75,000	\$142,000	\$32,800	\$324,800
Agawam	\$75,000	\$75,000	\$142,000	\$65,400	\$357,400
Hampden	\$75,000	\$0	\$0	\$0	\$75,000
Northampton	\$75,000	\$0	\$0	\$0	\$75,000
Total	\$825,000	\$750,000	\$1,825,000	\$900,000	\$4,300,000

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ATTACHMENT B- TRIP DISTRIBUTION MAPS REGION A ENCORE BOSTON HARBOR

Encore Boston Harbor Patron Trip Distribution

Draft Environmental Impact Report

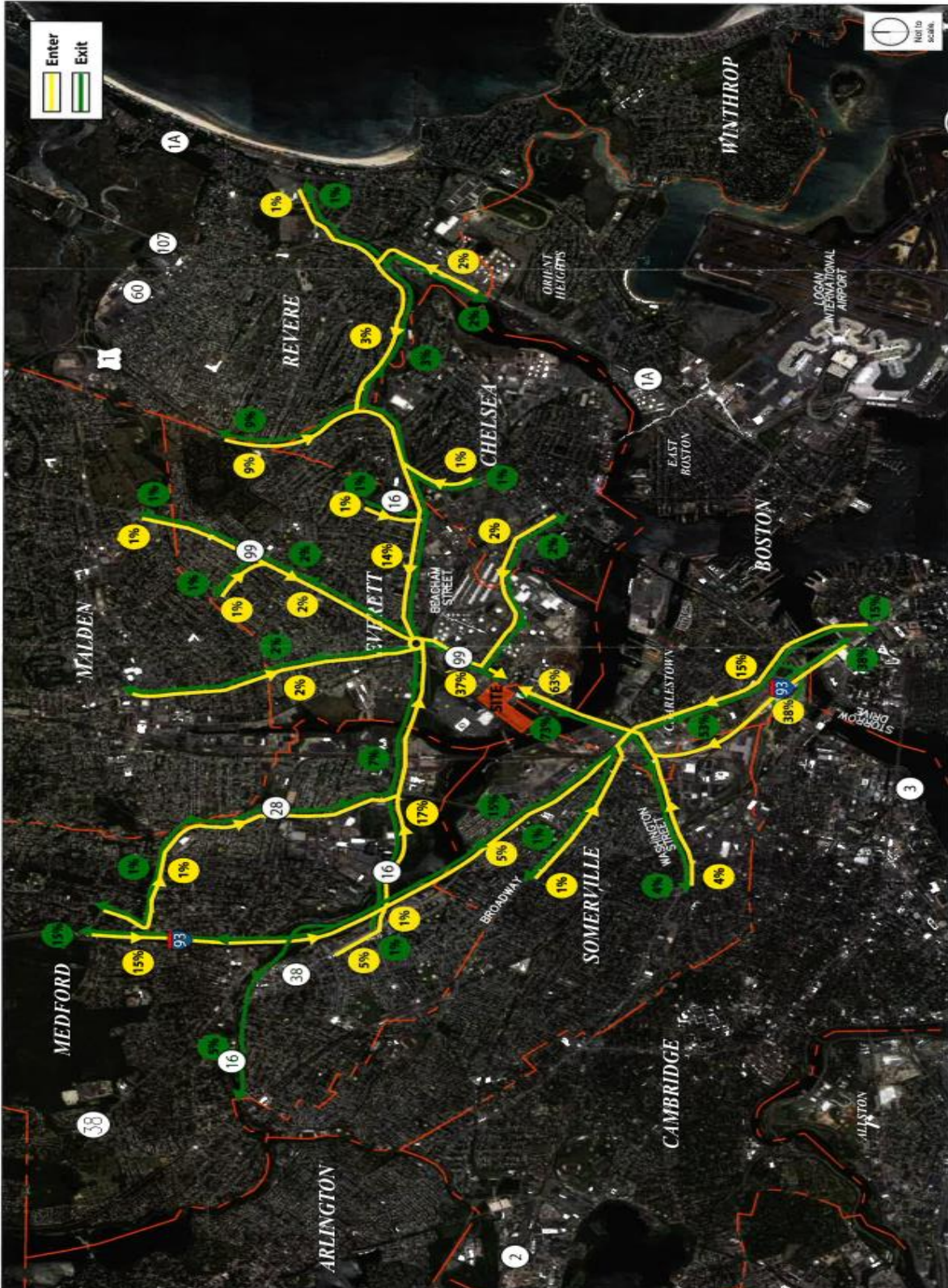


Figure 4-49

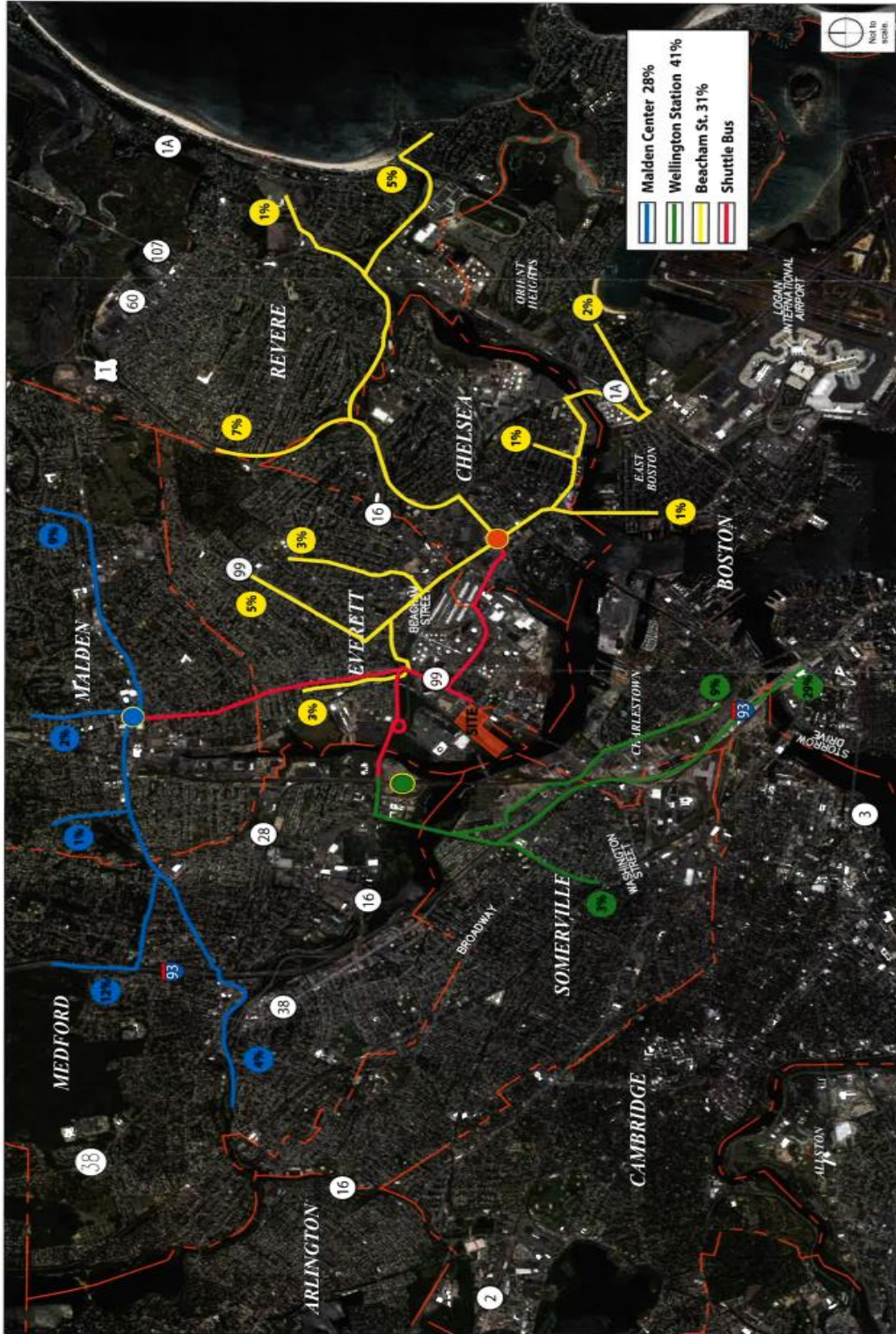
Trip Distribution (Patrons)

Source: Howard/Stein-Hudson Associates, Inc., 2013

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Encore Boston Harbor Employee Trip Distribution

Draft Environmental Impact Report



Wynn Everett

Figure 4-50
Trip Distribution (Employees)
Source: Howard/Stein-Hudson Associates, Inc., 2013

Wynn Everett
Everett, Massachusetts

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Encore Boston Harbor Employee and Patron Composite Trip Distribution

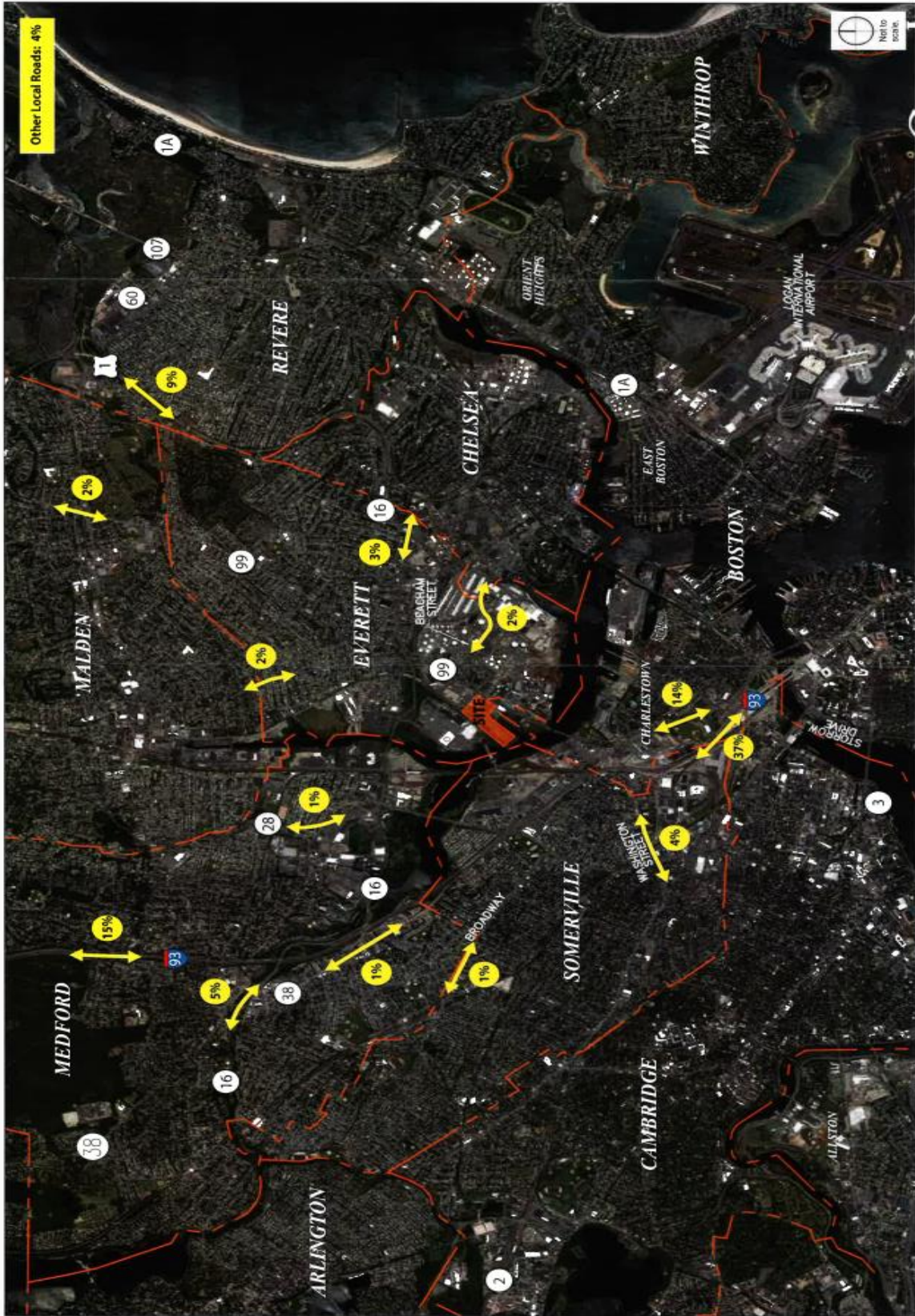


Figure 4-51
 Composite Trip Distribution (Patrons and Employees)
 Source: Howard/Stein-Hudson Associates, Inc., 2013

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Encore Boston Harbor Trip Distribution by Travel Corridor

Wynn Everett

Draft Environmental Impact Report

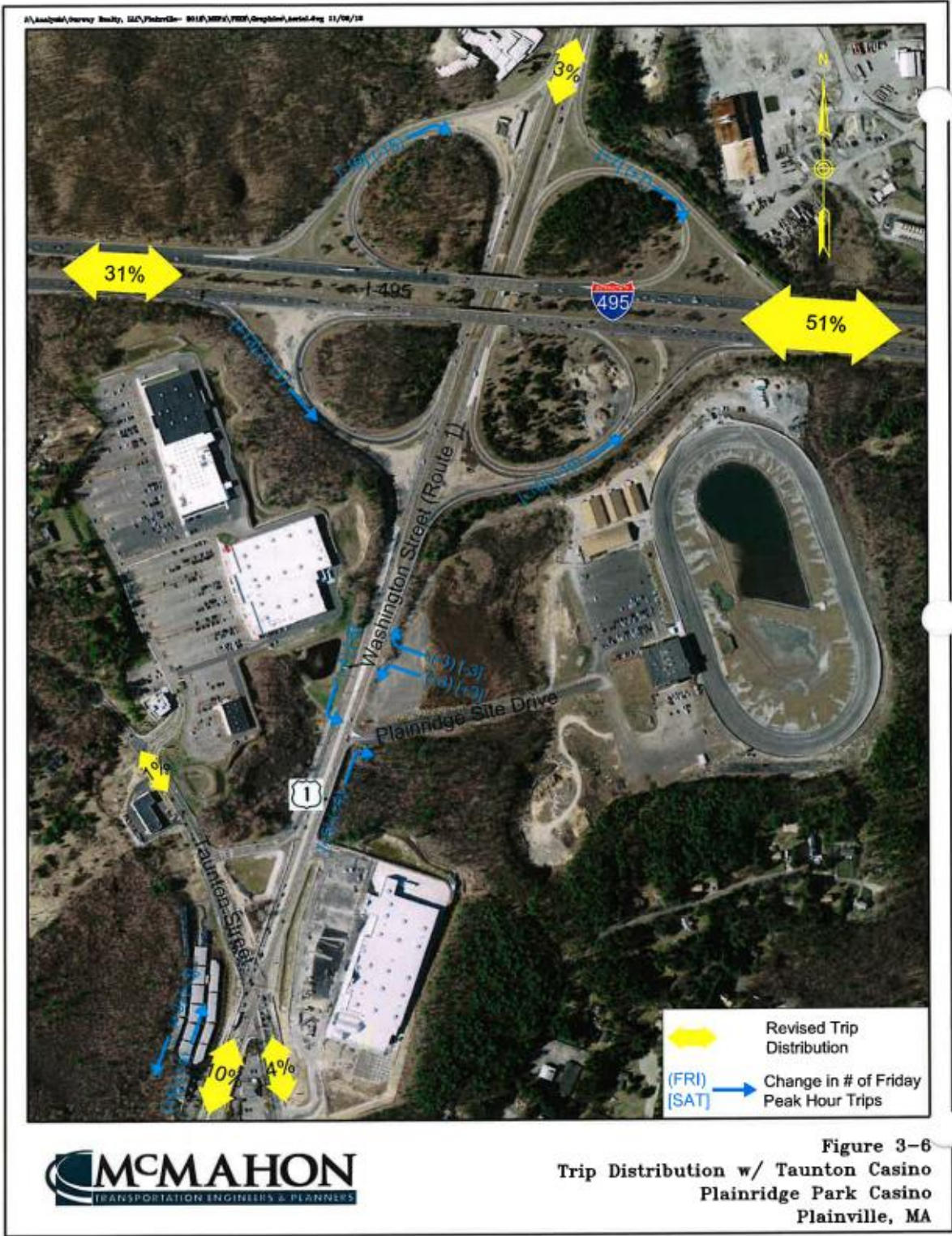
Table 4-21, Vehicle Trip Distribution by Travel Corridor

Travel Corridor	Patron Percent	Employee Percent	Composite Percent
I-93 North	15%	12%	15%
Route 16 West	5%	3%	5%
Route 38 West	1%	1%	1%
Broadway West	1%	1%	1%
Washington Street West	4%	3%	4%
I-93 South	38%	29%	37%
Rutherford Avenue	15%	9%	14%
Beacham Street East	2%	4%	2%
Route 16 East	3%	6%	3%
Route 1 North	9%	7%	9%
Route 99 North	2%	5%	2%
Main St (Everett Malden)	2%	3%	2%
Route 28 North	1%	1%	1%
Other Local	2%	16%	4%
Total	100%	100%	100%

The patron and employee trip distribution patterns were used to assign new Project vehicle trips to the area roadway network. Figure 4-51A and Figure 4-51B depict the Friday p.m. peak hour Project trip assignments at intersections 1-26, located in Everett. Figure 4-52 shows Friday p.m. peak hour Project trip assignments at intersections 27-32, located in Chelsea and Revere. Figure 4-53 shows the Friday p.m. peak hour Project trip assignments at intersections 33-44, located in Medford. Figure 4-54 shows the Friday p.m. peak hour Project trip assignments at intersections 45-57, located in Somerville, Boston, and Cambridge. Figure 4-55A and Figure 4-55B depict the Saturday afternoon peak hour Project trip assignments at intersections 1-26, located in Everett. Figure 4-56 shows the Saturday afternoon peak hour Project trip assignments at intersections 27-32, located in Chelsea and Revere. Figure 4-57 shows the Saturday afternoon peak hour Project trip assignments at intersections 33-44, located in Medford. Figure 4-58 shows the Saturday afternoon peak hour Project trip assignments at intersections 45-57, located in Somerville, Boston, and Cambridge.

