

NOTICE OF MEETING AND AGENDA

Pursuant to the Massachusetts Open Meeting Law (G.L. c. 30A, §§ 18-25), and St. 2025, c. 2, notice is hereby given of a public meeting of the **Massachusetts Gaming Commission**. The meeting will take place:

Tuesday | September 30, 2025 | 10:00 a.m.
VIA REMOTE ACCESS: 1-646-741-5292
MEETING ID/ PARTICIPANT CODE: 111 147 3778
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 - #566

- 1. Call to Order Jordan Maynard, Chair
- 2. Sports Wagering Division Carrie Torrisi, Division Chief, Sports Wagering
 - a. Discussion Regarding Results of Data Analysis Related to Player Limitations Carrie Torrisi, Chief of Sports Wagering Division
 - i. Executive Session VOTE
 The Commission anticipates that it will meet in executive session in
 accordance with G.L. c. 30A, § 21(a)(7), G.L. c. 4, § 7(26)(g), and G.L. c.
 23N, § 6(i) to discuss trade secrets or commercial information related to
 player limitations voluntarily provided to the Commission by operators
 for use in developing governmental policy and upon a promise of
 confidentiality and further which would be detrimental to the operators
 if disclosed.

- Discussion Regarding Player Limitations Generally and Player Limitations Specifically Among Massachusetts Operators – Dustin Gouker, Consultant, Closing Line Consulting
 - i. Executive Session VOTE
 The Commission anticipates that it will meet in executive session in
 accordance with G.L. c. 30A, § 21(a)(7), G.L. c. 4, § 7(26)(g), and G.L. c.
 23N, § 6(i) to discuss trade secrets or commercial information related to
 player limitations voluntarily provided to the Commission by operators
 for use in developing governmental policy and upon a promise of
 confidentiality and further which would be detrimental to the operators
 if disclosed.
- c. Discussion Regarding Possible Next Steps Related to Player Limitations Carrie Torrisi, Chief of Sports Wagering Division **VOTE**
- 3. 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 26, 2025 | 10:00 a.m. EST

September 26, 2025

Jo<mark>rdan M. Maynard</mark>, Chair

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



To: Jordan Maynard, Chair

Eileen O'Brien, Commissioner Brad Hill, Commissioner Nakisha Skinner, Commissioner

Nakisha Skinner, Commissione Paul Brodeur, Commissioner

From: Carrie Torrisi, Chief of Sports Wagering Division

Date: September 30, 2025

Re: Player Limiting Data Analysis Results and Possible Next Steps

BACKGROUND

The Commission began reviewing the issue of player wager limitations in the spring of 2024, seeking to better understand how, when, and why a player might be limited to lower wager amounts by licensed Massachusetts operators. Following two roundtables with Massachusetts operators and industry experts, the Commission's Sports Wagering Division (SWD) sent a data request on December 10, 2024, to licensed Massachusetts operators seeking data related to the stake factor¹ and closing line value (CLV)² of registered players on each operator's platform (*see* Attachment A).

The goal of this request was to determine if the data supported a conclusion that a correlation exists between a player's stake factor and CLV, *i.e.*, between the extent to which a player is limited and their tendency to place "good" bets by beating the closing line.

On April 10, 2025, the SWD sent a follow-up information request to operators seeking answers to specific questions related to player limiting to better understand operators' current practices and procedures (*see* Attachment B).³

On June 5, 2025, the SWD sent a second data request to operators seeking updated data for the player accounts identified in the first data submissions (*see* Attachment C). The goal of this second request was to determine if changes in CLV over time resulted in changes to stake factor.

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¹ "Stake factor" is a number assigned by an operator to a player that determines the amount that the player can wager above or below the default wager limit that would exist on the day an account is created.

² "Closing line value" is a measure of how "good" or "sharp" a player is based on whether they place their wager at better odds than the odds at which the wager closes.

³ This information request also included questions related to VIP programs, which will be addressed at a future Commission meeting.



The Commission engaged a data analyst to assist in drawing conclusions from the data received.

DATA ANALYSIS RESULTS

Reviewing the data across all operators, the analysis confirmed that players who consistently beat the closing line are more likely to have a lower stake factor (*i.e.*, have their limit lowered) and players who do not consistently beat the closing line are more likely to have a higher stake factor (*i.e.*, have their limit raised). In addition, individuals whose limits have been raised are far more likely to be classified as VIPs while very few limited players had VIP status.⁴

While percentages vary across operators, on average, the total percentage of Massachusetts player accounts that were limited as of December 10, 2024, was 0.64%.⁵

Among those limited players, 12.7% of that 0.64% were limited severely to less than 1% of the default, 57.6% were limited to 1-24% of the default, 11.9% were limited to 25-49% of the default, 14.3% were limited to 50-74% of the default, and 3.4% were limited to 75-99% of the default.

The second data request sought to identify whether any change in a player's performance over a six-month span was linked to a change in stake factor. The result of the data analysis was that most players had no change in their stake factor over this six-month period even if their CLV had changed substantially.

CONCLUSION

The Commission sought to answer the question of whether a correlation exists between a player's stake factor and CLV, *i.e.*, whether there is a trend showing that players who demonstrate a tendency to win have their limit decreased and players who demonstrate a tendency to lose have their limit increased. The data received from operators confirms that the answer to that question is yes.⁶

POSSIBLE NEXT STEPS

There are many things that the Commission may consider in terms of next steps, and we now seek your guidance on how you would like to proceed. Below are several possible options,

⁴ The SWD will be bringing a more detailed conversation about VIP programs at a future meeting.

⁵ This percentage represents player accounts and not necessarily individual players, as players might have limited accounts with multiple operators.

⁶ While there are likely other factors that go into determining a player's stake factor, this analysis focused only on the correlation between stake factor and CLV.



though this list is not all-inclusive. We would, of course, seek public comment, including input from operators, on any regulatory changes before implementation.

1. Regulations

- a. **Notifications:** Draft regulations requiring that players be notified of the fact that they have been limited (this notification could include the fact that they have been limited, why they have been limited, and/or to what extent they have been limited);
- b. **Truth-in-Advertising Transparency:** Draft regulations requiring that operators provide a statement on their platform that informs players that they may be limited if they demonstrate certain behavior (this would include behavior identified by the operators in response to the SWD's April 10, 2025, request);
- c. **Internal Controls/House Rules:** Draft regulations requiring that operators' internal controls and house rules include a process detailing how and why players may be limited;
- d. Written Protocols and Procedures: Draft regulations requiring operators to implement and provide to the Commission written protocols and procedures governing how stake factor determinations are made, including how stake factors are adjusted over time;
- e. **Mandatory Reporting:** Require regular reporting related to limited players, which could include the number/percentage of limited players, limited player stake factor and CLV, or any other information that the SWD or Commission might identify;
- f. **Manual Review of Stake Factors:** Draft regulations requiring operators to manually review the stake factor of all limited players every six months.

2. Additional Data Analysis

a. Ongoing Data Monitoring/Biannual Audit:

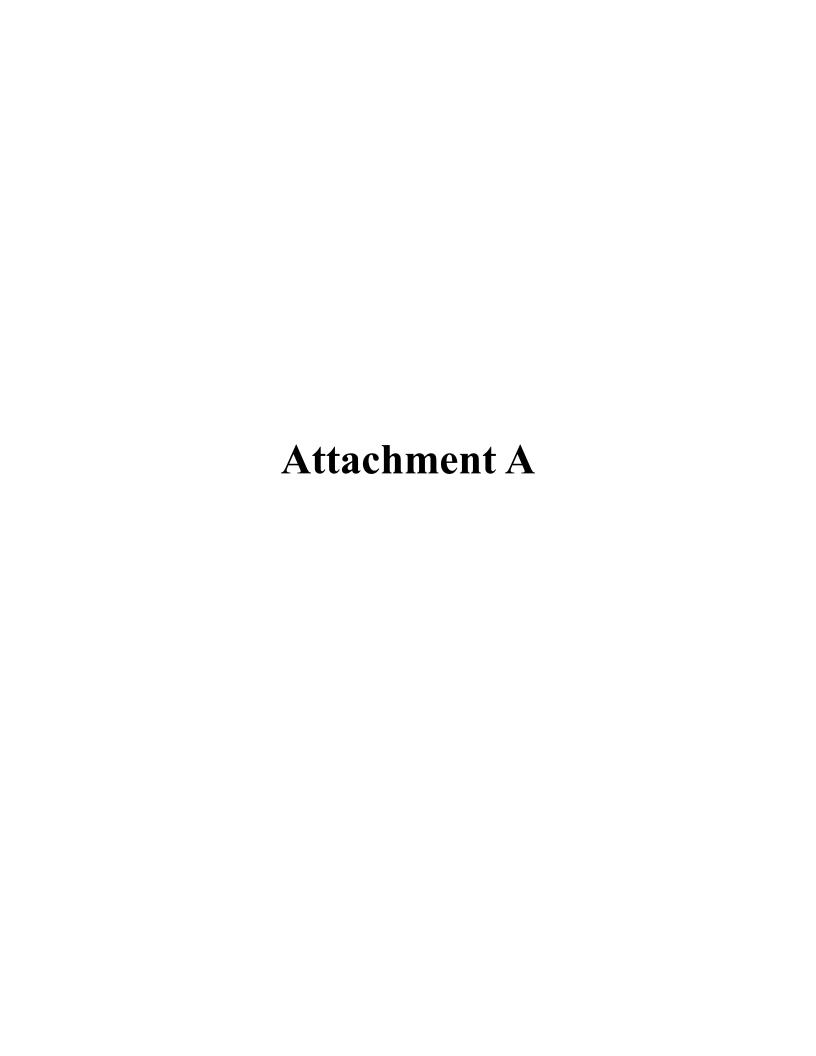
- i. Conduct a biannual audit of player stake factor and CLV using the same player accounts from the initial data request;
- ii. Conduct a biannual or annual audit of all operators to identify percentage of limited players;