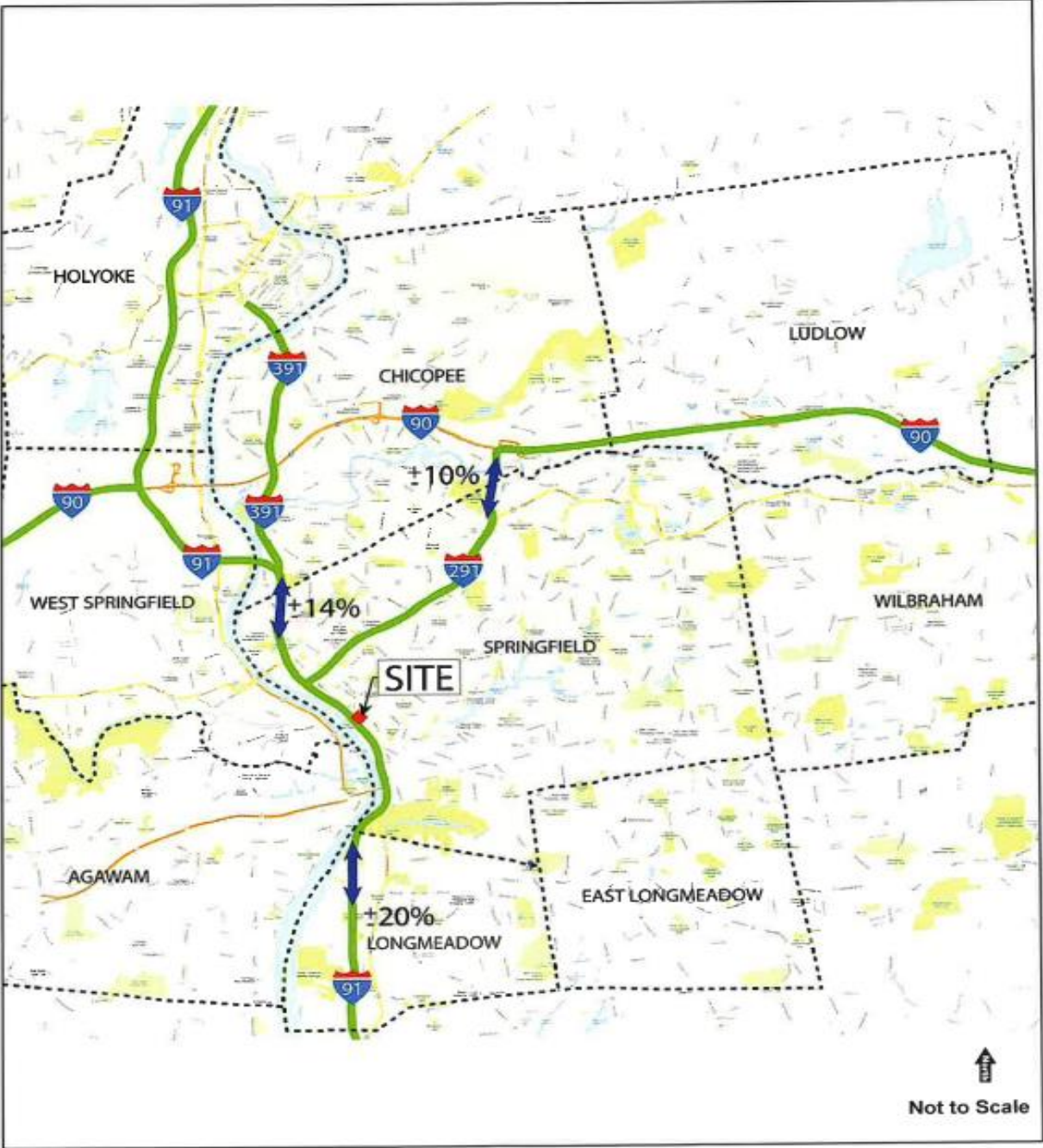
FY2026 Community Mitigation Fund Guidelines

Plainridge Park Casino Trip Distribution



FY2026 Community Mitigation Fund Guidelines

MGM Springfield Trip Distribution Freeway



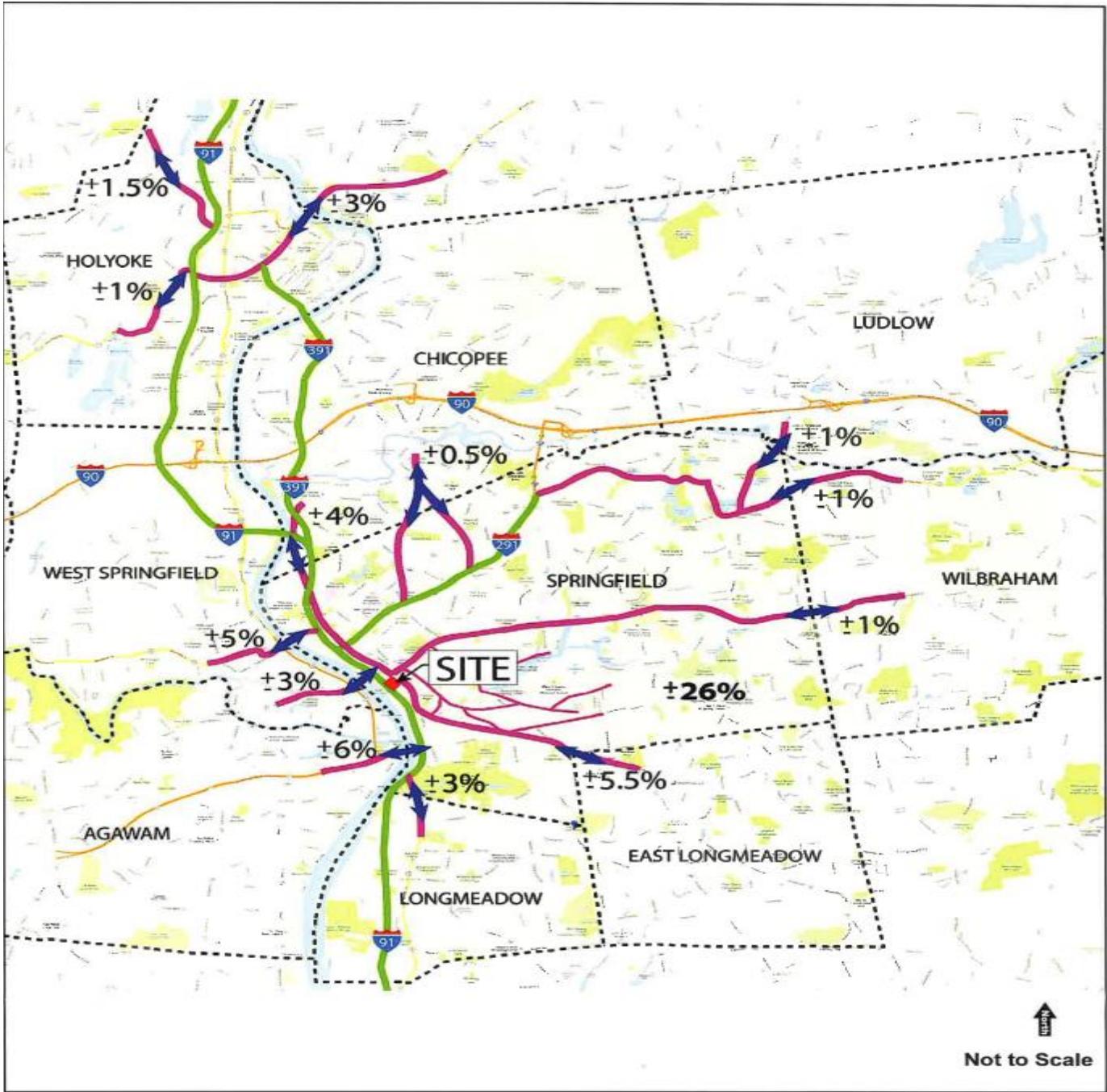
MGM Springfield Springfield, Massachusetts



Figure 6.2-9
Total Site-Generated Trip Distribution - Freeway Corridors

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MGM Springfield Trip Distribution - Surface Roads



MGM Springfield Springfield, Massachusetts



Figure 6.2-8
Total Site-Generated Trip Distribution - Surface Roads

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MGM Springfield Trip Distribution -Surface Roads

Trip Distribution Summary

The resulting trip distribution by land use for the proposed development is summarized in Table 6.2-9. The site-generated traffic volume networks for each land use are presented in Appendix B-12. The regional scale distribution of trips is shown in Figures 6.2-8 and 6.2-9 for the local roadways and freeway corridors, respectively. The regional scale site-generated trip increases is shown in Figures 6.2-10 and 6.2-11 for local roadways and freeway corridors, respectively. The resulting site-generated traffic-volume networks for Friday evening and Saturday midday peak hours are shown in Figures 6.2-12 through 6.2-15.

Table 6.2-9 Trip Distribution Summary

Routes	Percentage from Route / Community				
	Casino / Hotel Patron	Casino / Hotel Employee & Armory Square Office	Armory Retail	Apartment	Total
Route 5 - Longmeadow	1.0%	3.9%	5.0%	0.6%	2.8%
Route 83 - East Longmeadow	3.9%	5.7%	7.2%	5.6%	5.4%
South End Bridge - Agawam	5.0%	5.0%	8.0%	3.2%	6.1%
Memorial Bridge - West Springfield	2.5%	4.0%	4.0%	3.7%	3.3%
North End Bridge - West Springfield	3.5%	5.0%	6.0%	6.3%	4.7%
Main Street - Chicopee	3.7%	5.5%	3.8%	5.5%	4.0%
Liberty St / St. James Ave - Chicopee	0.4%	0.8%	0.7%	0.7%	0.6%
Boston Road (Route 20) - Wilbraham	0.8%	4.0%	0.7%	1.5%	1.1%
Wilbraham St - Wilbraham	0.9%	0.9%	1.5%	0.2%	1.1%
Route 21 - Ludlow	0.6%	2.0%	1.2%	0.9%	1.0%
Route 141 - Holyoke	1.5%	1.9%	1.3%	0.5%	1.4%
Route 202 West - Holyoke	1.6%	0.8%	0.3%	1.0%	1.0%
Route 202/16 - Holyoke	3.5%	3.6%	1.6%	3.6%	2.8%
I-91 North*	22.0%	12.0%	6.0%	6.1%	14.3%
I-91 South	30.0%	2.0%	13.0%	0.0%	19.6%
I-291 Northeast	15.3%	7.3%	5.3%	1.1%	10.1%
City of Springfield	10.5%	41.9%	37.7%	64.7%	26.0%
Total*	100.0%	100.0%	100.0%	100.0%	100.0%

*Note that all routes through Holyoke will also use I-91 North. Therefore, the percentages shown for I-91 North also include traffic from Holyoke.



TO: Interim Chair Jordan Maynard
Commissioner Brad Hill
Commissioner Eileen O'Brien
Commissioner Nakisha Skinner

FROM: Jenna Hentoff, Deputy General Counsel
Judith A. Young, Associate General Counsel

DATE: Wednesday, September 18, 2024

RE: City of Revere Status in Connection with Community Mitigation Funds

The Commission sought information from the Community Affairs Division and the Legal Department regarding the status of the City of Revere in connection with receipt of Community Mitigation Funds, specifically whether the City is eligible to receive additional funds in the upcoming fiscal year based on the current Municipal Block Grant Program and the additional monies available to host and surrounding communities.

I. Background Information

a. Designation of Surrounding Communities

The Commission's power to designate surrounding communities, set forth in M.G.L. c. 23K, § 4(33), is tied to the application process for a gaming establishment license. Pursuant to M.G.L. c. 23K, § 17(a), after review of the entire application, the Commission "shall identify which communities shall be designated as the surrounding communities of a proposed gaming establishment" based on factors including, but not limited to, population, infrastructure, distance from the gaming establishment and political boundaries.

The process by which the Commission determined surrounding communities, in addition to those communities that entered into agreements with the applicants, is outlined within 205 CMR 125.01(2). Communities seeking designation were required to submit a written petition to the Commission no later than ten (10) days after the Commission's receipt of an RFA-2 application. The Commission reviewed the submitted petitions and heard presentations from the petitioning municipalities during public meetings on January 28 and 29, 2014 and made determinations at that time as to which municipalities would be designated as surrounding communities.

b. Eligibility for Receipt of Community Mitigation Funds

Under M.G.L. c. 23K, § 61, the Commission is tasked with administering the community mitigation fund and expending monies "to assist the host community and surrounding



Massachusetts Gaming Commission



communities in offsetting costs related to the construction and operation of a gaming establishment, including but not limited to, communities and water and sewer districts in the vicinity of a gaming establishment...”

In accordance with M.G.L. c. 23K, § 61, the Commission is charged with reviewing and approving annual guidelines for the administration and distribution of funds, including who may apply for funding. 205 CMR 153.02(1).

Under 205 CMR 125.01(4), a finding by the Commission that a community is not a surrounding community for purposes of an RFA-2 application does not preclude the community from applying to and receiving funds from the Community Mitigation Fund.

II. History of the City of Revere

The City of Revere did not seek designation as a surrounding community in connection with Encore Boston Harbor’s RFA-2 application for a gaming establishment license. The City entered a Host Community Agreement with the applicant Mohegan Sun Massachusetts, LLC on December 23, 2013 which contained an exclusivity clause under which the City agreed not to sign another host community agreement and agreed that it would “only enter into a Surrounding Community Agreement relating to another Applicant if required by the Commission.”

III. City of Revere’s Eligibility for Community Mitigation Funds

In accordance with M.G.L. c. 23K, § 61 and 205 CMR 125.01(4), the City of Revere is eligible to apply to and receive funds from the Community Mitigation Fund as a community that is geographically adjacent to and in the vicinity of the gaming establishment, Encore Boston Harbor. Though it is not a designated surrounding community, the City is not prohibited from applying to and receiving such funds. However, the City is ineligible to receive Community Mitigation funding that is awarded solely based on status as a host or surrounding community, so designated by the Commission.

IV. City of Revere’s Ability to Receive Additional Funding

The City of Revere may be able to receive additional funding from the Community Mitigation Fund despite not having the status of a designated surrounding community.

1. The City may utilize the waiver process contained in the Community Mitigation Fund Guidelines, and permitted pursuant to 205 CMR 153.02(1)(i), and apply for additional funds for a specific project for which the proposed block grant amount is insufficient.
2. Based on your authority under 205 CMR 153.02(1)(e) to determine the availability and allocation of funding, the Commission may amend the formula for the Municipal Block Grant Program and allow for additional funds to be permitted for geographically adjacent communities and which are not tied to host or surrounding community status.



Massachusetts Gaming Commission



TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner

FROM: Andrew Steffen – Sports Wagering Operations Manager

MEMO **MEETING**
DATE: 9/17/2024 **DATE:** 9/26/24

RE: Update to BetMGM House Rules

REGULATION BACKGROUND:

Pursuant to 205 CMR 247.02(4), a Sports Wagering Operator shall not change or modify the House Rules without prior written approval of the Commission.

EXECUTIVE SUMMARY:

BetMGM Sportsbook has requested changes to their Massachusetts online house rules. A full detailed summary of changes can be found in the attached redline exhibit.

The summary of changes are as follows:

1. **General Rules:** Revisions for Same Game Parlay Rules
2. **Baseball:** Revisions for Same Game Parlay Rules
3. **Basketball:** Revisions for Same Game Parlay Rules
4. **Football:** Revisions for Same Game Parlay Rules

CONCLUDING STATEMENT:

The Sports Wagering Division confirms all requirements have been met under 205 CMR 247.02 and recommends approving these changes.

Same Game Parlay Rules

“Same Game Parlay” (SGP) is a parlay bet combining multiple selections from the same event. If a pick within a SGP is cancelled, then the wager odds at the time of bet placement will be re-calculated using the remaining legs, unless specified otherwise in the specific sport's betting rules. BetMGM reserves the right to cancel a SGP or SGP+ if it is unable to adjust the odds of the wager after a selection is cancelled. “Same Game Parlay Plus” (SGP+) is a parlay that includes at least one SGP and additional straight selections or additional SGPs from other events. If a straight selection or SGP within the SGP+ wager is voided, then the SGP+ wager odds will be re-calculated using the remaining legs. Further details regarding the settlement rules for SGPs are set forth in the Sports Rules for the relevant sport.

Baseball Rules

Baseball Same Game Parlay Rules

Baseball Same Game Parlay rules are the same as Baseball rules stated above, with the following exceptions:

Bet Settlement (For Same Game Parlay):

If a Baseball Same Game Parlay selection within a SGP is cancelled, then the wager odds at the time of bet placement will be re-calculated using the remaining legs. This only applies to selections placed on MLB.

For SGP selections on all other Baseball leagues, if any leg in a SGP is void or cancelled, then the entire SGP is void. If all other SGP or Single wagers within a SGP+ are winners, the SGP+ will be paid out at a re-calculated price using the remaining legs.

All Baseball Same Game Parlay selections must win (no ties, draws or pushes) for a bet to be deemed a winner. A selection that does not win, unless explicitly specified in the Baseball Same Game Parlay Rules, will be settled as a loser. If one or more selections in any bet are resulted as cancelled for any reason (such as a selected player not participating in the match), the entire bet will be resulted as cancelled.

For instance, selections on a team to win a match where it is a draw after extra innings (or normal time if no extra innings are to be played), even where the draw or tie may not have been offered through Same Game Parlay, will be settled as losers. This will not be relevant to MLB matches as extra innings are played until a winner is decided, but may be applicable to other baseball leagues or competitions as per their individual competition rules.

Same Game Parlay Plus:

If any leg in a SGP is void or cancelled, then the entire SGP is void. If all other SGP or Single wagers within a SGP+ are winners, the SGP+ will be paid out at a re-calculated price using the remaining legs.

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Basketball Rules

Basketball Same Game Parlay Rules

Basketball Same Game Parlay rules are the same as Basketball rules stated above, with the following exceptions.

Bet Settlement (For Same Game Parlay):

If a Basketball Same Game Parlay selection within a SGP is cancelled, then the wager odds at the time of bet placement will be re-calculated using the remaining legs. This only applies to selections placed on NBA and NCAA Basketball.

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For SGP selections on all other Basketball leagues, if any leg in a SGP is void or cancelled, then the entire SGP is void. If all other SGP or Single wagers within a SGP+ are winners, the SGP+ will be paid out at a re-calculated price using the remaining legs.

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All basketball Same Game Parlay selections must win (no ties, draws or pushes) for a bet to be deemed a winner. A selection that does not win, unless explicitly specified in the Basketball Same Game Parlay Rules, will be settled as a loser. If one or more selections in any bet are resulted as cancelled for any reason (such as a selected player not participating in the match), the entire bet will be resulted as cancelled. For instance, selections on a team to win a match where it is a draw after overtime (or normal time if no overtime is to be played), even where the draw or tie may not have been offered through Same Game Parlay, will be settled as losers. This will not be relevant to NBA or NBL matches as they play repeated overtime periods until a team wins but may be applicable to other basketball leagues or competitions as per their individual competition rules.

Cancelled Matches (For Same Game Parlay):

If a game is abandoned prior to commencement, it falls within the 24-hour rule for postponed matches as described above. If it is abandoned after commencing but before its natural end point, the following rules apply:

If a player does not enter the court as an active player, then selections specific to that player will be cancelled. SAME GAME PARLAYS will be cancelled if they include at least one selection involving a player who has not yet entered the court as an active player. The rules outlined below are all applied subject to and subsequent to the application of this rule.

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Same Game Parlay Plus:

The general SGP and SGP+ settlement rules outlined above apply to all SGP wagers on Basketball events within the SGP+ wager. Wagers within the SGP+ on other sports follow that sport's house rules.

If any selection (either SGP or Single wager) within an SGP+ is settled as a loss, then the entire SGP+ is settled as a loss.

If any leg in a SGP is void or cancelled, then the entire SGP is void. If all other SGP or Single wagers within a SGP+ are winners, the SGP+ will be paid out at a re-calculated price using the remaining legs.

Football Rules

Football Same Game Parlay Rules

If a Football Same Game Parlay selection within a SGP is cancelled, then the wager odds at the time of bet placement will be re-calculated using the remaining legs. This only applies to selections placed on NFL and NCAA Football.

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For SGP selections on all other Football leagues, if any leg in a SGP is void or cancelled, then the entire SGP is void. If all other SGP or Single wagers within a SGP+ are winners, the SGP+ will be paid out at a re-calculated price using the remaining legs.

All American Football Same Game Parlay selections must win (no ties, draws or pushes) for a bet to be deemed a winner. A selection that does not win, unless explicitly specified within the Football rules stated above will be settled as a loser. For instance, selections on a team to win a match where it is a tie after overtime, even where the draw or tie may not have been offered through Same Game Parlay will be settled as losers. Football Same Game Parlay rules are the same as Football rules stated above, with the following exceptions:

Cancelled Games (For Same Game Parlay):

If a player does not participate in a match, selections specific to that player will be cancelled. Same Game Parlays will be cancelled if they include at least one selection involving a player who has not yet been on the field for at least one play. The rules outlined below are all applied subject to and subsequent to the application of this rule.

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Same Game Parlay Plus:

The general SGP and SGP+ settlement rules outlined above apply to all SGP wagers on Football events within the SGP+ wager. Wagers within the SGP+ on other sports follow that sport's house rules.

If any selection (either SGP or Single wager) within an SGP+ is settled as a loss, then the entire SGP+ is settled as a loss.

If any leg in a SGP is void or cancelled, then the entire SGP is void. If all other SGP or Single wagers within a SGP+ are winners, the SGP+ will be paid out at a re-calculated price using the remaining legs.



Sports Wagering Division

TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner

FROM: Andrew Steffen – Sports Wagering Operations Manager

MEMO DATE: 9/17/2024 **MEETING DATE:** 9/26/24

RE: Update to MGM Springfield House Rules

REGULATION BACKGROUND:

Pursuant to 205 CMR 247.02(4), a Sports Wagering Operator shall not change or modify the House Rules without prior written approval of the Commission.

EXECUTIVE SUMMARY:

MGM Springfield has requested changes to their Massachusetts house rules. A full detailed summary of changes can be found in the attached redline exhibit.

The summary of changes are as follows:

1. **General Rules:** Revisions for settlement clarification.
2. **Football:** Revision for settlement clarification.

CONCLUDING STATEMENT:

The Sports Wagering Division confirms all requirements have been met under 205 CMR 247.02 and recommends approving these changes.

GENERAL SPORTS BOOK RULES

2. The MGMS will determine minimum and maximum wagers on all sports events. Any maximum payout will only be established through limiting the amount of a Sports Wager and will not be applied to reduce the amount paid to a patron as a result of a winning Sports Wager. Minimum Wager: \$0.50; Maximum Wager: \$10,000,000.00. ~~During regular operations, MGMS only accepts wagers stakes in excess of \$10.00 at the Sportsbook Counter. However, reserves the right to accept a lower stake amount, based on business need.~~

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SPORTS BOOK WAGERING RULES:

Minimum length of play

For wagering purposes, unless otherwise stipulated in individual sports wagering rules, games are official after:

2. FOOTBALL (pro and college) – 55 minutes of play, ~~unless an official result is declared by the official governing body before then.~~

FOOTBALL RULES

Minimum Length of Play

For wagering purposes, unless otherwise stipulated in individual Football sports wager rules, Pro and College Football results are official after 55 minutes of play, ~~unless an official result is declared by the official governing body before then.~~ MGMS does not recognize suspended games (after they have met the minimum time or length requirement specified in the specific sports rules), protests, or overturned decisions for wagering purposes.



TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner

FROM: Andrew Steffen – Sports Wagering Operations Manager

MEMO **MEETING**
DATE: 9/20/2024 **DATE:** 9/26/24

RE: Update to Caesars Sportsbook House Rules

REGULATION BACKGROUND:

Pursuant to 205 CMR 247.02(4), a Sports Wagering Operator shall not change or modify the House Rules without prior written approval of the Commission.

EXECUTIVE SUMMARY:

Caesars Sportsbook has requested changes to their Massachusetts online house rules. A full detailed summary of changes can be found in the attached redline exhibit.

The summary of changes are as follows:

1. **General Rules:** Revisions for settlement clarification.
2. **Auto Racing:** Addition of rule to address new market type.
3. **Baseball:** Revisions for settlement clarification. Addition of rules to address new market types.
4. **Basketball:** Removal of market types.
5. **Football:** Revisions for settlement clarification. Addition of rules to address new market types.
6. **Golf:** Revision for settlement clarification. Addition of rules to address new market types.



Sports Wagering Division

7. **Field Hockey:** Removal of sport from house rules.
8. **Hockey:** Revision for settlement clarification. Addition of rules to address new market types.
9. **Pickleball:** Revisions for settlement clarification. Addition of rules to address new market types.
10. **Rugby:** Addition of rules to address new market types.
11. **Soccer:** Revisions for settlement clarification. Addition of rules to address available markets.
12. **Softball:** Revisions for settlement clarification.
13. **Tennis:** Addition of rules to address available markets.

CONCLUDING STATEMENT:

The Sports Wagering Division confirms all requirements have been met under 205 CMR 247.02 and recommends approving these changes.

GENERAL BETTING RULES

EVENTS ON WHICH WAGERS ARE ACCEPTED

- Any wager over \$250,000 All wagers will be verified for accuracy within the Sports Wagering System. Upon successful verification, the wager will be paid immediately.
- When cross-sport proposition markets are offered on a group of events within a day, period of time or specified game week, bets will be settled as void if one or more of the offered events does not take place.

DETERMINING A WINNER

1. Adjustments Unless otherwise stated in the Sports Sections adjustments to settlement for any changes or adjudications made by governing bodies after the event's conclusion will may be made by 9:00 a.m. PST the following day after the event starts. Management does not recognize suspended games, protests, overturned decisions, changes to the score, etc. made by the governing body after the above time. This does not account for changes due to errors in settlement.
- For markets that are settled incorrectly due to human, third party (feed), or any other errors, those markets may be re-settled for up to 3 days after the events conclusion.

NOTIFICATION OF ODDS OR PROPOSITION CHANGES

1. Caesars Sportsbook has established procedures for suspending markets or events (i.e., stop accepting wagers for that market or markets associated with that event). When wagering is suspended for an active event, Caesars Sportsbook utilizes a computerized audit log that includes the date and time of suspension and its reason: Odds changes, which may include odds and line changes, and during in play for live wagering due to timeouts, official or reviews.

CASHOUT

1. Cashout gives the opportunity to settle a wager at the value displayed before the market is resulted on the sportsbook application.
- On the mobile application, Cashout can be accessed in the open wagers tab. A pre-determined settlement value will be offered based upon the selections, odds taken and the current status of the betting transaction.
1. For retail, Cashout can be accessed by scanning the ticket at a point-of-sale terminal or a kiosk. For retail Cashout, it is only offered for wagers made with a Caesars Rewards card. A pre-determined settlement value will be offered based upon the selections, odds taken and the current status of the betting transaction.
2. For mobile, if the cashout wager settlement value changes during a settlement transaction, the transaction will not be complete and a revised settlement value will be offered, which will have to be accepted before proceeding.
- For retail, if the cashout wager settlement value changes during a settlement transaction, the ticket will have to be re-scanned to retrieve the new Cashout value.

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AUTO RACING & MOTORBIKES

General Rules

- All In-Play wagers on Auto Racing will be considered action.
 - Example: Justin Allgaier starts the race and is replaced by Kyle Larson. If Kyle Larson wins the race, BOTH Larson and Allgaier will be scored the race winner LIVE market.

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BASEBALL

General Rules

- In the instance of a postponed game, all wagers placed on that game will be void. ~~A postponement is deemed to be where a game does not commence and is completed by 9:00 am PST time the following day after the event starts.~~ The only exception to this rule is MLB playoff games which are action whenever played. ~~A postponed game is one that does not start on the scheduled day it is to be played.~~ Postponement refers to date and time of game location, not where customer is located.

Daily Grand Slam and No-Hitter

- ~~Wagers will stand regardless of how many games are completed that day.~~

Daily Grand Slam and No-Hitter

- Predict whether a grand slam will be hit or a no-hitter will be thrown on a listed day.
- ± Wagers will stand regardless of how many games are completed that day.

General Rules - Live

- ~~Live total runs wagers will be void regardless of result if game is called suspended, with the exception of the Mercy Rule being applied.~~

Batter - Pitch Count Over/Under

- Predict the number of pitches thrown during the named plate appearance.

Plate Appearance Pitch Count Exact

- Predict the number of pitches thrown during the Appearance Pitch Count Exact.

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BASKETBALL

Race to X Number of Points

- Predict the first team to score the listed number of points.

NBA Daily Total Points - Grand Salami

- Predict the number of points in all the day's scheduled NBA games.
- All scheduled games must be played and be completed on the scheduled day or else wagers will be void.

Total Points, Rebounds, Assists, Blocks, Steals, Made 3-Point Field Goals, Turnovers

- Predict whether the statistical category recorded by the named player or team in the game is over or under a specified number.

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- Wagers are settled on official statistics provided by the NBA.
- In the event of a dispute, statistics published on NBA.com on the day of the game will be used for settlement purposes.

To Record a Double-Double/Triple-Double

- Predict whether a named player will record a double-double or triple-double in the game.
- A "double-double" is for the named player to achieve 10 or more counting statistics in two different statistical categories, either points, assists, rebounds or steals.
- A "triple-double" is for the named player to achieve 10 or more counting statistics in three different statistical categories, either points, assists, rebounds or steals.

Player or Team First Field Goal Scorer of 2nd Half (Type/Exact)

- Offensive basket interference is credited as a turnover and will not settle the shooting player's/team's market.
- Any unsettled player markets will be void when the player fouls out, gets ejected, or is ruled out due to injury.
- If a player that is not listed is the first scorer of the second half, all wagers on the other players will stand.

Player with Most Points, Rebounds, Assists, Blocks, Steals, 3-Point Field Goals Made

- For daily markets:
 - If any one of the offered players spends no time active on court and therefore takes no part in the game, wagers placed on the ENTIRE market, including the other listed players, will be void.

FOOTBALL

Total Points (Full Game/Half/Quarter)

- Predict whether the total number of points scored in the full game/half/quarter is over or under a specified number.

Drive Outcome

- NFL Drives include kick and punt returns (including muffed or fumbled returns), whereas college football drives start with begin on the first offensive snap of the ball.

20+ Yard Reception/10+ Yard Rushing/20+ Yard Offensive Play This Drive

- Team Play (Team Play Attempt Type / Team Play to be a First Down / Team Play to be a Touchdown / Team Play Attempt Type and to be a First Down) Results are for plays that start from scrimmage. Kickoff and punt return yards do not count.

Successful Two-Point Conversion

- Predict whether there will be a successful two-point conversion on the specified drive.

Kickoff to be a Touchback

- If a player fair catches the kickoff outside of the end zone, this does not count as a successful touchback and "No" will be the winning selection in this market.

Player TD Scorer on Drive

- A quarterback or any other player who throws a touchdown pass is not a TD Scorer in this market.

Longest Touchdown from Scrimmage in Regular Season

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- Predict whether the longest touchdown from scrimmage is over or under the listed number.
- Offensive and defensive touchdowns count.
- Kickoff and punt returns do not count.

NFL Week X Specials

- All games must be played and complete at least 55 minutes of play or else wagers will be void on all markets.
- If a scheduled game for the listed days is moved to a different day for whatever reason, and considered a part of that week's schedule, all wagers on these markets will stand.
- For total two point conversions, offensive and defensive conversions count.
- For total missed extra points, blocked kicks count as a miss.

NFL Week X Specials

- All listed scheduled games must be played and complete at least 55 minutes of play in the specific week, within seven days of the originally scheduled date, or else wagers will be void on all markets.
- 1. • If a scheduled game for the listed days is moved to a different day for whatever reason, and considered a part of that week's schedule, all wagers on these markets will stand, unless the result has been unequivocally determined.
- For total two point conversions, offensive and defensive conversions count.
- For Total Missed Extra Points, a blocked kick counts as a miss.
- 2. • For Total Two-Point Conversions, defensive conversions count towards the total.
- 3. • For total missed extra points, blocked kicks count as a miss. Dead Heat Rules Apply for all markets.

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GOLF

- 1. • If a "live" designation next to them indicate that the player does not make the cut, tournament and/or relevant matchups have begun, bets for this market will be void.

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Forecast Winner

- Predict the player to finish 1st or 2nd in a specified tournament. If a player ties for 2nd place dead heat rules will apply with the other selection. If the winning 1st and 2nd place finishers for the specified tournament are not listed, then "other" is the winner.

Tournament Par 3, 4, 5 Winner

- Predict a player to have the best score out of the specified Par X hole of the specific tournament.
- If a tournament is officially resulted but shortened in length, bets will stand. If a player withdraws or is disqualified after they tee off, bets are action.

Bogey Free Round

- Will the listed player not have a bogey or worse for specific round of a specific tournament.
- Void if player doesn't finish the round.

Golf Bingo

- Will a series of scores (in a specified range) be attained by the entire field in a specific tournament.
- All 4 rounds of the specified tournament must be completed or bets will be void.
- If any player, within the field, withdraws or is disqualified, bets are still action.
 - Example: Masters Tournament: Round Scores 62 through 82 will all be attained. If all round scores between and including 62 through 82 are achieved the wager is a winner.

Round Leader Top X

- Predict the player to finish in the top five, ten, twenty, etc. of the specified Round for the specified tournament.
- If there is a tie for the final placing, dead heat rules will apply.

2/3 Ball Par 3/4/5 Winner

- Predict the winner, from the listed pairing/players of the par 3, 4, 5 hole markets.
- If there is a tie, dead heat rules apply.
- All wagers are action provided all players, from the listed pairing/players selection, all start their respective par3, 4, 5 holes.

First player to be Under/Over Par

- Predict the player, from the listed player selections, to be first to be under/ over par for the round/ tournament.
- If no player, from the listed selections, is under/ over par for the specified round/ tournament, wagers will be void.

Who Will Win a Group of Holes

- Predict, from the listed player group, which player will win a select group of holes.
- If there is a tie between players for the select group of holes, dead heat rules apply.
- Wagers are action provided that all players, in the listed player group, tee off on the first listed hole of the select group of holes.

Next Player to Win a Hole

- Predict, from the listed player group, the next player to win a hole. If a player exits the tournament prior to the hole being won, bets will be void.

Number of Putts in the Group on a Hole

- Predict the exact number of total putts from a specific listed group on a specified hole.
- If all players do not tee off or complete the specified hole, wagers will be void unless a market has already been established.

Where Will the Drive Finish on a Hole

- Predict, on a Par 4/5, the lie a specific player's drive will finish on a specified hole from the selections given, when applicable.

Tee Shot Distance from Pin

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- If the specific shot recorded is not on the green, over will be the winning wager regardless of distance to the pin off the green.

Distance Nearest the Pin

- If the specific shot recorded is not on the green, over will be the winning wager regardless of distance to the pin off the green.

Number of Putts in a Round

- Predict over/under the number of putts for a specific round of the listed tournament.
- Wagers will be void if the player does not finish the round unless the market has already been determined.

Number of Birdies (or better), Pars, Bogeys (or Worse)

- Predict over/under the number of Birdies (or better), Pars, Bogeys (or Worse) for the specific player in the specific round/tournament.
- If the player does not finish the round/tournament, bets will be void unless the market has been established.
- Players that do not make the cut are considered to have completed the tournament if they have completed 36 holes and missed the cut.
- If a player does not make the cut, tournament bets for this market will be void.

Match Play Markets

To Reach Final, Semi-Final, Quarter-Final

- Predict a player that will make the Finals, Semi-Finals, and/or Quarter-Final of the Match Play event from the listed field selections.
- Wagers are action provided the selected player tees off in the tournament.

Match Play Group Winner

- Predict the player, from the specified group, to advance out of the group stage of match play.
- If there is a change to the listed players in the group, wagers will be void.

Match Play Hole Winner

- Predict the player/players to win the specified hole from the pairing.
- Wagers will be void if the pairing halves/ties the hole. Wagers are action, provided all listed players in the pairing tee off on the specified hole.

Correct Score

- Predict the final correct score of the teams in the match play event.
- If the match play event does not go its scheduled number of events/points, wagers will be void.

Top Scorer

- Predict the player, from the specified market, to be Top Scorer.
- If players are tied for any specified to scorer market, dead heat rules will apply.

Score of Groups of Holes

- Predict over/under the score from a specified group over a series of specified holes.

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- If the specific series of holes are not complete, bets will be void. If a player, from the specified group, does not finish the series of holes, bets will be void.

To Hit Green on the Next Hole

- Yes/No will a specific player hit the green on the specified hole.
- If the player does not compete on that specified hole, the wager is a void.

Tee Shot to Finish (Par 3)

- Predict where the tee shot will finish for specific player on a specific hole.
 - For Example: Green, Fairway, Bunker, Water, or Rough/Other.
- Wagers will be void for the selected players that do not tee off on that specific hole.

Number of Putts on a Hole

- Predict over/under the number of putts for a specific player on a hole.
- Markets will be void if the player does not finish the hole unless a market has already been established.

Race to Dubai Winner

- Predict the golfer to be The Race to Dubai Winner.
- All wagers are action unless a player does not compete in at least one event for the specified season.

The winner will be determined by the official rules of the DP World Tour.

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FIELD HOCKEY

General Rules

1. For all games, at least 60 minutes must be played, or else wagers will be void.
2. Overtime, extra time, and shootouts do not count, with the exception of NCAA field hockey, where overtime, extra time and shootouts count for wagering purposes.
3. Games must be played on the scheduled day or else wagers will be void. The lone exception is the Olympic Games, where wagers will stand on the game if it is played before the Closing Ceremony.
4. If a game is cancelled or play is interrupted and does not resume that day, wagers will be void, unless a result has already been determined.

Game Winner/Money Line

1. Select the winner of the game.
2. If the game ends in a tie in regulation time, a draw will be the winning selection if offered. If there is no draw selection, wagers will be void. NCAA games are the exception, as wagers will stand regardless of how the match is decided.

Spread Betting

1. Predict the team who will win the match once the spread has been applied to the official scores.

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Total Goals

2. Predict whether the total goals scored in a match or half will be over or under a specified number.
3. Shootout goals do not count toward the total goals. If a NCAA game is decided by a shootout, one goal will be added to the winning teams' final score.

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HOCKEY

To Win All Periods

- Wagers are settled on the events that occur in regulation time. Overtime and shootouts do not count.

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Next Goal Team Strength

- Predict the next type of goal-
 - Even Strength: Both teams have the same number of players on the ice at the time of the goal being scored.
 - Power Play: The goal-scoring team had more players on the ice than the other team at the time of the goal being scored.
 - Shorthanded: the goal-scoring team had fewer players on the ice than the other team at the time of the goal being scored.
 - No Goal: A goal is not scored for the rest of regulation (60 minutes).

Next Goal Team Strength Exact

- Predict the next type of goal and specify home or away.
- Even Strength: Both teams have the same number of players on the ice at the time of the goal being scored.
- Power Play: The goal-scoring team had more players on the ice than the other team at the time of the goal being scored.
- Shorthanded: The goal-scoring team had fewer players on the ice than the other team at the time of the goal being scored.
- No Goal: A goal is not scored for the rest of regulation and overtime.

Next Power Play Result

- Predict whether a goal is scored during the next Power Play.
- Goal: A goal is scored during the next Power Play opportunity.
- No Goal: A goal is not scored during the next power play opportunity.

Team to Record Next Shot on Goal

- Predict which team will have the next shot on goal.

Next Faceoff Winning Team

- Predict which team will win the next faceoff.

Team Timeframe Shot on Goal

- Predict whether a team will have a shot on goal in specific listed timeframe.

PICKLEBALL

Tournament Winner

- Predict the winner of the specified tournament.
- All players have action once the specified player has started at least one match of the tournament.
- If the player does not play in a match for the specified tournament wagers are void.

Match Betting/Money Line

- 1. Predict the winner of the match for the selections given. Both players must complete the match or bets are void.

Match Total Points Betting

- Predict the over/under total number of points in the match.
- 1. Both players must complete the match or bets are void unless market has already been established.

RUGBY LEAGUE/RUGBY UNION

Rugby Sevens- Money Line

- Predict the winner of the Rugby Sevens match. Extra time counts.

Rugby Sevens- 14 Minute Betting

- Predict the winner of the 14 minute match. Extra time does not count.

Rugby Sevens-14 Minute Spread

- Predict the winner of the 14 minute match once the spread has been applied to the official scores. Extra time does not count.

Rugby Sevens-Total points

- Predict whether the total points will be over or under a specified figure. Extra time does not count.

SOCCER

General Rules

- 1. For player stats (shots, shots on target, assists, passes, tackles) markets, the following rules apply:
 - 1. If the selected player does not start the match and enters the field of play at any time, wagers placed on that player in that this market will be void even if they enter the field of play as a substitute and make over the specified number in that category stand.

Method of Victory

- 1. Predict the method of victory from the listed selections in a knockout competition, whether it be in extra time or on penalties.

First Goalscorer

- 1. Own goals or goalkeeper goals do not count towards the first goalscorer. If the first goal in the match is an own or goalkeeper goal, the winning selection in this market will be the scorer of the second goal. If the second goal is also an own or goalkeeper goal, the winning selection in this

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market will be the scorer of the third goal and so on. If no further goals are scored, the winning selection in this market will be no goalscorer.

Last Goalscorer

- Own goals or goalkeeper goals do not count towards the last goalscorer. If the last goal in the match is an own goal or goalkeeper goal, the winning selection in this market will be the scorer of the second to last goal. If the second to last goal is also an own goal or goalkeeper goal, the winning selection in this market will be the scorer of the third to last goal and so on. If no further goals are scored, then wagers will be void.

Player To Score 2 Or More Goals

- If the selected player does not start the match and enters the field of play at any time, wagers placed on the that player in this market will be voided stand.

Hat-Trick

- Select a player to score a hat-trick (3 or more goals) at any time during a match.
- If the selected player does not start the match and enters the field of play at any time, wagers placed on the that player in this market will be voided stand.

To Score in the First or Second Half

- If the selected player doesn't start plays any part in the match named half, wagers placed on that player in this market will be void even if they enter the field of play as a substitute and score in the specified half stand.

Player to Score in Extra Time Live

- Select a player to score at any time during the Extra Time period.
- Own goals do not count towards an anytime goal scorer.
- If the selected player participates in any part of Extra Time, wagers placed on that player in this market will stand.
- This market relates to Extra Time period only. Penalty Shootouts do not count.

Tournament- Total Tournament Goals

- If a team starts in the tournament and does not complete all of its fixtures, wagers placed on this market will stand.
- Only penalties taken in normal time and extra time will count. Penalties taken in penalty shoot-outs will not count.
- If a team starts in the tournament and does not complete all its fixtures, wagers placed on this market will stand.

Tournament – Total Tournaments Corners

- Select the total number of corners taken in the given tournament from the specified options.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
- Corners taken in Extra Time count.

Team Total Tournaments Goals

- Wager on the total number of goals scored by the named team in the given tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.

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- Only goals scored in normal time and extra time will count. Penalties scored in penalty shoot-outs will not count.
- If a team starts in the tournament and does not complete all its fixtures, wagers placed on this market will stand.

Tournament – Number of Games to Go to Extra Time

- Select the number of games which will go to Extra Time in the given tournament from the specified options.
- Only matches played in the tournament will count. Penalties taken in qualifying matches or friendly/exhibition matches will not count.

Tournament – Number of Games to Go to a Penalty Shootout

- Select the number of games which will go to a Penalty Shootout in the given tournament from the specified options.
- Only matches played in the tournament will count. Penalties taken in qualifying matches or friendly/exhibition matches will not count.

Tournament/League - Total Player Goals

- Wager on the total number of goals scored by the named team in the given tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
- Only goals scored in normal time and extra time will count. Penalties scored in penalty shoot-outs will not count.

Tournament/League - Player of the Tournament

- Wager on who will receive the award of Player of The Tournament.
- Settlement will be based on the award given by the named governing body only (e.g. UEFA).

Tournament/ League – Highest Scoring Team

- Select which team will score the most goals in the named tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.

Tournament/League - Lowest Scoring Team

- Select which team will score the least number of goals in the named tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
- Only goals scored in normal time and extra time will count. Penalties scored in penalty shoot-outs will not count.
- If a team starts in the tournament and does not complete all its fixtures, wagers placed on this market will stand.

Tournament- Total Tournament Goals

1. If a team starts in the tournament and does not complete all of its fixtures, wagers placed on this market will stand.
- Only penalties taken in normal time and extra time will count. Penalties taken in penalty shoot-outs will not count.

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- If a team starts in the tournament and does not complete all its fixtures, wagers placed on this market will stand.

Tournament – Total Tournaments Corners

- Select the total number of corners taken in the given tournament from the specified options.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
- Corners taken in Extra Time count.

Team Total Tournaments Goals

- Wager on the total number of goals scored by the named team in the given tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
- Only goals scored in normal time and extra time will count. Penalties scored in penalty shoot-outs will not count.
- If a team starts in the tournament and does not complete all its fixtures, wagers placed on this market will stand.

Tournament – Number of Games to Go to Extra Time

- Select the number of games which will go to Extra Time in the given tournament from the specified options.
- Only matches played in the tournament will count. Penalties taken in qualifying matches or friendly/exhibition matches will not count.

Tournament – Number of Games to Go to a Penalty Shootout

- Select the number of games which will go to a Penalty Shootout in the given tournament from the specified options.
- Only matches played in the tournament will count. Penalties taken in qualifying matches or friendly/exhibition matches will not count.

Tournament/League - Total Player Goals

- Wager on the total number of goals scored by the named team in the given tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
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Tournament/League - Player of the Tournament

- Wager on who will receive the award of Player of The Tournament.
- Settlement will be based on the award given by the named governing body only (e.g. UEFA).

Tournament/ League – Highest Scoring Team

- Select which team will score the most goals in the named tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.

Tournament/League - Lowest Scoring Team

- Select which team will score the least number of goals in the named tournament.
- Only matches played in the tournament will count. Goals scored in qualifying matches or friendly/exhibition matches will not count.
- Only goals scored in normal time and extra time will count. Penalties scored in penalty shoot-outs will not count.
- If a team starts in the tournament and does not complete all its fixtures, wagers placed on this market will stand.

SOFTBALL

General Rules

- In the instance of a postponed game, all wagers placed on that game will be void. A postponement is deemed to be where a postponed game is one that does not commence and is completed by 9:00 am PST time start on the following scheduled day after the event starts: it is to be played. Postponement refers to date and time of game location, not where customer is located.

TENNIS

Match Total Aces

- Predict the total number of aces in the match.

Match Total Doubles Faults

- Predict the total number of double faults in the match.

Match Total Breaks of Serve

- Predict the total number of breaks of serve in the match.

Most Aces

- Predict which player will serve the most aces in the match.

Player Total Aces

- Predict the specified players total number of aces in the match.

Most Double Faults

- Predicts which player will serve the most double faults in the match.

Player Total Double Faults

- Predict the specified players total number of double faults in the match.

Most Breaks of Serve

- Predicts which player will break their opponents serve most in the match.

Player Total Breaks of Serve

- Predict the total number of times the specified player will break their opponents serve in the match.

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Ace Spread/Ace Handicap

- Predict the result of an ace match bet after the spread has been applied to one of the competitors. An ace spread (+/-) one or more aces will be given to one/both competitors, which will be added to the actual number of aces served.

Double Fault Spread/Double Fault Handicap

- Predict the result of a double fault match bet after the spread has been applied to one of the competitors. A double fault spread of (+/-) one or more double faults will be given to one/both competitors, which will be added to the actual number of double faults served.

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Break of Serve Spread/Break of Serve Handicap

- Predict the result of a break of serve match bet after the spread has been applied to one of the competitors. A break of serve spread of (+/-) one or more breaks of serve will be given to one/both competitors, which will be added to the actual number of breaks of serve for each player.

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X Set Total Aces

- Predict the total number of double faults in the specified set.

X Set Total Double Faults

- Predict the total number of double faults in the specified set.

X Sets Total Breaks of Serve

- Predict the total number of breaks of serve in the specified set.

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X Set Player Total Aces

- Predict the specified players total number of aces in the specified set.

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X Set Total Double Faults

- Predict the specified players total number of double faults in the specified set.

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X Set Player Total Breaks of Serve

- Predict the total number of times the specified player will break their opponents serve in the specified set.

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X Set. Player X, Game X Break Points played

- Predict whether there will be a break point played in the specified player's specified service game.

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X Set, Player X, Game X Correct Score

- Predict the correct score in the specified player's specified service game

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TO: Interim Chair Jordan Maynard
Commissioner Eileen O’Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner

FROM: Andrew Steffen – Sports Wagering Operations Manager

MEMO **MEETING**
DATE: 9/17/2024 **DATE:** 9/26/24

RE: Commission Consideration to Add Language to Event Catalog to Prohibit Individual Collegiate Awards

EXECUTIVE SUMMARY:

The Sports Wagering Division is requesting the Commission to consider adding language to prohibit individual collegiate awards from the MA Event Catalog.

REGULATION BACKGROUND:

Pursuant to 205 CMR 247.01(2)(a), an Operator may not offer Sports Wagering on any Collegiate Sport or Athletic Event with an outcome dependent on the performance of an individual athlete, including, but not limited to, in-game or in-play wagers.

DISCUSSION:

The MA Event Catalog currently allows, and has allowed since the launch of sports wagering and the initial event catalog in 2023, sports wagering operators the opportunity to offer wagers on awards granted or recognized by the league or governing body based on regular season statistics for all approved leagues as outlined in Section 8 of the Guidelines tab.

The prohibition of individual collegiate wagers is outlined in Section 5 of the Guidelines tab. However, there is currently no carveout for the prohibition of individual collegiate awards in the Event Catalog.

All sports wagering operators have previously been made aware of this prohibition and have not offered this type of wager.



Sports Wagering Division

Current language:

<p>Wagering on awards granted or recognized by the league or governing body that are based on regular season statistics is permitted for all approved leagues. Wagering must cease prior to the start of the first game on the last day of the approved league's regular season.</p>

Proposed Language:

<p>Wagering on awards granted or recognized by the league or governing body that are based on regular season statistics is permitted for all approved leagues (see 8A for exception). Wagering must cease prior to the start of the first game on the last day of the approved league's regular season.</p>	<p>Wagering on individual collegiate awards is not allowed. This includes, but is not limited to, Heisman Trophy, Maxwell Award, Naismith Award, and John Wooden Award.</p>
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CONCLUDING STATEMENT:

The Sports Wagering Division recommends the addition of language to Section 8 of the Guidelines of the MA Event Catalog to include the prohibition of individual collegiate awards.



TO: Interim Chair Jordan Maynard
Commissioner Eileen O'Brien
Commissioner Brad Hill
Commissioner Nakisha Skinner

FROM: Carrie Torrisi, Deputy General Counsel
Caitlin Monahan, Director, IEB
Kathleen Kramer, Interim Chief Enforcement Counsel/Assistant Director, IEB

DATE: September 26, 2024

RE: 205 CMR 219.04: Applying for Leave to Obtain a Renewed Temporary License

205 CMR 219.04: *Applying for Leave to Obtain a Renewed Temporary License*, which has been amended to clarify the renewal of temporary sports wagering licenses, has completed the promulgation process. A public hearing was held on September 17, 2024. No comments pertaining to this regulation were provided, and no edits have been made to the regulation since its presentation to the Commission on August 1, 2024. We are seeking a vote to adopt the final version of the proposed regulation. The final version of the regulation and accompanying amended small business impact statement have been included in the Commissioners' Packet.

Overview:

During the Commission's development of 205 CMR 219.04, the Commission considered that one of the key objectives of 205 CMR 219.04 was to provide the Investigations and Enforcement Bureau ("IEB") with sufficient time to complete durable suitability investigations. During these discussions, the then IEB Director requested that the regulation provide the IEB with a period of three years to complete durable suitability investigations, with the option to extend that time by providing the Commission with a status update. The request for three years considered the number of applicants, the additional work responsibilities of the IEB, and the fact that the IEB would be simultaneously regulating the operators and conducting the durable suitability investigations.

The Commission ultimately decided to provide the IEB with the three-year period to complete durable suitability investigations and approved the current version of 205 CMR 219.04 on October 19, 2023.

Upon further review, the current language in 205 CMR 219.04 suggests a *two*-year period to complete durable suitability investigations, which does not align with the Commission's intent.

The current regulatory language refers to a "second, fourth, and fifth temporary license" as well as a "third temporary license." The regulation currently requires that a suitability investigation be conducted before acceptance of an application for a third temporary license. However, a third temporary license would be issued two years after the issuance of the initial/first temporary

license, which would provide the IEB with only two years to complete its durable suitability investigations. The intent of this regulation was, instead, that a suitability investigation be conducted before acceptance of an application for third temporary license *renewal*, which would occur three years after the issuance of the initial temporary license. That is because the third temporary license *renewal* would result in the issuance of a fourth temporary license as opposed to a third temporary license. To explain in simpler terms, the third temporary license would be equivalent to the second temporary license *renewal*, and the fourth temporary license would be equivalent to the third temporary license *renewal*.

For example:

February 2023: First temporary license issued

February 2024: Second temporary license/first temporary license *renewal*

February 2025: Third temporary license/second temporary license *renewal*

February 2026: Fourth temporary license/third temporary license *renewal*

To clarify the regulation to reflect the intent of the Commission, we propose minor changes to 205 CMR 219.04(5)(a)-(c) to insert the word “renewal,” as well as the insertion of “first” into 205 CMR 219.04(5)(a) to account for the first temporary license renewal.

The proposed amendments would continue to meet the objectives of the Commission for the temporary license process, including ensuring the durable suitability investigation process does not go beyond a total of five years without a written report submitted by the IEB, allowing the operators to continue operations while durable suitability investigations are ongoing, and providing the IEB with the necessary time to complete the investigations without compromising integrity.

205 CMR: MASSACHUSETTS GAMING COMMISSION

205R 219.00: TEMPORARY LICENSING PROCEDURES

219.04: Applying for Leave to Obtain a Renewed Temporary License

(1) Applications for leave to request a renewed Temporary License shall be submitted to the Executive Director on a form approved by the Commission.

(2) Administrative Sufficiency Review.

(a) The Commission's Division of Licensing will review each application for leave for administrative sufficiency.

(b) When determining whether an application for leave is administratively sufficient, the Division of Licensing shall review only the form required by 205 CMR 219.04(1), and only determine whether all information or materials required to be provided in response to each question or request has been submitted.

(c) If an application for leave is determined to be insufficient:

1. The Division shall notify the Operator by email. The notification shall specifically identify the deficiencies.

2. The Operator shall have the right to submit supplemental or corrected information to cure the deficiencies within one month.

3. For each deficient request component, the one-month period established in 205 CMR 219.04(2)(c)(~~2ii~~) shall begin the day after:

a. The last date to submit an application for leave to request a renewed temporary license, as established by 205 CMR 219.04(5), if that date has not passed; or

b. The date on which the notification sent pursuant to 205 CMR 219.04(2)(c)(~~1i~~) was sent, if the last date to submit an application for leave to request a renewed temporary license, as established by 205 CMR 219.04(5), has passed.

(3) In reviewing the application for leave to request a renewed Temporary License, the Commission may, at such times and in such order as the Commission deems appropriate, take any of the actions listed in 205 CMR 218.04(1).

(4) The Commission shall, at an open public meeting, either grant or deny leave to obtain a renewed Temporary License. The Commission shall send written notice of the public meeting to the requestor at least 14 days in advance of the meeting.

(5) Applications for leave to obtain a renewed Temporary License: timing, evaluation, and fees.

(a) First, Second, ~~Fourth~~, and ~~Fifth~~ Temporary Licenses Renewals.

1. Timing: An Operator may submit an application for leave to obtain a renewed Temporary License no sooner than ten months nor later than eleven months after the effective date of the prior Temporary License.

2. Evaluation: in determining whether to grant or deny the application for leave, the Commission may consider, in its discretion, any appropriate factor.

3. Fee: the application for leave shall be accompanied by a nonrefundable application fee of \$10,000 to defray the costs associated with the processing of the application and investigation of the licensee. Except for the dollar amount of the fee, said fee shall be subject to the provisions of 205 CMR 214.01 and 205 CMR 214.02.

(b) Third Temporary License Renewal.

1. Timing: an Operator may submit an application for leave to obtain a renewed Temporary License no later than three months after the effective date of the prior Temporary License.

2. Evaluation:

a. Before the Commission may grant the Operator's application for leave, the Bureau shall conduct an investigation into the qualifications and continued suitability of the Operator and its Qualifiers, and submit a written report to the Commission, consistent with 205 CMR 215.01(2)(b).

b. In determining whether to grant or deny the application for leave, the Commission may consider, in its discretion, any appropriate factor.

3. Fee: the application for leave shall be accompanied by a nonrefundable application fee of \$50,000 to defray the costs associated with the processing of the application and investigation of the licensee. Except for the dollar amount of the fee, said fee shall be subject to the provisions of 205 CMR 214.01 and 205 CMR 214.02.

(c) Sixth and Subsequent Temporary Licenses Renewals.

1. Timing: an Operator may submit an application for leave to obtain a renewed Temporary License no later than three months after the effective date of the prior Temporary License.

2. Evaluation:

a. Within one month of a positive determination of administrative sufficiency, the Commission may instruct the Bureau to conduct an investigation and submit a written report to the Commission. The investigation and written report shall address any topic directed by the Commission, and, in the Bureau's discretion, any other topic. If the Commission so instructs the Bureau, the Commission shall receive the Bureau's report before it may grant the Operator's application for leave. Otherwise, the Commission may grant the Operator's application for leave without receiving a report from the Bureau.

b. In determining whether to grant or deny the application for leave, the Commission may consider, in its discretion, any appropriate factor. In addition, the Commission shall determine whether any delays in making a supplemental determination of suitability are primarily attributable to the Operator and its Qualifiers, and the Commission and its staff.

c. Fee: the application for leave shall be accompanied by a nonrefundable application fee of \$25,000 to defray the costs associated with the processing of the application and any investigation of the licensee. Except for the dollar amount of the fee, said fee shall be subject to the provisions of 205 CMR 214.01 and 205 CMR 214.02.

(d) The Commission may, in its discretion, extend the time for filing a complete application for leave to enable an Operator to cure a deficiency in its application, provided that the application for leave was submitted before the established deadlines, or to provide a reasonable additional time for filing in cases where extraordinary circumstances prevented a timely filing.

(e) The Executive Director shall deny, without prejudice, any renewal request not accompanied by the required application fee.



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 amendments to **205 CMR 219: Temporary Licensing Procedures** for which a public hearing was held on September 17, 2024, at 9:30am EST.

This regulation was developed as part of the process of promulgating regulations governing sports wagering in the Commonwealth, and is primarily governed by G.L. c. 23N, §§ 4, and 6(c).

205 CMR 219.00 applies to potential sports wagering operators, who are applying for temporary licensure under G.L. c. 23N and have submitted applications with materials and information related to their suitability. Accordingly, this regulation is unlikely to have an adverse impact on small businesses.

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

0. Establishing less stringent compliance or reporting requirements for small businesses:

It is not readily apparent that this regulation would affect small businesses, as it applies to the prospective Operators seeking licensure within the Commonwealth.

1. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

This regulation requires applicants seeking a temporary license as a Sports Wagering Operators under G.L. c. 23N, and in accordance with 205 CMR 218.00. There are no less stringent schedules for small businesses that have been established, as it does not appear that this regulation impacts or affects small businesses.

2. Consolidating or simplifying compliance or reporting requirements for small businesses:

This regulation does not impose reporting requirements upon small businesses, therefore, the compliance and reporting requirements within this regulation have not been simplified.



Massachusetts Gaming Commission

3. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:

Performance based standards are set forth in this regulation, so that an applicant seeking temporary licensure or renewal of their temporary license is aware of the process, fees and timing required. However, it does not appear that these regulations will impact small businesses.

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

The Commission does not anticipate that the proposed regulation will neither deter nor encourage the formation of new businesses in the Commonwealth.

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

As it is currently drafted, it does not appear that the proposed revision to 205 CMR 219.00 will adversely impact small businesses.

Massachusetts Gaming Commission
By:

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

Dated: September 26, 2024



Massachusetts Gaming Commission



TO: Chair Maynard,
Commissioner O'Brien,
Commissioner Hill,
Commissioner Skinner

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

DATE: September 26, 2024

RE: Update on Section 97 player data project

Section 97 of Chapter 194 of the Acts of 2011 requires gaming licensees to supply the Massachusetts Gaming Commission (MGC) with data collected from player loyalty programs. In turn, the MGC is required to contract with a research entity to anonymize the data and make that data available to qualified researchers in order to (1) conduct analyses that improve understanding of how gambling addiction develops and progresses; (2) develop evidence-based harm minimization strategies; and (3) develop evidence-based systems to monitor, detect and intervene in high-risk gambling. The full text* of this section can be found below.

In 2014, prior to any casino commencing operations, the MGC elected to delay implementation of this project until all Massachusetts casinos were operational due to concerns over competitive disadvantage amongst competitors.

Beginning in 2016 and continuing through 2023, the MGC began preparations for this project by working closely with internal and external stakeholders, researchers, casino properties, and partner agencies. This work included designing a framework for data collection and storage, developing a data dictionary, refining the data use agreement that would facilitate making data available to researchers, and developing policies and procedures that would ensure the privacy and security of data in accordance with federal and state laws.

Several obstacles, including the global COVID-19 pandemic, have created delays and a revision to the initial approach. However, the MGC research team continued to work internally and externally on solutions to bring this project to life. Since July 2023, work to consider the various fiscal, technical, legal, and security considerations has taken place to identify a partner to store, anonymize, and make this data available to qualified researchers. We anticipate the selection of a partner will be finalized and announced before December 1, 2024.



Massachusetts Gaming Commission

Section 97 provides an important opportunity to improve understanding of problem gambling, develop evidence-based harm minimization strategies, build evidence-based systems to identify and respond to high-risk gambling behaviors, and facilitate evidence-based decision-making for policymakers. The process of building a system to anonymize, transmit, and link casino player data and make casino player data accessible, as well as making it available to qualified researchers, is a complex undertaking requiring thoughtful consideration of ethics, law, privacy, security, and technical considerations which also includes ensuring an open, equitable, and transparent process in identifying partners with whom to engage in this work.



Massachusetts Gaming Commission



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
Nate Kennedy, Enforcement Counsel

CC: Caitlin Monahan, Director, IEB
Todd Grossman, General Counsel

DATE: September 19, 2024

RE: Sports Wagering Noncompliance Matters

On February 1, 2024, the Investigations and Enforcement Bureau (“IEB”) presented a potential noncompliance matter (2023-SWN-012) involving Temporary Sports Wagering Category 3 Licensee BetMGM, LLC (“BetMGM”). The potential noncompliance matter involved wagering on unauthorized events in violation of G. L. c. 23N, § 3, and 205 CMR 247.01(2)(a)(2). Specifically, this matter related to BetMGM allowing unauthorized college football player props wagers. The Commission requested that this matter proceed to an adjudicatory hearing. On February 15, 2024, the IEB presented a second potential noncompliance matter (2023-SWN-013) to the Commission involving BetMGM. This potential noncompliance matter involved wagering on unauthorized events in violation of G. L. c. 23N, § 3, and 205 CMR 247.01(2). Specifically, this matter related to BetMGM allowing unauthorized wagers on whether players would receive penalty cards in professional soccer leagues. The Commission requested that this matter proceed to an adjudicatory hearing.

The Commission had ongoing discussions as to the best approach to handling adjudicatory hearings involving sports wagering noncompliance matters and the role of the IEB. On May 23, 2024, the Commission requested that the IEB act as a party for both matters. During its investigation, the IEB has learned that the root cause of both noncompliance matters is similar and as such, the matters were originally scheduled for consecutive adjudicatory hearings.