- iii. Conduct ongoing data monitoring following any regulation implementation.
- b. **Additional Data Request**: Request data from operators for the same two dates and the same players showing other data points such as number of bets placed and/or amount of handle to confirm whether correlation also exists between betting activity and stake factor and/or handle and stake factor.

3. Continued Research

- a. **Proportionate Limits:** Research feasibility and implications of mandating proportionate limits above and below the default (*e.g.*, if the default stake factor is 100 and the lowest stake factor any player has is 1, then the highest stake factor any player could have would be 199);
- b. **Maximum Percentage of Limited Players:** Research feasibility and implications of setting limit on percentage of players that can be limited by an individual operator.





December 10, 2024

Re: Wager Limitations Data Request

Dear Massachusetts Licensed Sports Wagering Operators:

On November 21, 2024, the Massachusetts Gaming Commission ("Commission") directed the Sports Wagering Division to circulate a data request to all licensed Massachusetts sports wagering operators related to patron wager limitation practices. In accordance with that directive, please submit the following to mgcsportswagering@massgaming.gov by January 10, 2024.

This request seeks data for **Massachusetts patrons only** from the date on which Massachusetts operations launched through December 10, 2024.

- (1) The number of patrons registered on your platform;
- (2) The number of patrons with a stake factor of 1;
- (3) For all patrons who have a stake factor below 1, please provide the following information for each patron:
 - a. The patron's stake factor as of December 10, 2024;
 - b. The patron's closing line value (CLV) report as of December 10, 2024;
 - c. Whether the patron is assigned a VIP host;
- (4) For all patrons who have a stake factor above 1, please provide the following information for each patron:
 - a. The patron's stake factor as of December 10, 2024;
 - b. The patron's CLV report as of December 10, 2024;
 - c. Whether the patron is assigned a VIP host.

For purposes of this request, "stake factor" shall mean the percentage out of 100 that a patron is permitted to wager. Additionally, "closing line value report" shall mean a report comparing the odds at which a patron placed their initial wager with the odds at which the wager closed. If a patron has different stake factors assigned for various sports, please identify all stake factors applied to that patron and all corresponding CLV reports.

If the terms used in this request do not align with your operator's current terminology or practices, we expect that you will reach out to the Sports Wagering Division within two days of receipt of this request so that we can discuss ways in which the request might be modified.