During its review, BetMGM informed the IEB that, prompted by these two reported noncompliance events, BetMGM had engaged GLI to perform an audit of Massachusetts Historical Wagering Data for the year 2023 and a Massachusetts Procedure Audit for the year 2023. On August 28, 2024, BetMGM notified the IEB that GLI had completed its review and additional noncompliance was discovered. On September 17, 2024, BetMGM provided the IEB with incident reports regarding the additional matters. The GLI audit identified additional noncompliance events outlined below:



Massachusetts Gaming Commission

- An additional 41 wagers on the NCAA Football player propositions in violation of G. L. c. 23N, § 3, and 205 CMR 257.01(2)(a)(2).
- 13 player proposition wagers on two Men's NCAA Basketball games on March 28, 2023, in violation of G. L. c. 23N, § 3, and 205 CMR 257.01(2)(a)(2).
- 12 player proposition wagers on two NCAA Women's Elite Eight basketball games on April 1, 2024, in violation of G. L. c. 23N, § 3, and 205 CMR 257.01(2)(a)(2).
- 106 wagers placed on Glory Kickboxing events that occurred between June 17, 2023, and June 8, 2024, in violation of 205 CMR 247.01(1), 205 CMR 247.01(2)(i), and the Massachusetts Sports Wagering Catalog.

At this time, the IEB is seeking guidance as to whether the Commission is requesting these matters be joined with the matters previously presented or brought back to the Commission for the Commission to provide guidance as to how they wish to proceed.



Division of Licensing

TO: Interim Chair Maynard and Commissioners O'Brien, Hill, and Skinner

FROM: Kara O'Brien, Licensing Division Chief

DATE: September 26, 2024

RE: Rebranding of The Sportsbook at Plainridge to ESPNBet

OVERVIEW

Plainville Gaming and Redevelopment, LLC, DBA Plainridge Park Casino (PPC) has notified the Licensing Division of its intent to rebrand The Sportsbook at Plainridge to ESPNBet. The Division of Licensing has reviewed the request, does not believe there are any licensing approvals that would necessitate a Commission vote.

STANDARD

Pursuant to 205 CMR 136.02(3), "A gaming beverage licensee shall not transfer a gaming beverage license, transfer operations of a licensed area to a new jointly responsible person, add a new manager or other principal representative, or add, delete or materially alter the size, configuration or use of a licensed area without the commission's prior written approval."

Further, according to 205 CMR 136.04(2), a licensed area application must contain, at a minimum, the following information:

- (a) A floor plan showing the location of the area within the gaming establishment which the applicant seeks to establish as a licensed area and a diagram of that specific area;
- (b) A description of the licensed area including the proposed capacity and number and location of alcoholic beverage dispensing areas, and placement of exits including whether the area is closed or open space, and whether bottle service will be offered in the licensed area;
- (c) A description of the manner in which alcoholic beverages will be stored and secured during times that the licensed area is not open. If storage will be outside of the licensed area, a depiction of the storage area shall be provided on the map referenced in 205 CMR 136.04(2)(a).
- (d) A description of the business concept and the hours of operation for the business;
- (e) The identity of the manager(s) or other principal representative(s) for the licensed area including their employee license or registration number issued in accordance with 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations;
- (f) The identity of the jointly responsible person, if any, for the licensed area including the contact information and vendor license or registration number issued in accordance



Division of Licensing

with 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations;

(g) If a jointly responsible person will be operating a licensed area, evidence satisfactory to the commission that the gaming beverage licensee maintains at all times during the life of the license the legal authority to monitor the jointly responsible person's compliance with and ability to remove a jointly responsible person from the gaming establishment for a violation of 205 CMR 136.00; and

(h) At the election of the gaming licensee, a request to serve alcoholic beverages (for the gaming area) between the hours of 2:00 A.M. through 4:00 A.M. The request shall be accompanied by a copy of the applicable provisions of the submission required in accordance with 205 CMR 138.12: Alcoholic Beverage Control, and any other information requested by the Division of Licensing.

DISCUSSION

The Sportsbook at Plainridge is currently identified as a licensed area (1-3) for the purposes of inclusion on PPC's Beverage License (MCGBL1-R3), which was renewed earlier this year.

As you know, PENN Entertainment has partnered with ESPN to rebrand the Penn Sports Interactive mobile app as ESPNBet. In this vein, PENN has further requested that the sportsbooks at several properties, including The Sportsbook at Plainridge, be rebranded to ESPNBet. PPC has confirmed that this is a name change only. There are no other changes to the Sportsbook; all items required by a licensed area remain the same as in the renewal application, including the size, configuration, use, and management.

It should also be noted that PPC is aware that there will be similar changes needed to the internal controls, and is currently working with the Sports Wagering Division to process those changes.

CONCLUSION

It is the opinion of the Division of Licensing that this rebrand does not require specific approval by Commission, except for the changes to the internal controls, as noted above. If the Commission would like further information related to the rebrand request, we are ready to facilitate that discussion.



TO: Interim Chair Jordan Maynard
Commissioner Brad Hill
Commissioner Eileen O'Brien
Commissioner Nakisha Skinner

FROM: Dean Serpa, Executive Director

CC: Todd Grossman, General Counsel
Dave Muldrew, Chief People and Diversity Officer
Boniswa Sundai, Senior DEI Program Manager

DATE: September 19, 2024

RE: 09-26-2024 Workforce and Vendor Diversity Audit presentation

The Commission is scheduled to receive a presentation from RSM US, LLP on the recently completed Workforce and Vendor Diversity audits for Encore Boston Harbor (EBH), MGM Springfield, and Plainridge Park Casino (PPC), conducted in compliance with M.G.L. Chapter 23K. The audits, which began on July 7, 2023, and concluded on August 2, 2024, evaluated each operator's progress in achieving their workforce and vendor diversity goals, specifically their use of minority-, women-, and veteran-owned businesses (M/W/VBE).

Attached please find the RSM Summary presentation prepared for the September 26th meeting, copies of the three individual Operator audit reports as well as Process Improvement report from RSM with suggestions for the Massachusetts Gaming Commission to, moving forward, assist operators more clearly define and achieve their diversity goals, while ensuring that their efforts align with the regulatory expectations set forth by the Commission.

Please let me know if you have any questions ahead of the meeting.



Massachusetts Gaming Commission



Massachusetts Gaming Commission

Diversity Audit Report

Summary – September 26, 2024

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Objectives and Scope

The primary objective of this diversity compliance audit was to assess each operator's compliance management systems employed for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC.

Procedures performed included the following:

- Performed on-site visits and tours at each operator's casino.
- Reviewed systems for tracking and reporting employee diversity status to the MGC.
- Verified the precision of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority, Women, and Veteran Business Enterprises (M/W/VBEs).
- Gained insights into how each licensee integrates diversity, equity, and inclusion into their strategy.
- Gained an understanding of each licensee's governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.

Observation Risk Rating Definitions

Rating	Definition
Low	Observation presents a low risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of low importance to business success/achievement of goals. Action should be taken within 12 months (if related to external financial reporting, must mitigate financial risk within two months unless otherwise agreed upon).
Moderate	Observation presents a moderate risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success/achievement of goals. Action should be taken within nine months (if related to external financial reporting, must mitigate financial risk within two months).
High	Observation presents a high risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of high importance to business success/achievement of goals. Action should be taken immediately, but in no case should implementation exceed six months (if related to external financial reporting, must mitigate financial risk within two months).

Summary of Findings

Plainridge Park Casino (PPC)
Encore Boston Harbor (EBH)
MGM Springfield (MGM)

Plainridge Park Casino – Summary of Findings

Findings	Rating
<p>1. Reported Diversity Data - Manual reporting processes at PPC led to some errors within the 2022 diversity reports.</p> <ul style="list-style-type: none">• Figures reported to the MGC may have included or excluded employees identified based on the preparer’s awareness rather than system data due to system limitations or inaccuracies.• The workforce workbooks utilized to calculate the Q2 and Q4 2022 workforce diversity reporting were not retained or archived. Due to variable data elements, recalculations were not feasible. <p>This manual process and lack of review raises the risk of errors and potential non-compliance, further compounded by database and reporting tool constraints that necessitate manual reconciliation of data discrepancies.</p> <p>Management Response: Calculation worksheet templates have been updated to track all manual adjustments of system data utilized in reporting to improve audit trail and the review process. All workforce diversity workbooks are archived.</p>	<p>Moderate</p>
<p>2. Diversity Vendor Certifications – Diverse vendor certifications were expired or not verifiable for 3 out of 20 samples from 2022 reporting.</p> <p>Management Response: Implemented a tool which tracks certification expiration dates, verifies recertifications, and removes vendors from approved diverse vendor list if recertification has not taken place.</p>	<p>Moderate</p>

Encore Boston Harbor – Summary of Findings

Findings	Rating
<p>1. Reported Diversity Data - Manual reporting processes at EBH led to some errors within the 2022 diversity reports.</p> <ul style="list-style-type: none">• Q2 2022 reporting mislabeled Women-Owned Business Entity (“WBE”) spend as Minority-Owned Business Entity (“MBE”) and vice versa.• Q2 and Q4 2022 Supervisor and Manager workforce diversity data included employees who did not disclose their ethnicity in minority classifications.• Q4 2022 reporting incorrectly counted an employee who did not disclose their gender as female. <p>This manual process and lack of review raises the risk of errors and potential non-compliance, further compounded by database and reporting tool constraints that necessitate manual reconciliation of data discrepancies.</p> <p>Management Response: Implemented a quarterly internal audit of the diversity calculations completed prior to reporting to the MGC. All manual adjustments are recorded within the workbook and reported to the MGC (if necessary).</p>	Moderate
<p>2. Diversity Vendor Certifications – Diverse vendor certifications were expired or not verifiable for 7 out of 20 samples from 2022 reporting.</p> <p>Management Response: Implemented a tracking system for expiring vendor certifications including notifying vendors when the certification is expiring. Implemented a quarterly internal audit of the diversity calculations completed prior to reporting to the MGC.</p>	Moderate

MGM Springfield – Summary of Findings

Findings	Rating
<p>1. Reported Diversity Data - Manual reporting processes at MGM led to some errors within the 2022 diversity reports.</p> <ul style="list-style-type: none">• Q2 2022 workforce diversity reporting included three individuals that accepted offers but never begun working.• The vendor diversity workbooks utilized to calculate the Q2 and Q4 2022 vendor diversity reporting were not retained or archived. Due to variable data elements, recalculations were not feasible. <p>This manual process and lack of review raises the risk of errors and potential non-compliance, further compounded by database and reporting tool constraints that necessitate manual reconciliation of data discrepancies.</p> <p>Management Response: Implemented separation of duties between report creator and report reviewer. All workbooks are archived on a shared drive. Manual adjustments to vendor classifications are tracked to improve audit trail and the review process.</p>	<p>Moderate</p>
<p>2. Diversity Vendor Certifications – Diverse vendor certifications were expired or not verifiable for 1 out of 20 samples from 2022 reporting.</p> <p>Management Response: Implemented a ‘certification expiration date’ column to automated reports to validate no spend from an expired certification is reported. Implemented a tracking system for expiring vendor certifications including notifying vendors when the certification is expiring.</p>	<p>Moderate</p>

Additional Summary – Diversity and Inclusion

As part of our review we noted that all three operators exhibited:

- Diversity and inclusion integration within their strategies and have governance structures in place to oversee and support diversity and inclusion within their organizations.
- Training programs, policies, and procedures related to diversity and inclusion initiatives in place, including as part of onboarding processes.

Opportunities for Improvement

As part of our review we noted some opportunities for improvement for the MGC to consider:

- Consider a periodic review and update of operator diversity plans.
- Consider collaborating with each operator to define and document the criteria involved in workforce diversity and vendor spend diversity reporting (ex. inclusion of recently hired or terminated employees).
- Consider collaborating with each operator to define all acceptable MBE/WME/VBE certification agencies.

Thank you



Massachusetts Gaming Commission Diversity Compliance Audit Report: Encore Boston Harbor

August 8, 2024

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TRANSMITTAL LETTER

August 8, 2024

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110



Pursuant to the agreement executed July 7, 2023, and amended November 30, 2023, between RSM US LLP and Massachusetts Gaming Commission (“MGC”), we hereby submit the results of the MGC diversity compliance audit of Encore Boston Harbor.

Our report is organized into the following sections:

Executive Summary	This section includes a high-level overview of the function, the objectives and approach, and the observation(s) noted during this diversity compliance audit.
Background	This section provides an overview of the licensee’s diversity plan and related information.
Objectives and Approach	The diversity compliance audit objectives are expanded upon in this section, as well as a review of the various phases of our approach.
Observations Matrix	This section includes a description of the observations noted during this diversity compliance audit and recommended actions, as well as Management’s response, including the responsible party and the estimated completion date.

We would like to thank the staff and all those involved in assisting our firm with this diversity compliance audit.

Respectfully Submitted,

RSM US LLP

RSM US LLP

EXECUTIVE SUMMARY

Background

Under M.G.L. Chapter 23K, the Massachusetts Gaming Commission has implemented a regulatory structure to enhance diversity in the state's gaming sector. This initiative requires licensees to develop and submit diversity plans encompassing commitments to minority, women, and veteran groups. These approved plans are pivotal in setting forth the approach for achieving diversity, equity, and inclusion (“DEI”) goals.

A critical component of this framework is the ongoing assessment and reporting of progress. Licensees must furnish quarterly reports to the MGC, outlining their advancements in meeting the diversity targets in vendor spending and workforce demographics. These reports, presented in public meetings, maintain transparency and accountability in the initiative's implementation.

Specific diversity targets are an identified objective between the MGC and the licensees. This approach underscores the emphasis on proactive engagement rather than mere compliance, fostering a culture of diversity and inclusivity within the gaming industry in Massachusetts.

Encore Boston Harbor (“EBH”) submitted its Workforce Development and Diversity Plan and Supplier Diversity and Local Commitments Plan to the MGC in 2018 and 2019, respectively. These approved plans underscore EBH's commitment to inclusive opportunities and equitable practices, reflecting the overarching aims of the MGC's diversity initiatives.

Objectives and Scope

The primary objective of this diversity compliance audit was to assess EBH's compliance management systems employed for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC. Procedures performed included the following:

- Reviewed systems for tracking and reporting employee diversity status to the MGC.
- Verified the precision of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority, Women, and Veteran Business Enterprises (M/W/VBEs).
- Gained insights into how each licensee integrates diversity, equity, and inclusion into their strategy.
- Gained an understanding of each licensee's governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.

The scope of this diversity compliance audit specifically examined diversity and vendor data related to the period from January 1, 2022, through December 31, 2022.

Overall Summary / Highlights

The observations identified during our assessment are detailed in the pages that follow. We have assigned relative risk or value factors to each observation identified. Risk ratings are the evaluation of the severity of the concern and the potential impact on the operations of each item. There are many areas of risk to consider in determining the relative risk rating of an observation, including financial, operational, and/or compliance, as well as public perception or ‘brand’ risk.

Fieldwork was performed August 2023 through December 2023.

Summary of Observation Ratings

(See page 3 for definitions)

	High	Moderate	Low
Encore Boston Harbor	-	2	-

We would like to thank all licensee team members who assisted us throughout this diversity compliance audit.

EXECUTIVE SUMMARY (CONTINUED)

Observations Summary

Below is a summary of the observations identified during this diversity compliance audit. Detailed observations are included in the observations matrix section of the report.

Summary of Observations	
Observations	Rating
1. Reported Diversity Data Manual reporting processes at EBH led to some classification errors and mislabeling within the 2022 diversity reports.	Moderate
2. Diversity Vendor Certifications Diverse vendor certifications were expired or not verifiable for 7 out of 20 samples.	Moderate

Provided below are the observation risk rating definitions for the detailed observations.

Observation Risk Rating Definitions	
Rating	Definition
Low	Observation presents a low risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of low importance to business success/achievement of goals. Action should be taken within 12 months (if related to external financial reporting, must mitigate financial risk within two months unless otherwise agreed upon).
Moderate	Observation presents a moderate risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success/achievement of goals. Action should be taken within nine months (if related to external financial reporting, must mitigate financial risk within two months).
High	The observation presents a high risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of high importance to business success/achievement of goals. Action should be taken immediately, but implementation should not exceed six months (if related to external financial reporting, financial risk must be mitigated within two months).

BACKGROUND

Overview

Under M.G.L. Chapter 23K, Sections 15(15) and 15(16)¹, the Massachusetts Gaming Commission has implemented a regulatory structure to promote diversity in the state’s gaming sector. This regulatory structure requires licensees to develop and submit diversity plans encompassing commitments to minority, women, and veteran groups.

Licensees provide quarterly reports to the MGC detailing their progress towards diversity targets for vendor spending and workforce demographics. These reports, presented in public meetings, provide transparency and accountability in implementing these initiatives. Specific diversity targets are an identified objective between the MGC and the licensees.

Encore Boston Harbor

On June 14, 2018, EBH submitted a Workforce Development and Diversity Plan to the MGC, which the MGC approved. This approved plan presented a strategic framework for recruiting, hiring, developing, and retaining a diverse local workforce for its Everett, Massachusetts luxury resort, emphasizing partnership with community stakeholders for effective local integration. EBH also submitted a Supplier Diversity & Local Commitments Plan to the MGC on January 17, 2019, which the MGC approved this plan. The approved supplier plan articulates EBH’s approach to engaging diverse and local firms, focusing on solicitation and award processes bolstered by organizational support and community involvement. The EBH resort, with its \$2.5 billion investment, stands as a significant developmental milestone in the Commonwealth. Through discussions, EBH shared that Human Resources formerly oversaw its diversity program; however, two years ago, it established the role of Vice President of Diversity & Inclusion, who is responsible for implementing the annual diversity plan at the property level and leading the diversity committee meetings. EBH has an advisory diversity committee of salaried non-management employees who meet monthly. The committee’s accomplishments include increased recruitment from Historically Black Colleges and Universities.

Please refer to Figure 1 for EBH’s goals related to supplier spending, workforce, and 2022 quarterly reporting.

Figure 1 – Diversity Goals vs Actual					
Encore Supplier Spend					
Category	Goal	Q1 2022	Q2 2022	Q3 2022	Q4 2022
MBE	8%	8%	9%	9%	8%
WBE	14%	14%	18%	15%	12%
VBE	3%	2%	2%	3%	2%
Encore Workforce					
Category	Goal	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Minority	40%	54%	51%	55%	57%
Women	50%	45%	45%	46%	45%
Veterans	3%	2%	2%	2%	2%

¹(15) formulate for commission approval and abide by a marketing program by which the applicant shall identify specific goals, expressed as an overall program goal applicable to the total dollar amount of contracts, for utilization of ... '(iii) minority business enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment;... (16) formulate for commission approval and abide by an affirmative action program of equal opportunity whereby the applicant establishes specific goals for the utilization of minorities, women and veterans on construction jobs;...”

BACKGROUND (CONTINUED)

Encore Boston Harbor (Continued)

Key Components of the Diversity Plan

Workforce Development: In its 2018 Workforce Development and Diversity Plan, EBH outlined a strategy to assemble a diverse team exceeding 4,000 members. The focus was recruitment and retention practices to mirror the community's diverse demographics. The approved plan included a range of initiatives, such as ESOL courses through local partnerships, to address workforce challenges and enhance employee development. In discussions, EBH expressed that language barriers are its most significant challenge since employees speak 84 languages. EBH has translated its policies and procedures into several languages to address cultural dexterity. The 2018 plan included using an Applicant Tracking System to maintain employee demographic data.

EBH utilizes the following calculation method as part of quarterly reporting on workforce diversity to the MGC:

- **Minority:** Self-identified minority employees, part-time and full-time, divided by total employees at the quarter's end.
- **Women:** Self-identified female employees, part-time and full-time, divided by total employees at the quarter's end.
- **Veterans:** Self-identified veteran employees, part-time and full-time, divided by total employees as of the end of the reported quarter.

EBH must consider certain workforce criteria and variables when creating and compiling its diversity reports. These criteria are critical for accurately representing the workforce composition and aligning with regulatory requirements. Criteria include employee status, employment type, start date, self-identified demographics, job classification, and location, among others.

Vendor Diversity: The 2019 Supplier Diversity & Local Commitments Plan emphasized inclusive vendor engagement and contracting, targeting benchmarks for Minority, Women, and Veteran Business Enterprises (M/W/VBEs) in the state. Encore's approach included creating direct vendor opportunities and collaborating with community organizations and local non-profits for broader local firm engagement. The approved plan detailed performance monitoring from sourcing to reporting, with Oracle PeopleSoft being utilized for state regulatory compliance. Purchases and disbursements were to be tracked via Oracle's Accounts Payable module.