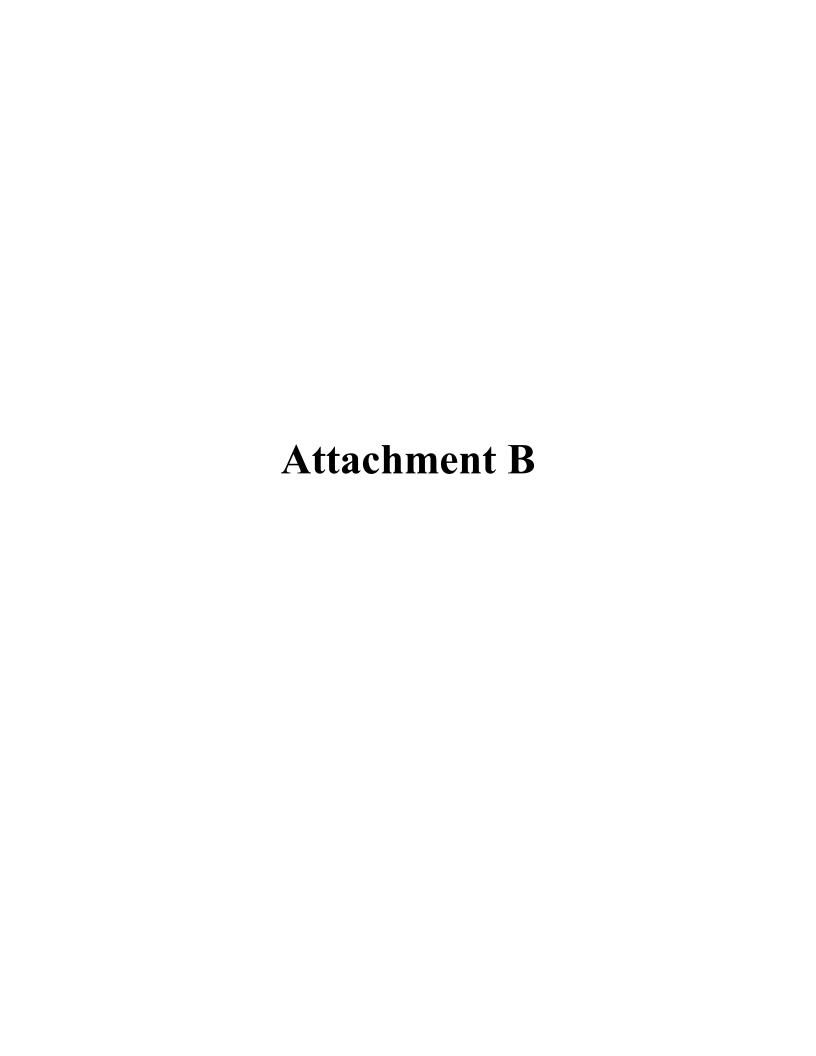


At this stage, we are seeking your voluntary participation with this request. If you submit the requested records by January 10, 2024, we will consider the information to have been voluntarily provided to the Commission for use in developing policy related to wager limitations and, as such, all records submitted in response to this request will be kept confidential in accordance with G.L. c. 4, § 7(26)(g).

Thank you for your anticipated cooperation with this request.

Sincerely,

Carrie Torrisi





April 10, 2025

Re: Wager Limitations/VIP Programs Information Request

Dear Massachusetts Category 3 Sports Wagering Operators:

On April 10, 2025, the Massachusetts Gaming Commission ("Commission") authorized the Sports Wagering Division to circulate an information request to licensed Massachusetts sports wagering operators related to patron wager limitation and VIP program practices. In accordance with that authorization, please submit detailed and thorough responses, and provide any supporting documentation, to the following questions <u>following the numbering format outlined below</u> to <u>mgcsportswagering@massgaming.gov</u> by May 30, 2025.

A. Questions Related to Patron Limiting

- 1. What internal policies or principles guide decisions to increase or decrease stake factors¹ across customers?
- 2. For what reasons would a customer's stake factor be increased above baseline²?
- 3. For what reasons would a customer's stake factor be decreased below baseline?
- 4. How is data used in driving the decision to increase or decrease a customer's stake factor? Please define and explain all metrics, statistics, calculations, or other information that is used in this decision process.
- 5. Do you use artificial intelligence or a similar type of technology in making the decision to increase or decrease a customer's stake factor? If so, please explain.
- 6. When a customer's stake factor is increased or decreased, how is the customer informed about this change?
- 7. When a customer's stake factor has been decreased below baseline, does the customer have an opportunity to increase their stake factor and/or return to a baseline stake factor? Please explain all metrics, statistics, calculations, information, processes, policies and/or procedures used in making this decision.
- 8. What policies or procedures are in place to ensure that increase stake factoring is aligned with responsible gaming initiatives?
- 9. What policies or procedures are in place to ensure that modified stake factoring is applied fairly and equally to all customers?
- 10. Can a single customer have a stake factor that differs by betting market or is the customer stake factor consistent across all betting markets for a single customer?