EBH utilizes the following calculation method as part of quarterly reporting on vendor diversity to the MGC:

- **MBE:** EBH dollars paid to certified minority-owned businesses during the quarter, divided by total qualified spend².
- **WBE:** EBH dollars paid to certified woman-owned businesses during the quarter, divided by total qualified spend².
- **VBE:** EBH dollars paid to certified veteran-owned businesses during the quarter, divided by total qualified spend².

EBH must consider certain vendor criteria and variables when creating and compiling its diversity reports including vendor classification, certification status, transaction dates, spend category, and payment status, among others. For vendors that meet multiple diverse criteria, the vendor is counted once in one of the diverse classifications (e.g., MBE).

Affirmative Marketing: As outlined in the approved plan, the marketing strategy focused on community outreach and collaboration with local organizations to promote equal opportunity in employment and business practices. Ongoing targeted campaign efforts and activities would raise awareness of supplier opportunities through media forums such as newsletters in local communities. Marketing efforts would include key multi-lingual broadcasting through various media outlets to increase the diverse talent pool. Reports to the MGC encompassed Encore's charitable contributions, scholarship funding, and employee recognition initiatives.

Reporting Mechanism and Goal Consistency: As noted above, EBH provides quarterly reports on its diversity initiatives, maintaining alignment with the objectives set in its approved diversity plan.

² Guidance on criteria for qualified spend was approved by the American Gaming Association, referenced in the majority of licensee diversity plans. In summary, only certain types of purchases count as qualified spend. Typically, competitively procured goods and services are the main contributors to qualified spend.

BACKGROUND (CONTINUED)

Encore Boston Harbor (Continued)

Diversity Reporting Processes

EBH, utilizing systems and tools provided by parent company Wynn Resorts, has established processes for reporting workforce and vendor diversity figures to the MGC. These processes are integral to the casino's commitment to DEI.

Explanation of Systems and Tools:

- Oracle HRIS: A human resources information system used to manage employee records. Customized for EBH, it captures demographic data necessary for workforce diversity reporting.
- Excel: A spreadsheet program used to organize and calculate diversity data using functions like filtering and V-lookup.
- Oracle ERP: An enterprise resource planning system that integrates various business functions. It generates custom reports on vendor payments, supporting vendor diversity reporting.

Workforce Diversity

- Wynn IT has customized Oracle's Human Resources Information System ("HRIS") to capture employee demographic data for EBH specifically. This customization facilitates the collection of data pertinent to workforce diversity reporting.
- An automated system is in place where Oracle HRIS sends daily emails with an Excel file attachment containing the active employee listing to the Recruiting and Employment department.
- Monthly, the Manager of Recruiting and Employment at EBH processes the data received from HRIS. Utilizing the Excel files, they create comprehensive workbooks that categorize employees based on various diversity parameters (e.g., female, minority, veteran).
- The Manager employs Excel functions, such as filtering and V-lookup, to organize and calculate the diversity data compared to the approved goals. This data is then compiled into quarterly diversity reports for submission to the MGC.

Vendor Diversity

- Wynn IT has developed custom reports within Oracle to generate a listing of vendor payments and applicable information to support vendor diversity reporting.
- To generate the vendor payment listing, the Assistant Director of Procurement selects the report in Oracle, inputs the relevant date parameters, and exports the results to Excel. This process captures essential vendor payment data for each quarter for vendor diversity reporting.
- After exporting to Excel, the Assistant Director of Procurement applies the necessary formatting and adds a column to capture diversity classifications based on certifications (e.g., WBE, MBE, VBE) from another Oracle report.
- A V-lookup function in Excel is used to assign the diversity classification for each vendor, where applicable, identifying those vendors with diverse classifications and inactive vendors.
- The Assistant Director of Procurement uses the cleaned file to calculate the diverse vendor spending figures. The process involves summing the amounts for each diverse vendor classification. This data is then compiled into quarterly diversity reports for submission to the MGC.

EBH's diversity reporting processes, which involve both workforce and vendor diversity, are characterized by a combination of automated data collection and meticulous manual processing.

BACKGROUND (CONTINUED)

Encore Boston Harbor (Continued)

Diversity Initiatives and Activities

EBH states that it has implemented a series of initiatives and activities to support its commitment to DEI, as outlined in its Workforce Development and Diversity Plan and Supplier Diversity & Local Commitments Plan. However, RSM did not validate the design, existence, or effectiveness of these initiatives as part of this review.

Employee Training and Development:

- New Hire Orientation: Includes a DEI training video and an in-person module on preventing harassment, discrimination, and retaliation, emphasizing the importance of a diverse workforce.
- Annual Compliance Training: Mandatory for all team members, incorporating a module on diversity and preventing harassment, discrimination, and retaliation.
- Specialized Training for Supervisors: The Vice President of Diversity & Inclusion created a Diversity Tool Kit, ' which includes resources for cultural commemorations and guides for inclusive practices.

Leadership Engagement:

- Conversations with Leaders: Forums and discussions led by Glenda Swain to emphasize the importance of DEI and to introduce the diversity toolkit for leaders.

Diversity Week and Cultural Commemorations:

- Diversity Week Events: A week-long celebration on workplace, marketplace, and community diversity, featuring various activities and campaigns.
- Cultural and Heritage Celebrations: Special events and communications honoring significant cultural months and days, such as Black History Month, Women's History Month, and Pride Month, featuring videos and messages from team members and leaders.

Community Engagement and Advocacy:

- Community Service Projects: Initiatives like 'Unity in the Community Service Project' to engage employees in community-related activities.
- Partnerships with Advocacy Organizations: Collaboration with organizations advocating diversity and inclusion in Greater Boston.

Internal Communication and Awareness:

- Diversity-Focused Videos and Campaigns: Videos and digital campaigns played throughout the resort to promote awareness and celebrate diversity, featuring team members sharing their experiences and cultural backgrounds.

Procurement:

- Requests for Proposals are structured to include requirements for subcontractor data, holding vendors accountable for meeting diversity goals.

OBJECTIVES AND APPROACH

Objectives

The primary objective of this diversity compliance audit was to assess each casino's compliance management systems for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC.

Approach

Our diversity compliance audit approach consisted of the following phases.

Understanding and Documentation of the Process

This phase consisted primarily of inquiry and walkthroughs to obtain an understanding of the current operating policies and procedures, monitoring functions, and control structures as they relate to the processes within our scope. The following was performed as part of this phase:

- Obtained and reviewed any documented policies and procedures related to the function and relevant regulations, reporting, and other pertinent information.
- Conducted interviews and walkthroughs with key personnel to obtain a detailed understanding of operating policies and procedures, roles, and responsibilities related to EBH diversity programs.
- Gained an understanding of procedures related to the processes within scope.
- Developed a work plan for evaluating the operating effectiveness of procedures and controls based on the information obtained through interviews, walkthroughs, and preliminary review of documentation.

Evaluation of the Process and Controls Design and Testing of Operating Effectiveness

The purpose of this phase was to evaluate compliance and internal controls based on our understanding of the processes obtained during the first phase. We utilized sampling and other auditing techniques to meet the abovementioned audit objectives. Our testing procedures included, but were not limited to:

- Gained an understanding of how each licensee integrates diversity, equity, and inclusion into their overall strategy.
- Gained an understanding of each licensee's governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.
- Performed a site visit and toured facilities to gain an understanding of internal marketing materials and processes related to DEI strategies.
- Performed detailed walkthroughs of systems tracking and reporting employee diversity status to the MGC.
- Obtained and verified the accuracy of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority/Women/Veteran Business Enterprises (M/W/VBEs).

Reporting

At the conclusion of this audit, we summarized our findings in this report. We have reviewed the results with the appropriate Management personnel and have incorporated Management responses into this report.

Disclaimer: This report was prepared without the involvement of legal counsel and does not provide any legal opinions or assurances regarding compliance with regulatory requirements

OBSERVATIONS MATRIX

Observation	1. Reported Diversity Data
<p>Moderate</p>	<p>EBH is required to provide complete and accurate reporting of vendor and workforce diversity to the MGC, in line with M.G.L. Chapter 23k Section 15(15) and (16). Quarterly diversity summaries are prepared by the Assistant Director of Procurement and Manager of Recruiting and Employment utilizing spreadsheets and reported to the MGC. These reports are derived from reporting tools developed by Wynn Resorts' corporate team, which extract workforce data from Oracle HRIS and extract vendor data from Oracle.</p> <p>We identified the following as part of our procedures performed:</p> <ul style="list-style-type: none"> A. The current process utilized by EBH is manual, requiring human intervention in data handling and reconciliation. The following discrepancies were noted as part of testing procedures: <ul style="list-style-type: none"> ○ Q2 2022 reporting mislabeled Women-Owned Business Entity (“WBE”) spend as Minority-Owned Business Entity (“MBE”) and vice versa. The reported figures for WBE and MBE spending were swapped at \$3,701,399 and \$1,833,079, respectively. Note that the associated percentages used to track against the goal were reported correctly. ○ Based on our review of workforce data, Q2 and Q4 2022 workforce diversity data reported to the MGC inaccurately included employees who did not disclose their ethnicity in minority classifications. <ul style="list-style-type: none"> ▪ Managers and above employees, classified as minorities, were inaccurately reported as 99 vs. 78. This resulted in an overstatement of 21 employees in Q2 2022. ▪ Supervisors and above employees, classified as minorities, were inaccurately reported as 335 vs. 281. This resulted in an overstatement of 54 employees in Q4 2022. ○ Based on our review of workforce data, Q4 2022 reporting incorrectly counted an employee who did not disclose their gender as female. B. The quarterly reporting process lacks an internal review by a designated individual to validate data accuracy and completeness, considering its manual nature. <p>This manual process and lack of review raise the risk of errors and potential non-compliance, further compounded by database and reporting tool constraints that necessitate manual reconciliation of data discrepancies.</p>
<p>Recommendation</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Enhance internal controls by implementing a review by a designated individual with evidence to validate diversity data accuracy and completeness before submission to the MGC. Establish a protocol for addressing and resolving any discrepancies identified during the review. • If specific manual adjustments are required to workforce or vendor data due to data or system limitations, consider recording each manual adjustment within the workbook for audit trail purposes. For example, if an employee must be removed from the listing, the individual and reason should be notated within the workbook. • Explore opportunities to employ automated data extraction and reporting processes to minimize the reliance on manual intervention and reduce the risk of human error.

OBSERVATIONS MATRIX (CONTINUED)

Observation	1. Reported Diversity Data (Continued)
Management Action Plan	<p>Response: Prior to receiving the results of the audit, EBH established a quarterly internal audit of the diversity numbers to be completed prior to reporting to the MGC. EBH will revise its internal controls to reflect this audit. Manual adjustments will be recorded within the workbook and reported to the MGC.</p> <p>Responsible Party: Frank Montiero, Internal Audit</p> <p>Estimated Completion Date: Already established; Internal controls to be submitted to MGC by August 30, 2024.</p>

OBSERVATIONS MATRIX

Observation	2. Diversity Vendor Certifications
<p>Moderate</p>	<p>In compliance with M.G.L. Chapter 23K Sections 15(15) and 15(16), licensees engage with vendors holding active certifications as Minority, Women, and Veteran Business Enterprises for inclusion in diverse vendor spend reports submitted to the MGC. These active certifications are essential for adhering to state diversity objectives and validating vendor participation reflects the broader community.</p> <p>Based on our review, 7 of 20 diverse vendors sampled included in Q4 2022 vendor spending data had either expired certifications, no certification retained by the licensee, or no certification noted on the Massachusetts Supplier Diversity Office (“SDO”) website.</p> <p>Inadequate monitoring processes and potentially unclear guidelines for ongoing certification validation may have contributed to inconsistencies in verifying the current certification statuses of diverse vendors.</p> <p>Licensees indicated during the audit that they actively engage in efforts to assist vendors with obtaining and maintaining certifications. However, they expressed that these efforts are resource-intensive and challenging, suggesting a need for more streamlined processes and additional support to enhance efficiency in this area.</p>
<p>Recommendation</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Validate that clear and detailed guidelines are in place to verify and maintain current certifications of diverse vendors. • Introduce more robust monitoring processes to validate continuous compliance with certification requirements. • Proactively communicate with vendors about the necessity of maintaining active certifications and provide assistance in navigating the recertification process when needed.
<p>Management Action Plan</p>	<p>Response: EBH has identified and implemented a tracking system for expiring vendor certifications and is notifying the vendor when the certification is expired. Prior to receiving the results of the audit, EBH established a quarterly internal audit of the diversity numbers to be completed prior to reporting to the MGC.</p> <p>Responsible Party: Nadiuska Ballard, Procurement, and Frank Montiero, Internal Audit</p> <p>Estimated Completion Date: Already established.</p>



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Massachusetts Gaming Commission Diversity Compliance Audit Report: MGM Springfield

July 22, 2024

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TRANSMITTAL LETTER

July 22, 2024

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110



Pursuant to the agreement executed July 7, 2023, and amended November 30, 2023, between RSM US LLP and Massachusetts Gaming Commission (“MGC”), we hereby submit the results of the MGC diversity compliance audit of MGM Springfield.

Our report is organized into the following sections:

Executive Summary	This section includes a high-level overview of the function, the objectives and approach, and the observation(s) noted during this diversity compliance audit.
Background	This section provides an overview of the licensee’s diversity plan and related information.
Objectives and Approach	The diversity compliance audit objectives are expanded upon in this section, as well as a review of the various phases of our approach.
Observations Matrix	This section includes a description of the observations noted during this diversity compliance audit and recommended actions, as well as Management response, including the responsible party, and the estimated completion date.

We would like to thank the staff and all those involved in assisting our firm with this diversity compliance audit.

Respectfully Submitted,

RSM US LLP

RSM US LLP

EXECUTIVE SUMMARY

Background

Under M.G.L. Chapter 23K, the Massachusetts Gaming Commission has implemented a regulatory structure to enhance diversity in the state's gaming sector. This initiative requires licensees to develop and submit diversity plans encompassing commitments to minority, women, and veteran groups. These approved plans are pivotal in setting forth the approach for achieving diversity, equity, and inclusion (“DEI”) goals.

A critical component of this framework is the ongoing assessment and reporting of progress. Licensees must furnish quarterly reports to the MGC, outlining their advancements in meeting the diversity targets in vendor spending and workforce demographics. These reports, presented in public meetings, maintain transparency and accountability in the initiative's implementation.

Specific diversity targets are an identified objective between the MGC and the licensees. This approach underscores the emphasis on proactive engagement rather than mere compliance, fostering a culture of diversity and inclusivity within the gaming industry in Massachusetts.

MGM Springfield (“MGM”) submitted its Workforce Development Plan and Procurement Diversity and Local Business Plan to the MGC in 2017 and 2018, respectively. These approved plans underscore MGM's commitment to inclusive opportunities and equitable practices, reflecting the overarching aims of the MGC's diversity initiatives.

Objectives and Scope

The primary objective of this diversity compliance audit was to assess MGM's compliance management systems employed for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC. Procedures performed included the following:

- Reviewed systems for tracking and reporting employee diversity status to the MGC.
- Verified the precision of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority, Women, and Veteran Business Enterprises (M/W/VBEs).
- Gained insights into how each licensee integrates diversity, equity, and inclusion into their strategy.
- Gained an understanding of each licensee's governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.

The scope of this diversity compliance audit specifically examined diversity and vendor data related to the period from January 1, 2022, through December 31, 2022.

Overall Summary / Highlights

The observations identified during our assessment are detailed in the pages that follow. We have assigned relative risk or value factors to each observation identified. Risk ratings are the evaluation of the severity of the concern and the potential impact on the operations of each item. There are many areas of risk to consider in determining the relative risk rating of an observation, including financial, operational, and/or compliance, as well as public perception or ‘brand’ risk.

Fieldwork was performed August 2023 through December 2023.

Summary of Observation Ratings

(See page 3 for definitions)

	High	Moderate	Low
MGM Springfield	-	2	-

We would like to thank all licensee team members who assisted us throughout this diversity compliance audit.

EXECUTIVE SUMMARY (CONTINUED)

Observations Summary

Below is a summary of the observations identified during this diversity compliance audit. Detailed observations are included in the observations matrix section of the report.

Summary of Observations	
Observations	Rating
1. Reported Diversity Data Manual reporting processes at MGM led to some classification errors and mislabeling within 2022 diversity reports.	Moderate
2. Diversity Vendor Certifications Diverse vendor certifications were expired or not verifiable for 1 out of 20 samples, resulting in a potential overstatement of \$14,468.26.	Moderate

Provided below are the observation risk rating definitions for the detailed observations.

Observation Risk Rating Definitions	
Rating	Definition
Low	Observation presents a low risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of low importance to business success/achievement of goals. Action should be taken within 12 months (if related to external financial reporting, must mitigate financial risk within two months unless otherwise agreed upon).
Moderate	Observation presents a moderate risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success/achievement of goals. Action should be taken within nine months (if related to external financial reporting, must mitigate financial risk within two months).
High	Observation presents a high risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of high importance to business success/achievement of goals. Action should be taken immediately, but in no case should implementation exceed six months (if related to external financial reporting, must mitigate financial risk within two months).

BACKGROUND

Overview

Under M.G.L. Chapter 23K, Sections 15(15) and 15(16)¹, the Massachusetts Gaming Commission has implemented a regulatory structure to promote diversity in the state’s gaming sector. This regulatory structure requires licensees to develop and submit diversity plans encompassing commitments to minority, women, and veteran groups.

Licensees provide quarterly reports to the MGC detailing their progress towards diversity targets for vendor spending and workforce demographics. These reports, presented in public meetings, provide transparency and accountability in implementing these initiatives. Specific diversity targets are an identified objective between the MGC and the licensees.

MGM Springfield

On March 2, 2017, MGM submitted a Workforce Development Plan to the MGC, which the MGC approved. This approved plan presented a strategic framework for recruiting, hiring, developing, and retaining a diverse local workforce, emphasizing partnership with community stakeholders for effective local integration. MGM also submitted a Procurement Diversity and Local Business Plan to the MGC on March 15, 2018, articulating MGM’s approach to engaging diverse and local firms, focusing on solicitation and tracking processes bolstered by organizational support and community involvement, which the MGC approved this plan.

Please refer to Figure 1 for MGM’s goals related to supplier spending, workforce, and 2022 quarterly reporting.

Figure 1 – Diversity Goals vs Actual					
MGM Supplier Spend					
Category	Goal	Q1 2022 Actual*	Q2 2022 Actual*	Q3 2022 Actual*	Q4 2022 Actual*
MBE	10%	3%	4%	4%	3%
WBE	15%	8%	4%	6%	6%
VBE	1%	3%	3%	4%	4%
MGM Workforce					
Category	Goal	Q1 2022 Actual	Q2 2022 Actual	Q3 2022 Actual	Q4 2022 Actual
Minority	50%	50%	50%	51%	51%
Women	50%	41%	40%	40%	41%
Veterans	2%	6%	6%	5%	5%

*MGM amended figures as part of Q1 2023 reporting accepted by the MGC

¹(15) formulate for commission approval and abide by a marketing program by which the applicant shall identify specific goals, expressed as an overall program goal applicable to the total dollar amount of contracts, for utilization of ... '(iii) minority business enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment;... (16) formulate for commission approval and abide by an affirmative action program of equal opportunity whereby the applicant establishes specific goals for the utilization of minorities, women and veterans on construction jobs;..."

BACKGROUND (CONTINUED)

MGM Springfield (Continued)

Key Components of the Diversity Plan

Workforce Development: In its 2017 Workforce Development Plan, MGM Springfield outlined a strategy to assemble a diverse team. The focus was recruitment and retention practices to mirror the community's diverse demographics. In discussions, key MGM Springfield personnel expressed workforce partnership with local schools, dress-for-success, and community groups. MGM Springfield also works with state representatives to host job fairs. MGM Springfield reviews its diversity profile company-wide, which includes meeting with the executive committee to discuss diversity-related topics.

MGM Springfield utilizes the following calculation method as part of quarterly reporting on workforce diversity to the MGC:

- **Minority:** Self-identified minority employees, part-time and full-time, divided by total employees at the quarter's end.
- **Women:** Self-identified female employees, part-time and full-time, divided by total employees at the quarter's end.
- **Veterans:** Self-identified veteran employees, part-time and full-time, divided by total employees as of the end of the reported quarter.

MGM must consider certain workforce criteria and variables when creating and compiling diversity reports. These criteria are critical for accurately representing the workforce composition and aligning with regulatory requirements. Criteria include employee status, employment type, start date, self-identified demographics, job classification, and location, among others.