¹ For purposes of this request, "stake factor" shall mean the percentage of the general maximum allowable wager that a particular patron is permitted to wager.

² For purposes of this request, "baseline" shall mean the standard stake factor that is applied to an account before any increase or decrease beyond the maximum allowable wager, whether that be 1, 100, 200, or some other measurement used by your organization.



- a. If yes, please explain the policies or procedures used in making this decision and the ways in which variable stake factors by menu item are applied.
- 11. Since the first day of your operation in Massachusetts, what is the total count of customers who have been decreased to a stake factor of zero?³
 - a. Please provide a detailed explanation for each customer.

B. Questions Related to VIP Programs

- 1. What criteria and/or data do you consider in deciding to assign a VIP host to a customer?
 - a. Do you use an affordability or means check in making this decision?
 - b. Do you use artificial intelligence or similar type of technology in making this decision?
- 2. Please explain your processes and procedures for continuous assessment of customers who have been assigned a VIP host.
 - a. What factors are considered in deciding to maintain a customer's VIP status?
 - b. What factors are considered in deciding to remove a customer's VIP status?
- 3. Please describe the types of incentives provided by a host to a VIP.
 - a. Is there any limit on either the number or value of total incentives that they might provide?
- 4. What are the approved means of communication between a host and their assigned VIP?
 - a. Can a host communicate with their VIP using their personal email or telephone?
- 5. Are there limitations on how often a host can communicate with their VIP? If yes, please describe.
 - a. Does a VIP have the ability to temporarily limit communications with their host without having their VIP status removed?
 - b. What processes does the host follow if a VIP ceases responding to outreach?
- 6. What would trigger a VIP host to share information with a patron regarding responsible gaming?
 - a. What resources would the host share with the VIP?
 - b. How quicky would the host share those resources?
- 7. What would trigger a host to pause communications with a VIP?
- 8. What would trigger a host to request responsible gaming intervention for the VIP and what would that intervention include?
- 9. What would trigger a host to suspend a VIP's account?

³ This number should include any customers who were decreased to zero and subsequently raised back above zero.



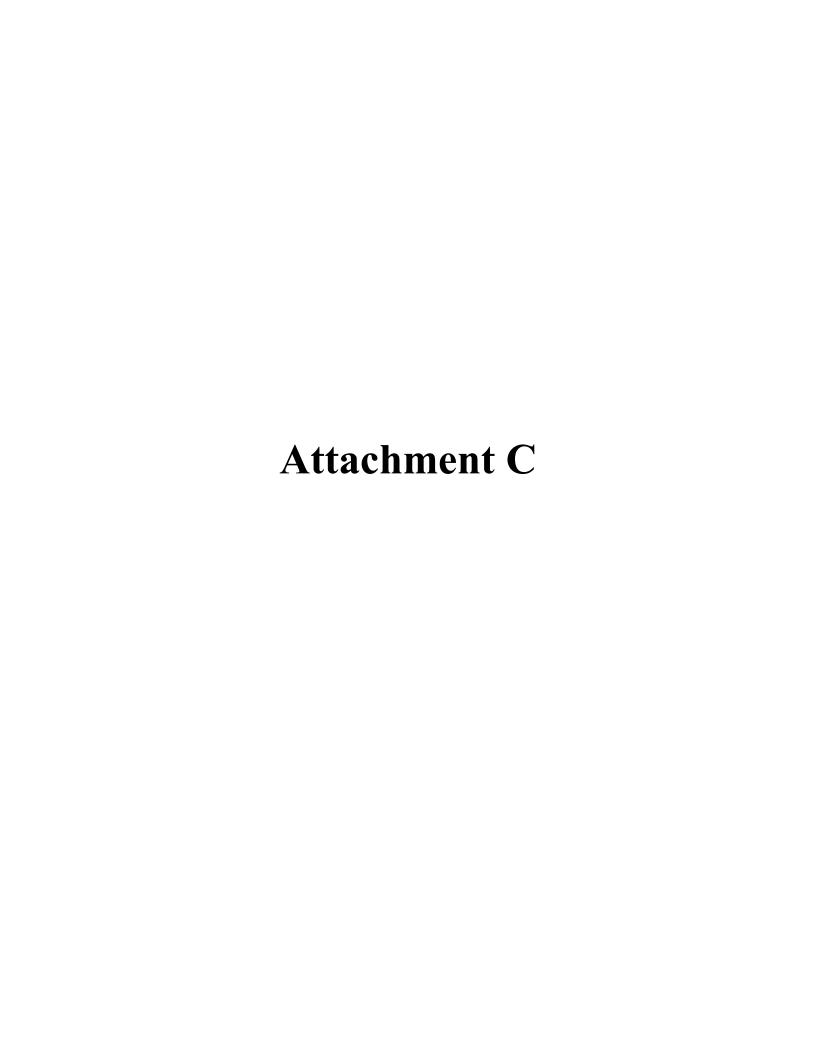
- a. Please describe the process and the timeline for account suspension.
- 10. Do VIP hosts receive commission and/or incentives related to their VIPs? If yes, what types of commission and/or incentives do they receive? Please describe in detail.
- 11. Please describe the levels of your VIP program.
 - a. Is the program tiered?
 - b. How many tiers are there?
 - c. What criteria are used to assign a customer to each tier?
 - d. Does each tier include different types of incentives/offers? Please describe.
- 12. Do customers ever have more than one VIP host assigned to them?
 - a. If yes, what is the maximum number of hosts that a VIP could have assigned to them?
 - b. How is a determination made as to how many hosts a VIP might have?
- 13. What percentage of VIP customers use responsible gaming tools such as cooling off or limit setting?
- 14. What is the average age of a VIP customer?
- 15. What is the average length of time that a customer remains a VIP?
- 16. Please submit job descriptions for all positions in the VIP space, including hosts as well as any other individuals on the acquisition team and account management team.
- 17. Please submit any written training manuals or policies related to VIP hosts. If no such materials exist, please describe a VIP host's training in detail.