Vendor Diversity: The 2018 Procurement Diversity and Local Business Plan emphasized inclusive vendor outreach and engagement, targeting benchmarks for Minority, Women, and Veteran Business Enterprises (M/W/VBEs) primarily in Springfield with consideration to surrounding areas, namely Hampden, Hampshire, Franklin, and Berkshire Counties. MGM's approach included creating direct vendor opportunities and collaborating with community organizations for broader local firm engagement. Through discussions, MGM Springfield shared that it attends and hosts events for diverse vendors in person and sponsors a corporate diversity mentor program to assist small vendors with various entrepreneurial skill-building, including adjusting pricing to scale and creating a business plan. Placement in the program does not guarantee a partnership with MGM Springfield. MGM Springfield also works with various organizations, including the Economic Development Council and the New England Minority Supplier Diversity Council. The Supplier Diversity Office (SDO) website lists vendors; however, the vendors are mainly located in Boston, a challenge MGM Springfield encounters. As such, it maintains an internal directory of vendors.

MGM utilizes the following calculation method as part of quarterly reporting on vendor diversity to the MGC:

- **MBE:** MGM dollars paid to certified minority-owned businesses during the quarter, divided by total qualified spend².
- **WBE:** MGM dollars paid to certified woman-owned businesses during the quarter, divided by total qualified spend².
- **VBE:** MGM dollars paid to certified veteran-owned businesses during the quarter, divided by total qualified spend².

MGM must consider certain vendor criteria and variables when creating and compiling its diversity reports, including vendor classification, certification status, transaction dates, spend category, and payment status, among others. For vendors that meet multiple diverse criteria, the vendor is counted once in one of the diverse classifications (e.g., MBE).

² Guidance on criteria for qualified spend was provided by the American Gaming Association, referenced in the majority of licensee diversity plans. In summary, only certain types of purchases count as qualified spend. Typically, competitively procured goods and services are the main contributors to qualified spend.

BACKGROUND (CONTINUED)

MGM Springfield (Continued)

Affirmative Marketing: As outlined in both approved plans, the marketing strategy focused on communication on various media formats distributed through community organizations. A core responsibility of the local procurement teams comprises a robust outreach campaign that is executed monthly. Included as part of its ongoing activities are attending numerous sessions, such as visits to local businesses and distributing MGM Newsletters to the community with details on procurement opportunities. Reports to the MGC encompassed MGM's community involvement across various diversity programming that involved employees at the property.

Reporting Mechanism and Goal Consistency: As noted above, MGM provides quarterly reports on its diversity initiatives, maintaining alignment with the objectives set in its approved diversity plan.

Diversity Reporting Processes

MGM, utilizing systems and tools provided by parent company MGM Resorts, has established processes for reporting workforce and vendor diversity figures to the MGC. These processes are integral to the casino's commitment to DEI.

Explanation of Systems and Tools:

- Workday: A cloud-based HR management system customized to capture employee demographic data for workforce diversity reporting.
- Excel: A spreadsheet program used for organizing, calculating, and reporting diversity data through functions like filtering and V-lookup.
- Oracle ERP: An enterprise resource planning system used to generate custom reports on vendor payments for diversity reporting.
- PowerBI: A business analytics tool used to provide vendor diversity classifications.

Workforce Diversity

- MGM Corporate has customized Workday to capture employee demographic data for MGM Springfield specifically. This system facilitates the collection of data pertinent to workforce diversity reporting.
- Quarterly, the Executive Director of Human Resources selects the active employees' reports in Workday, inputs the relevant date parameters, and exports the results to Excel.
- The Executive Director employs Excel functions, such as filtering, to organize and calculate the diversity data compared to the approved goals. This data is compiled into quarterly diversity reports for submission to the MGC.

Vendor Diversity

- MGM Corporate has developed custom reports within Oracle and PowerBI to generate a listing of vendor payments and applicable information to support vendor diversity reporting.
- To generate the vendor payment listing, the VP of Finance selects the report in Oracle, inputs the relevant date parameters, and exports the results to Excel. This process captures each quarter's essential vendor payment data for diversity reporting.
- After exporting to Excel, the VP of Finance applies the necessary formatting and adds columns to capture diversity classifications on certifications (e.g., WBE, MBE, VBE) from a PowerBI report.
- A V-lookup function in Excel is used to assign the diversity classifications for each vendor, where applicable, identifying those vendors with diverse classifications and inactive vendors.
- The VP of Finance calculates the diverse vendor spending figures using the cleaned file. The process involves summing the amounts for each diverse vendor classification. This data is then compiled into quarterly diversity reports for submission to the MGC.

The diversity reporting processes at MGM Springfield, involving workforce and vendor diversity, are characterized by automated data collection and meticulous manual processing.

BACKGROUND (CONTINUED)

MGM Springfield (Continued)

Diversity Initiatives and Activities

MGM Springfield states that it has implemented a series of initiatives and activities to support its commitment to DEI, as outlined in its approved Workforce Development and Diversity Plan and Procurement Diversity and Local Business Plan. However, RSM did not validate these initiatives' design, existence, or effectiveness as part of this review.

Employee Training and Development:

- New Hire Orientation: Includes a DEI training video and an in-person module on preventing harassment, discrimination, and retaliation, emphasizing the importance of a diverse workforce.
- Specialized Training for Managers: A DEI training module specifically for Managers includes additional information and guides for inclusive practices.

Internal Communication and Awareness:

- Diversity-Focused Videos and Campaigns: Videos and digital campaigns played throughout the resort to promote awareness and celebrate diversity, featuring team members sharing their experiences and cultural backgrounds.

Procurement:

- Procurement policy is structured to emphasize meeting diversity goals.

OBJECTIVES AND APPROACH

Objectives

The primary objective of this diversity compliance audit was to assess each casino's compliance management systems for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC.

Approach

Our diversity compliance audit approach consisted of the following phases.

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This phase consisted primarily of inquiry and walkthroughs to obtain an understanding of the current operating policies and procedures, monitoring functions, and control structures as they relate to the processes within our scope. The following was performed as part of this phase:

- Obtained and reviewed any documented policies and procedures related to the function and relevant regulations, reporting, and other pertinent information.
- Conducted interviews and walkthroughs with key personnel to obtain a detailed understanding of operating policies and procedures, roles, and responsibilities related to MGM diversity programs.
- Gained an understanding of procedures related to the processes within scope.
- Developed a work plan for evaluating the operating effectiveness of procedures and controls based on the information obtained through interviews, walkthroughs, and preliminary review of documentation.

Evaluation of the Process and Controls Design and Testing of Operating Effectiveness

The purpose of this phase was to evaluate compliance and internal controls based on our understanding of the processes obtained during the first phase. We utilized sampling and other auditing techniques to meet our audit objectives outlined above. Our testing procedures included, but were not limited to:

- Gained an understanding of how each licensee integrates diversity, equity, and inclusion into their overall strategy.
- Gained an understanding of each licensee's governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.
- Performed a site visit and toured facilities to gain an understanding of internal marketing materials and processes related to DEI strategies.
- Performed detailed walkthroughs of systems tracking and reporting employee diversity status to the MGC.
- Obtained and verified the accuracy of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority/Women/Veteran Business Enterprises (M/W/VBEs).

Reporting

At the conclusion of this audit, we summarized our findings in this report. We have reviewed the results with the appropriate Management personnel and have incorporated Management responses into this report.

Disclaimer: This report was prepared without the involvement of legal counsel and does not provide any legal opinions or assurances regarding compliance with regulatory requirements

OBSERVATIONS MATRIX

Observation	1. Reported Diversity Data
<p data-bbox="159 318 281 342">Moderate</p> <p data-bbox="149 386 291 410">Description</p>	<p data-bbox="359 318 2028 440">MGM is required to provide complete and accurate reporting of vendor and workforce diversity to the MGC, in line with M.G.L. Chapter 23k Section 15(15) and (16). Quarterly diversity summaries are prepared by the Vice President of Finance and the Executive Director of Human Resources, utilizing spreadsheets and reported to the MGC. These reports extract workforce data from Workday and vendor data from Oracle and PowerBI.</p> <p data-bbox="359 467 1108 492">We identified the following as part of our procedures performed:</p> <ul data-bbox="407 516 2028 898" style="list-style-type: none"><li data-bbox="407 516 2028 735">A. The current process utilized by MGM is manual, requiring human intervention in data handling and reconciliation. The following discrepancies were noted as part of testing procedures:<ul data-bbox="506 581 2028 735" style="list-style-type: none"><li data-bbox="506 581 2028 735">○ In the Q2 2022 workforce diversity report, three individuals were inaccurately classified as employees. These candidates had accepted job offers but did not complete their onboarding sessions, rescinded their offers, or delayed their start dates. The reporting process currently relies on Employee Identification Numbers (EINs) to establish whether an employee is active, meaning an EIN's existence implies active employment. However, since EINs are assigned upon offer acceptance, this can lead to individuals being counted in reports before they have officially started.<li data-bbox="407 743 2028 800">B. The quarterly reporting process lacks an internal review by a designated individual to validate data accuracy and completeness, considering its manual nature.<li data-bbox="407 808 2028 898">C. The vendor diversity workbooks utilized to calculate the Q2 and Q4 2022 workforce diversity reporting were not retained or archived. Therefore, the specific vendor spending included in 2022 diversity reporting could not be determined precisely since various data variables may change or be updated anytime, making retroactive analysis infeasible. <p data-bbox="359 922 2028 979">This manual process raises the risk of errors and potential non-compliance, further compounded by database and reporting tool constraints that necessitate manual reconciliation of data discrepancies.</p>
<p data-bbox="107 1013 333 1037">Recommendation</p>	<p data-bbox="359 1021 709 1045">We recommend the following:</p> <ul data-bbox="407 1062 2028 1313" style="list-style-type: none"><li data-bbox="407 1062 2028 1118">• Enhance internal controls by implementing a review by a designated individual to validate diversity data accuracy and completeness before submission to the MGC. Establish a protocol for addressing and resolving any discrepancies identified during this verification.<li data-bbox="407 1127 2028 1183">• Explore opportunities to employ automated data extraction and reporting processes to minimize the reliance on manual intervention and reduce the risk of human error.<li data-bbox="407 1192 2028 1273">• If specific manual adjustments are required to workforce or vendor data due to data or system limitations, consider recording each manual adjustment within the workbook for audit trail purposes. For example, if an employee must be removed from the listing, the individual and reason should be notated within the workbook.<li data-bbox="407 1281 2028 1313">• All workbooks to calculate quarterly diversity reporting should be archived to provide an audit trail.

OBSERVATIONS MATRIX (CONTINUED)

Observation	1. Reported Diversity Data (Continued)
Management Action Plan	<p>Response: MGM has already created separation of duties between report creator and report reviewer within the finance team (for vendor spend) and within the HR team (for workforce reporting). All workbooks are now currently archive in our shared drives, with clear dates of time periods and manual adjustments to vendor classification are tracked in a separate document for audit purposes with clear notes (if needed).</p> <p>Responsible Party: Property Finance and HR departments.</p> <p>Estimated Completion Date: Completed.</p>

OBSERVATIONS MATRIX (CONTINUED)

Observation	2. Diversity Vendor Certifications
<p>Moderate</p>	<p>In compliance with M.G.L. Chapter 23K Sections 15(15) and 15(16), licensees engage with vendors holding active certifications as Minority, Women, and Veteran Business Enterprises for inclusion in diverse vendor spend reports submitted to the MGC. These active certifications are essential for adhering to state diversity objectives and validating vendor participation reflects the broader community.</p> <p>Based on our review of vendor spending data, Q4 2022 figures reported to the MGC included one WBE with an expired WBE certification on file, resulting in a potential overstatement of \$14,468.26.</p> <p>Inadequate monitoring processes and potentially unclear guidelines for ongoing certification validation may have contributed to inconsistencies in verifying the current certification statuses of diverse vendors.</p> <p>Licensees indicated during the audit that they actively engage in efforts to assist vendors with obtaining and maintaining certifications. However, they expressed that these efforts are resource-intensive and challenging, suggesting a need for more streamlined processes and additional support to enhance efficiency in this area.</p>
<p>Recommendation</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Validate that clear and detailed guidelines are in place to verify and maintain current certifications of diverse vendors. • Introduce more robust monitoring processes to validate continuous compliance with certification requirements. • Proactively communicate with vendors about the necessity of maintaining active certifications and provide assistance in navigating the recertification process when needed.
<p>Management Action Plan</p>	<p>Response: MGM has added a 'certification expiration date' column to the automated reports to ensure no spend from an expired certification is reported. Property team has also created a more manual tracker that captures certifications near expiration to remind vendors that recertification is needed (this process is new, and improvements are ongoing).</p> <p>Responsible Party: Property Finance department.</p> <p>Estimated Completion Date: Completed, with continued review and ongoing improvements.</p>



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Massachusetts Gaming Commission Diversity Compliance Audit Report: Plainridge Park Casino

July 17, 2024

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TRANSMITTAL LETTER

July 17, 2024

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110



Pursuant to the agreement executed July 7, 2023, and amended November 30, 2023, between RSM US LLP and Massachusetts Gaming Commission (“MGC”), we hereby submit the results of the MGC diversity compliance audit of Plainridge Park Casino.

Our report is organized into the following sections:

Executive Summary	This section includes a high-level overview of the function, the objectives and approach, and the observation(s) noted during this diversity compliance audit.
Background	This section provides an overview of the licensee’s diversity plan and related information.
Objectives and Approach	The diversity compliance audit objectives are expanded upon in this section, as well as a review of the various phases of our approach.
Observations Matrix	This section includes a description of the observations noted during this diversity compliance audit and recommended actions, as well as Management response, including responsible party, and estimated completion date.

We would like to thank the staff and all those involved in assisting our firm with this diversity compliance audit.

Respectfully Submitted,

RSM US LLP

RSM US LLP

EXECUTIVE SUMMARY

Background

Under M.G.L. Chapter 23K, the Massachusetts Gaming Commission has implemented a regulatory structure to enhance diversity in the state's gaming sector. This initiative requires licensees to develop and submit diversity plans encompassing commitments to minority, women, and veteran groups. These approved plans are pivotal in setting forth the approach for achieving diversity, equity, and inclusion (“DEI”) goals.

A critical component of this framework is the ongoing assessment and reporting of progress. Licensees must furnish quarterly reports to the MGC, outlining their advancements in meeting the diversity targets in vendor spending and workforce demographics. These reports, presented in public meetings, maintain transparency and accountability in the initiative’s implementation.

Specific diversity targets are an identified objective between the MGC and the licensees. This approach underscores the emphasis on proactive engagement rather than mere compliance, fostering a culture of diversity and inclusivity within the gaming industry in Massachusetts.

Plainridge Park Casino (“PPC”) submitted its Strategic Plan to Engage and Recruit the Diverse, Underemployed, and Unemployed Workforce Population and Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses to the MGC in 2019 and 2020, respectively. These approved plans underscore PPC’s commitment to inclusive opportunities and equitable practices, reflecting the overarching aims of the MGC’s diversity initiatives.

Objectives and Scope

The primary objective of this diversity compliance audit was to assess PPC’s compliance management systems employed for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC. Procedures performed included the following:

- Reviewed systems for tracking and reporting employee diversity status to the MGC.
- Verified the precision of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority, Women, and Veteran Business Enterprises (M/W/VBEs).
- Gained insights into how each licensee integrates diversity, equity, and inclusion into their strategy.
- Gained an understanding of each licensee’s governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.

The scope of this diversity compliance audit specifically examined diversity and vendor data related to the period from January 1, 2022, through December 31, 2022.

Overall Summary / Highlights

The observations identified during our assessment are detailed in the pages that follow. We have assigned relative risk or value factors to each observation identified. Risk ratings are the evaluation of the severity of the concern and the potential impact on the operations of each item. There are many areas of risk to consider in determining the relative risk rating of an observation, including financial, operational, and/or compliance, as well as public perception or ‘brand’ risk.

Fieldwork was performed August 2023 through December 2023.

Summary of Observation Ratings

(See page 3 for definitions)

	High	Moderate	Low
Plainridge Park	-	2	-

We would like to thank all licensee team members who assisted us throughout this diversity compliance audit.

EXECUTIVE SUMMARY (CONTINUED)

Observations Summary

Below is a summary of the observations identified during this diversity compliance audit. Detailed observations are included in the observations matrix section of the report.

Summary of Observations	
Observations	Rating
1. Reported Diversity Data Manual reporting processes at PPC led to some classification errors and mislabeling within the 2022 diversity reports.	Moderate
2. Diversity Vendor Certifications Diverse vendor certifications were expired or not verifiable for 3 out of 20 samples.	Moderate

Provided below are the observation risk rating definitions for the detailed observations.

Observation Risk Rating Definitions	
Rating	Definition
Low	Observation presents a low risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of low importance to business success/achievement of goals. Action should be taken within 12 months (if related to external financial reporting, must mitigate financial risk within two months unless otherwise agreed upon).
Moderate	Observation presents a moderate risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success/achievement of goals. Action should be taken within nine months (if related to external financial reporting, must mitigate financial risk within two months).
High	Observation presents a high risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of high importance to business success/achievement of goals. Action should be taken immediately, but in no case should implementation exceed six months (if related to external financial reporting, must mitigate financial risk within two months).

BACKGROUND

Overview

Under M.G.L. Chapter 23K, Sections 15(15) and 15(16)¹, the Massachusetts Gaming Commission has implemented a regulatory structure to promote diversity in the state’s gaming sector. This regulatory structure requires licensees to develop and submit diversity plans encompassing commitments to minority, women, and veteran groups.

Licensees provide quarterly reports to the MGC detailing their progress towards diversity targets for vendor spending and workforce demographics. These reports, presented in public meetings, provide transparency and accountability in implementing these initiatives. Specific diversity targets are an identified objective between the MGC and the licensees.

Plainridge Park Casino

On October 9, 2019, PPC submitted a Strategic Plan to Engage and Recruit the Diverse, Under & Unemployed Workforce Population to the MGC, which the MGC approved. This approved plan presented a strategic framework for recruiting, hiring, developing, and retaining a diverse local for its Plainville, Massachusetts casino and facility, emphasizing partnership with community stakeholders for effective local integration. PPC also submitted an updated Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses to the MGC on November 13, 2020, and the MGC approved this plan. The approved supplier plan articulates PPC’s approach to engaging diverse and local firms, focusing on solicitation and award processes bolstered by organizational support and community involvement.

Reference Figure 1 for PPC’s goals related to supplier spending, workforce, and 2022 quarterly reporting.

Figure 1 – Diversity Goals vs Actual					
Plainridge Supplier Spend					
Category	Goal	Q1 2022 Actual	Q2 2022 Actual	Q3 2022 Actual	Q4 2022 Actual
MBE	6%	8%	6%	8%	13%
WBE	12%	12%	13%	12%	15%
VBE	3%	2%	5%	9%	4%
Plainridge Workforce					
Category	Goal	Q1 2022 Actual	Q2 2022 Actual	Q3 2022 Actual	Q4 2022 Actual
Minority	15%	24%	22%	24%	23%
Women	50%	42%	42%	43%	45%
Veterans	2%	6%	5%	5%	4%

¹(15) formulate for commission approval and abide by a marketing program by which the applicant shall identify specific goals, expressed as an overall program goal applicable to the total dollar amount of contracts, for utilization of ... '(iii) minority business enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment;... (16) formulate for commission approval and abide by an affirmative action program of equal opportunity whereby the applicant establishes specific goals for the utilization of minorities, women and veterans on construction jobs;...”

BACKGROUND (CONTINUED)

Plainridge Park Casino (Continued)

Key Components of the Diversity Plan

Workforce Development: In its 2019 Strategic Plan to Engage and Recruit the Diverse, Underemployed, and Unemployed Workforce Population, PPC outlined a strategy to assemble a diverse team. The focus was on recruitment and retention practices that mirrored the community's demographics. The approved plan included a range of initiatives, such as leadership programs and Diversity, Inclusion, Equality, and Belonging (DEIB) training, to address workforce challenges and enhance employee development.

PPC utilizes the following calculation method as part of quarterly reporting on workforce diversity to the MGC:

- **Minority:** Self-identified minority employees, part-time and full-time, divided by total employees at the quarter's end.
- **Women:** Self-identified female employees, part-time and full-time, divided by total employees at the quarter's end.
- **Veterans:** Self-identified veteran employees, part-time and full-time, divided by total employees as of the end of the reported quarter.

When creating and compiling its diversity reports, PPC must consider certain workforce criteria and variables. These criteria are critical for accurately representing the workforce composition and for aligning with regulatory requirements. Criteria include employee status, employment type, start date, self-identified demographics, job classification, and location, among others.

Vendor Diversity: The 2020 Purchasing Practices Plan for Local and Traditionally Disadvantaged and Diverse Businesses emphasized inclusive vendor engagement and contracting, targeting benchmarks for Minority, Women, and Veteran Business Enterprises (M/W/VBEs) in the state. PPC's approach included creating direct vendor opportunities and collaborating with community organizations for broader local firm engagement. PPC expressed that Buyers source suppliers in the local area; however, Buyers will look outside the local community to identify vendors. Once vendors are sourced, they go through a vendor onboarding process, including a questionnaire.

PPC utilizes the following calculation method as part of quarterly reporting on vendor diversity to the MGC:

- **MBE:** PPC dollars paid to certified minority-owned businesses during the quarter, divided by total qualified spend².
- **WBE:** PPC dollars paid to certified woman-owned businesses during the quarter, divided by total qualified spend².
- **VBE:** PPC dollars paid to certified veteran-owned businesses during the quarter, divided by total qualified spend².

PPC must consider certain vendor criteria and variables when creating and compiling their diversity reports. These criteria are critical for accurately representing the vendor spending composition and aligning with regulatory requirements. Criteria include vendor classification, certification status, transaction dates, spend category, and payment status, among others. For vendors that meet multiple diverse criteria, the vendor is counted once in one of the diverse classifications (e.g., MBE).

Reporting Mechanism and Goal Consistency: As noted above, PPC provides quarterly reports on its diversity initiatives, maintaining alignment with the objectives set in its approved diversity plan.

Diversity Committee: The PPC diversity plan established the Diversity Committee, which consists of Penn Corporate employees and various other employees.

² Guidance on criteria for qualified spend was provided by the American Gaming Association, referenced in the majority of licensee diversity plans. In summary, only certain types of purchases count as qualified spend. Typically, competitively procured goods and services are the main contributors to qualified spend.

BACKGROUND (CONTINUED)

Plainridge Park Casino (Continued)

Diversity Reporting Processes

PPC, utilizing systems and tools provided by parent company Penn Entertainment, has established processes for reporting workforce and vendor diversity figures to the MGC. These processes are integral to the casino's commitment to DEI.

Explanation of Systems and Tools:

- UltiPro: A human capital management system, used to manage employee records, payroll, and compliance. It is customized to capture PPC employee demographic data for workforce diversity reporting.
- Excel: A spreadsheet program used for organizing, calculating, and reporting diversity data through functions like filtering and V-lookup.
- Coupa: A cloud-based spend management platform used to generate custom reports on vendor payments for diversity reporting.
- Great Plains: An accounting software solution used to provide vendor diversity classifications and financial management

Workforce Diversity

- Penn Gaming has customized UltiPro to capture PPC employee demographic data. This system facilitates the collection of data pertinent to workforce diversity reporting.
- Quarterly, the HR Business Partner generates an employee listing with demographic data within UltPro and exports the results to Excel.
- The HR Business Partner employs Excel functions to organize the diversity data to calculate results compared to the approved goals. This data is compiled into quarterly diversity reports for submission to the MGC.

Vendor Diversity

- Penn has developed custom reports within Coupa and Great Plains to generate a listing of vendor payments and applicable information to support vendor diversity reporting.
- To generate the vendor payment listing, the Controller selects the report in Coupa, inputs the relevant date parameters, and exports the results to Excel. This process captures each quarter's essential vendor payment data for vendor diversity reporting.
- After exporting to Excel, the Controller applies the necessary formatting and adds columns to capture diversity classifications on certifications (e.g., WBE, MBE, VBE) from a Great Plains report.
- The Controller manually inputs the diversity classifications for each vendor, where applicable, identifying those vendors with diverse classifications and inactive vendors.
- The Controller calculates the diverse vendor spending figures using the cleaned file. The process involves summing the amounts for each diverse vendor classification. This data is then compiled into quarterly diversity reports for submission to the MGC.

The diversity reporting process at PPC, involving workforce and vendor diversity, is characterized by automated data collection and meticulous manual processing.

BACKGROUND (CONTINUED)

Plainridge Park Casino (Continued)

Diversity Initiatives and Activities

PPC states that it has implemented a series of initiatives and activities to support its commitment to DEI, as outlined in its Strategic Plan to Engage and Recruit the Diverse, Underemployed, and Unemployed Workforce Population and Purchasing Practices Plan for Local and Traditionally Disadvantaged & Diverse Businesses. RSM did not validate these initiatives' design, existence, or effectiveness as part of this review.

Employee Training and Development:

- New Hire Orientation: Includes DEI training videos on preventing harassment, discrimination, and retaliation, emphasizing the importance of a diverse workforce.
- Tri-Annual Compliance Training: Mandatory for all team members, incorporating a module on diversity and preventing harassment, discrimination, and retaliation.
- Specialized Training for Managers: The “Leadership Foundation Program” includes comprehensive employee education and awareness guides.

Internal Communication and Awareness:

- Diversity-Focused Videos and Campaigns: Videos and digital campaigns played throughout the resort to promote awareness and celebrate diversity, featuring team members sharing their experiences and cultural backgrounds.

Procurement:

- Procurement policy is structured to include requirements for subcontractor data, holding vendors accountable for meeting diversity goals.

OBJECTIVES AND APPROACH

Objectives

The primary objective of this diversity compliance audit was to assess each casino's compliance management systems for capturing, distributing, and reporting diversity-related data in accordance with M.G.L. Chapter 23K, Sections 15(15) and 15(16) and their individual diversity goals. This involved evaluating the process and systems in place to capture and report data to the MGC.

Approach

Our diversity compliance audit approach consisted of the following phases.

Understanding and Documentation of the Process

This phase consisted primarily of inquiry and walkthroughs to obtain an understanding of the current operating policies and procedures, monitoring functions, and control structures as they relate to the processes within our scope. The following was performed as part of this phase:

- Obtained and reviewed any documented policies and procedures related to the function and relevant regulations, reporting, and other pertinent information.
- Conducted interviews and walkthroughs with key personnel to obtain a detailed understanding of operating policies and procedures, roles, and responsibilities related to PPC diversity programs.
- Gained an understanding of procedures related to the processes within scope.
- Developed a work plan for evaluating the operating effectiveness of procedures and controls based on the information obtained through interviews, walkthroughs, and preliminary review of documentation.

Evaluation of the Process and Controls Design and Testing of Operating Effectiveness

The purpose of this phase was to evaluate compliance and internal controls based on our understanding of the processes obtained during the first phase. We utilized sampling and other auditing techniques to meet our audit objectives outlined above. Our testing procedures included, but were not limited to:

- Gained an understanding of how each licensee integrates diversity, equity, and inclusion into their overall strategy.
- Gained an understanding of each licensee's governance structures to oversee and implement their DEI strategies.
- Gained an understanding of training programs, policies, and procedures relevant to DEI, including employee onboarding processes.
- Performed a site visit and toured facilities to gain an understanding of internal marketing materials and processes related to DEI strategies.
- Performed detailed walkthroughs of systems tracking and reporting employee diversity status to the MGC.
- Obtained and verified the accuracy of information reported to the MGC against actual records.
- Evaluated the criteria and processes for classifying expenditures as qualified spend.
- Evaluated the accuracy of certifications for Minority/Women/Veteran Business Enterprises (M/W/VBEs).

Reporting

At the conclusion of this audit, we summarized our findings in this report. We have reviewed the results with the appropriate Management personnel and have incorporated Management responses into this report.

Disclaimer: This report was prepared without the involvement of legal counsel and does not provide any legal opinions or assurances regarding compliance with regulatory requirements

OBSERVATIONS MATRIX

Observation	1. Reported Diversity Data
Moderate	<p>PPC is required to provide complete and accurate reporting of vendor and workforce diversity to the MGC, in line with M.G.L. Chapter 23k Section 15(15) and (16). Quarterly diversity summaries are prepared by the Assistant Director of Procurement and Manager of Recruiting and Employment utilizing spreadsheets and reported to the MGC. These reports are derived from reporting tools developed by Penn Gaming's corporate team, which extract workforce data from UltiPro and vendor data from Oracle and Coupa.</p> <p>We identified the following as part of our procedures performed:</p> <ul style="list-style-type: none">A. The current process utilized by PPC is manual, requiring human intervention in data handling and reconciliation. Based on a walkthrough of the workforce diversity data reporting process with the HR Business Partner, figures reported to the MGC may have included or excluded employees identified based on the preparer's awareness rather than system data due to system limitations or inaccuracies. 2022 workforce calculation workbooks were not retained (see item C below), and considering data limitations, RSM could not validate the accuracy of the reported figures based on data alone.B. The quarterly reporting process lacks an internal review by a designated individual to validate data accuracy and completeness, considering its manual nature.C. The workforce workbooks utilized to calculate the Q2 and Q4 2022 workforce diversity reporting were not retained or archived. Therefore, the specific employees included in 2022 diversity reporting could not be determined precisely since various data variables may change or be updated at any time, making retroactive analysis infeasible. For example, if a seasonal employee is rehired the following year, the hiring and termination dates, which are displayed in the reports utilized for diversity reporting, will have been updated to the most recent hired and terminated date. <p>This manual process raises the risk of errors and potential non-compliance, further compounded by database and reporting tool constraints that necessitate manual reconciliation of data discrepancies.</p>

OBSERVATIONS MATRIX (CONTINUED)

Observation	1. Reported Diversity Data (Continued)
<p>Recommendation</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Enhance internal controls by implementing a review by a designated individual to validate diversity data accuracy and completeness before submission to the MGC. Establish a protocol for addressing and resolving any discrepancies identified during this verification. • Explore opportunities to employ automated data extraction and reporting processes to minimize the reliance on manual intervention and reduce the risk of human error. • If specific manual adjustments are required to workforce or vendor data due to data or system limitations, consider recording each manual adjustment within the workbook for audit trail purposes. For example, if an employee must be removed from the listing, the individual and reason should be notated within the workbook. • All workbooks to calculate quarterly diversity reporting should be archived to provide an audit trail.
<p>Management Action Plan</p>	<p>Response: During the time the RSM auditors were onsite, we proactively added in another tab to our data tracking sheet that includes changes and/or updates so that we are more able accurately track and explain changes should that be necessary. Ownership of these updates is the responsibility of our Controller and Purchasing Management team. In the time since the auditors concluded their onsite work, we have found this process to already be very useful.</p> <p>Responsible Party: Purchasing Management Team and Controller</p> <p>Estimated Completion Date: Complete</p>

OBSERVATIONS MATRIX (CONTINUED)

Observation	2. Diversity Vendor Certifications
<p>Moderate</p>	<p>In compliance with M.G.L. Chapter 23K Sections 15(15) and 15(16), licensees engage with vendors holding active certifications as Minority, Women, and Veteran Business Enterprises for inclusion in diverse vendor spend reports submitted to the MGC. These active certifications are essential for adhering to state diversity objectives and validating vendor participation reflects the broader community.</p> <p>Based on our review of vendor spending data, Q2 and Q4 2022 figures reported to the MGC included vendors with insufficient certifications on file:</p> <ul style="list-style-type: none"> • One vendor included in Q4 2022 WBE spend had an expired WBE certification on file, resulting in a potential overstatement of \$1,724. • One vendor included in Q2 2022 veteran spend did not have a certification to provide evidence of veteran status, resulting in a potential overstatement of \$132. • One vendor included in Q2 2022 WBE spend was acquired in 2017, resulting in a loss of its WBE status and a potential overstatement of \$2,534. The vendor did not notify the PPC procurement team of the loss of WBE certification. <p>Inadequate monitoring processes and potentially unclear guidelines for ongoing certification validation may have contributed to inconsistencies in verifying the current certification statuses of diverse vendors.</p> <p>Licensees indicated during the audit that they actively engage in efforts to assist vendors with obtaining and maintaining certifications. However, they expressed that these efforts are resource-intensive and challenging, suggesting a need for more streamlined processes and additional support to enhance efficiency in this area.</p>
<p>Recommendation</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • Validate that clear and detailed guidelines are in place to verify and maintain current certifications of diverse vendors. • Introduce more robust monitoring processes to validate continuous compliance with certification requirements. • Proactively communicate with vendors about the necessity of maintaining active certifications and provide assistance in navigating the recertification process when needed.
<p>Management Action Plan</p>	<p>Response: There was some initial confusion around 3 vendors that had previously been certified, one was appearing on the MGC approved list, and a couple were still stating their diversity status on their websites. They had in fact let their certifications lapse, had been sold, etc all unbeknownst to us. To mitigate this, our Purchasing team has created a workbook tool that efficiently tracks expiration dates, verifies that recertifications have taken place, that we have received updated certificates and if recertification has not taken place that the vendor is removed from our approved list of diverse vendors. These efforts will be supported by our corporate AP team, which owns our vendor registration process. We will have direct conversation with vendors, utilize our corporate AP team support as well as that of outside supplier diversity organizations whom we have partnered with. While many of these action items are already in place, we are putting the final touches on others and anticipate the process to be fully in place by Aug 1, 2024.</p> <p>Responsible Party: Purchasing Management Team and Controller, with oversight provided by the VP of Finance</p> <p>Estimated Completion Date: August 1, 2024</p>



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Massachusetts Gaming Commission Diversity Compliance Audit Report: Improvement Opportunities and Other Considerations

June 26, 2024

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TRANSMITTAL LETTER

June 26, 2024

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110



Pursuant to the agreement executed July 7, 2023, and amended November 30, 2023, between RSM US LLP and Massachusetts Gaming Commission (“MGC”), we hereby submit the below process improvement opportunities and other considerations resulting from the MGC diversity compliance audits.

As part of the procedures performed during the diversity compliance audits, we have reviewed the current practices and gathered insightful feedback from licensees related to workforce and vendor diversity. Please reference the three distinct diversity compliance audit reports for specific objectives, approaches, and procedures performed. This document provides an overview of process improvement opportunities and other considerations noted during procedures performed specifically for the MGC, supplementing the individual licensee reports that focus on specific issues identified with each.

Opportunities for Improvement identified as part of the diversity compliance audit included:

1. Periodic review and update of the diversity plan
2. Standardized reporting criteria
3. Vendor Certifications

Other Considerations and Feedback identified as part of the diversity compliance audit included:

1. Request to increase the MGC's role in community engagement

Please see the following section for details related to each improvement opportunity and licensees' feedback. We would like to thank the staff and all those involved in assisting our firm with this diversity compliance audit.

Respectfully Submitted,

RSM US LLP

RSM US LLP

OPPORTUNITIES FOR IMPROVEMENT

Under M.G.L. Chapter 23K, all licensed casinos must submit diversity plans and quarterly reports on workforce and vendor diversity to the MGC. This mandate aims for transparency and accountability in meeting diversity targets across the state's gaming sector. The reporting process, involving automated data collection and manual processing, are designed to accurately track and report on diversity initiatives, facilitating alignment with regulatory requirements and commitments towards minority, women, and veteran groups.

We identified the following opportunities for improvement as part of the diversity compliance audit:

Opportunity	1. Periodic Review and Update of the Diversity Plan
	<p>Diversity plans submitted by licensees are not subject to periodic reviews and updates. This lack of a structured review process can lead to outdated or misaligned strategies that may not effectively address current diversity goals or regulatory changes. Regular updates and reviews help validate that these plans remain relevant, effective, and aligned with the state's evolving diversity objectives and the gaming industry's dynamic nature.</p>
Recommendation	<p>To enhance the relevance and effectiveness of diversity plans, we recommend the following:</p> <ul style="list-style-type: none"> Establish a systematic process for the periodic review and update of diversity plans submitted by licensees. This process should include clear guidelines for the frequency of reviews and criteria for updates, validating that the diversity plans stay current with the latest industry practices, demographic shifts, and regulatory requirements. During these reviews, engaging with stakeholders, including licensee representatives and diversity experts, can provide valuable insights and foster a more inclusive and practical approach to diversity planning. This proactive measure will enhance the relevance and effectiveness of the diversity initiatives and demonstrate a strong commitment to ongoing improvement and adaptation in diversity strategies within the gaming sector.
Opportunity	2. Standardized Reporting Criteria
	<p>The procedures that were performed identified a need for comprehensive standardization of the definitions and protocols used in the reporting process. The current process, while well-intentioned, exhibits variability in how key elements such as 'active employee' status (among others) are defined and reported. This variability can lead to inconsistent interpretations, affecting the accuracy of diversity reports submitted to the MGC. Establishing a uniform set of criteria and protocols is essential for promoting robust regulatory compliance and effectively tracking and assessing the state's diversity objectives in the gaming sector.</p>
Recommendation	<p>To enhance the accuracy and reliability of diversity reporting, we recommend the following:</p> <ul style="list-style-type: none"> Collaborate with each licensee to establish and formalize standardized criteria for defining workforce and vendor spending in diversity reports. This initiative should focus on creating a clear and consistent standard operating procedure, accounting for variables and data limitations, to enhance the accuracy and consistency of quarterly reporting. Key considerations, such as the inclusion of recently terminated or hired employees, should be addressed. Finalizing these criteria in a formal document, such as a memorandum, would reduce risks associated with data miscalculation.

OPPORTUNITIES FOR IMPROVEMENT (CONTINUED)

Opportunity	3. Vendor Certifications
	<p>The MGC expects licensees to align with its regulations regarding acceptable certifications for Minority Business Enterprises (“MBE”), Women Business Enterprises (“WBE”), and Veteran Business Enterprises (“VBE”) vendors. According to the MGC, regulation 205 CMR 222, which specifies MBE/WBE/VBE certifying agencies for the construction, is intended to extend to ongoing operations.</p> <p>Acceptable certification agencies, in addition to the Massachusetts Supplier Diversity Office (SDO), based on regulation 205 CMR 222 include:</p> <ul style="list-style-type: none">• MBE: Greater New England Minority Supplier Development Council• WBE: Women's Business Enterprise National Council• VBE: U.S. Department of Veterans Affairs <p>Our testing identified the following vendors which, while certified, were not certified by an agency recognized by 205 CMR 222:</p> <ul style="list-style-type: none">• MGM: 6 of 20• PPC: 4 of 20• EBH: 6 of 20 <p>The MGC's regulation, while clear for construction, has not been explicitly extended to ongoing operations, leading to uncertainty about what certifications are acceptable. Additionally, as noted in the Other Considerations and Feedback section below, multiple licensees highlighted challenges associated with vendors obtaining official certifications in Massachusetts, and licensees requested additional resources to help navigate the process.</p> <p>The absence of a unified standard for acceptable vendor certifications poses a risk of non-compliance with MGC's diversity initiative regulations. This misalignment could undermine the initiative's integrity and objectives, leading to challenges in demonstrating good faith efforts towards diversity targets and maintaining transparency and accountability in reporting.</p>
Recommendation	<p>We recommend the following:</p> <ul style="list-style-type: none">• The MGC collaborates with licensees to assess and address the challenges associated with vendor certification requirements. Specifically, the MGC should:<ul style="list-style-type: none">○ Clearly define and communicate the application of regulation 205 CMR 222 to ongoing operations, validating that licensees understand which certifications are acceptable.○ Offer resources or guidance to assist licensees and vendors in navigating the certification process, making it more accessible and straightforward.○ Consider the feasibility of broadening the range of acceptable certifications or alternative qualifications to encourage participation from a diverse range of vendors.

OTHER CONSIDERATIONS AND FEEDBACK

Other Considerations and Feedback

As part of the diversity compliance audit, we gathered valuable feedback from licensees regarding potential enhancements to the diversity reporting process mandated by the MGC. This feedback focused on areas where additional support or changes could streamline compliance and effectiveness in meeting diversity requirements.

We captured the following as part of the diversity compliance audit:

- Multiple licensees highlighted the challenges associated with vendors in obtaining official certifications as MBE, WBE, or VBE in Massachusetts. Since the MGC does not directly control the certification process, licensees requested additional resources to help licensees and vendors navigate the process. Alternatively, consider revising the requirements to include a broader range of certifications or alternative qualifications that acknowledge a vendor's diversity status. Such measures would alleviate the administrative effort required by licensees and encourage more diverse vendors to engage with the gaming sector, thereby enhancing the effectiveness of diversity initiatives.
- One licensee requested that MGC play a more active role in community engagement and support. Licensees suggested that MGC involvement in fostering community connections and partnerships could significantly bolster efforts to meet diversity plan goals. This could involve MGC facilitating networking events, providing platforms for collaboration, and actively participating in community outreach programs. Such engagement would assist licensees in achieving their diversity objectives and strengthen the overall impact of these initiatives within the community.



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