At this stage, we are seeking your voluntary participation with this request. If you submit the requested records by **May 30, 2025**, we will consider the information to have been voluntarily provided to the Commission for use in developing policy related to wager limitations and VIP programs and, as such, all records submitted in response to this request will be kept confidential in accordance with G.L. c. 4, § 7(26)(g). Please mark your responses as such.

Thank you for your anticipated cooperation with this request.

Sincerely,

Carrie Torrisi





June 5, 2025

Re: Wager Limitations Data Request

Dear Massachusetts Category 3 Sports Wagering Operators:

On December 10, 2024, the Massachusetts Gaming Commission's ("Commission") Sports Wagering Division circulated to you a data request related to patron wager limitation practices (attached hereto). That request sought certain data **as of December 10, 2024**, and the Sports Wagering Division received responses from all operators in January 2025.

In order to gather a point of comparison, we are now requesting updated data for those patron accounts identified in your January 2025 submission. Specifically, where your prior submission included the stake factor, CLV, and VIP status of particular patron accounts as of December 10, 2024, we are now seeking the stake factor, CLV, and VIP status of those same patron accounts (identified in the same manner) as of June 1, 2025.

Please submit to <u>mgcsportswagering@massgaming.gov</u> by July 1, 2025.

At this stage, we are seeking your voluntary participation with this request. If you submit the requested records by **July 1, 2025**, we will consider the information to have been voluntarily provided to the Commission for use in developing policy related to wager limitations and, as such, all records submitted in response to this request will be kept confidential in accordance with G.L. c. 4, § 7(26)(g).

Thank you for your anticipated cooperation with this request.

Sincerely,

Carrie Torrisi



December 10, 2024

Re: Wager Limitations Data Request

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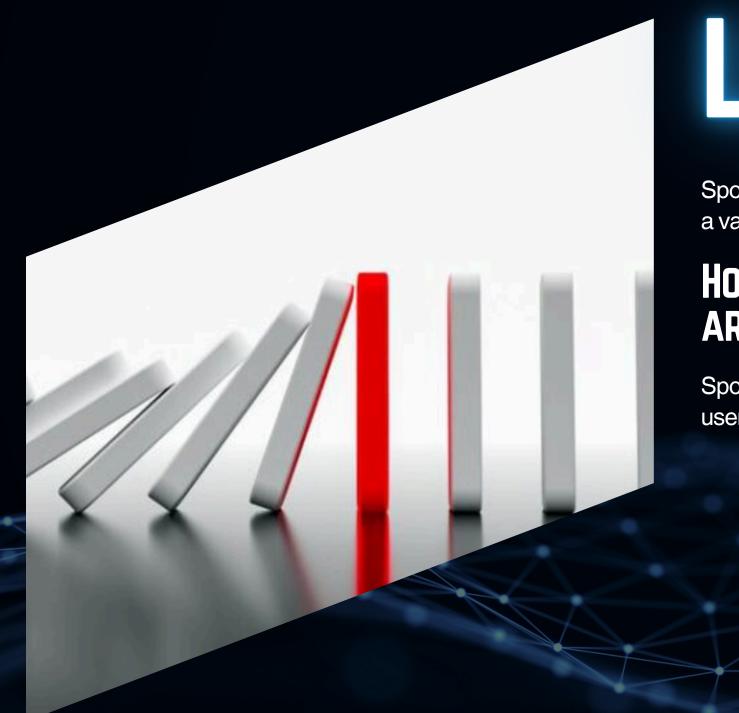
Thank you for your anticipated cooperation with this request.

Sincerely,

Carrie Torrisi

LIMITING AT SPORTSBOOKS

Research and analysis around how limiting bettors impacts sports betting in Massachusetts



LIMITING: AN OVERVIEW

Sportsbooks limit the amount that some cohort of users can wager on all or a subset of markets for a variety of factors. The sportsbooks openly admit this practice.

HOW MANY PEOPLE ARE BEING LIMITED?

Sportsbooks appear to limit 1% or less of their userbases

WHY ARE PEOPLE LIMITED?

- Winning/beating closing line value
- Arbitrage
- Courtsiding
- Automation and/or syndicate play

THE BETTORS' SIDE

Bettors, especially sharp ones, would like much higher limits and more transparency. What do bettors want?

TRANSPARENCY

 Some bettors just want to know more about why their account is limited.
 While some may know their behavior is what is causing the limiting, that may not always be the case.

HIGHER LIMITS

• People would like their limits to be higher than a de minimis amounts

MORE CHOICE

 Sharp activity still finds a place in black and gray market options. More choice in stateregulated markets would be ideal for all parties.

TAKING SHARP ACTION

Proponents of sportsbooks limiting customers less usually point to three examples of where limiting is less severe than at the majority of US sportsbooks.

OFFSHORE

Offshore sportsbooks are often willing to take sharp action.
However, offshore sportsbooks exist in a different ecosystem, one with minimal regulatory, licensing and taxation burdens.

SPORTS BETTING EXCHANGES

The best example of this in the regulated market is Sporttrade, which serves a handful of states. For what it's worth, prediction markets (ie Kalshi) operate under a similar model.

LAS VEGAS AND/OR "SHARP" BOOKS

Las Vegas sportsbooks have existed for decades, but again, some limiting does go on, albeit in a less severe manner than what goes on outside of Nevada. It should be noted that the Nevada sports betting model is fairly unique and different from other states.

WHAT WOULD SPORTSBOOKS DO?

How would sportsbooks react to mandatory higher limits?

FEWER/SMALLER PROMOTIONS

FEWER MARKETS

HIGHER VIG

DATA FROM ILLINOIS

While not an exact comp, we have seen sportsbooks react to a per-wager tax in Illinois, showing that sportsbooks will make geofenced changes to make sure their business remains profitable. Changes on limiting would likely be no different.

WHAT COULD MGC DO?

If we eliminate the idea that there should be no limiting at all, here are possible options:

ADVOCATE FOR TRANSPARENCY

Sportsbooks admit that they are generally not transparent about the reasons for limiting individual bettors.

STANDARD MINIMUM BETS

Setting a relatively low number that every sportsbook would have to take is feasible, but would still invite some of the knock-on effects I added earlier.

CHANGES IN ADVERTISING

Sportsbooks in Massachusetts have, at least in the past, advertised themselves as places where anyone can win money, no matter who you are. That's of course not true because of limited bettors.

CHANGE IN REGULATORY REGIME

This would be outside the remit of the MGC and would take legislative action. But creating a statutory scheme that would allow exchange models to operate legally in the state, and indeed everywhere, would arguably be the best solution to the issue of limiting.