

Massachusetts Gaming Commission Meeting Minutes

Date/Time: January 23, 2025, 9:30 a.m.

Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292

PARTICIPANT CODE: 111 860 7669

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 Jordan Maynard Commissioner Eileen O'Brien Commissioner Bradford Hill Commissioner Nakisha Skinner Commissioner Paul Brodeur

1. Call to Order (00:00)

Chair Maynard called to order the 545th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. Meeting Minutes (00:40)

- a. November 8, 2023
- b. December 20, 2023
- c. January 4, 2024
- d. January 24, 2024
- e. September 12, 2024
- f. December 16, 2024

The public meeting minutes for the abovementioned dates were included in the Commissioners' Packet on pages 5 through 24.

Commissioner Skinner moved that the Commission approve the minutes from the November 8, 2023, December 20, 2023, January 4, 2024, January 24, 2024, and September 12, 2024 meetings that are included in the Commissioners' Packet subject to any necessary corrections for typographical errors or other non-material matters. Commissioner O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Abstain.
Chair Maynard: Aye.

The motion passed, 4-0 with 1 abstention.

Commissioner Skinner further moved that the Commission approve the minutes from the December 16, 2024 meeting that is 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 Skinner: Aye.
Commissioner Brodeur: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

3. Administrative Update (02:42)

a. Discussion of Senate Judiciary Committee Hearing on Sports Wagering (02:51)

Executive Director Dean Serpa turned it over to Deputy General Counsel Justin Stempeck who provided an overview of the discussion during the two-hour U.S. Senate Judiciary Committee Hearing on legalized sports gambling in Washington D.C. on December 17, 2024. He summarized the hearing testimony, which included a diverse range of topics, including support of student athletes, harassment issues surrounding athletes, removing negative bets, online sports betting advertising, and sports wagering as a public health concern.

Deputy General Counsel Stempeck also noted there was some discussion of the SAFE Bet Act. Commissioner Brodeur asked whether there was any indication that the bill to introduce the Act would be refiled in the current session. Deputy General Counsel Stempeck stated that he believed that the bill would have to gain significant political support in order to gain traction amongst the senators and further noted there would likely be associated legal challenges, including on First Amendment grounds. He indicated that he will continue to update the commissioners.

4. Racing (12:26)

a. <u>Discussion Regarding Michigan Gaming Control Suspension of Twin Spires ADW as it Pertains to Massachusetts</u> (12:48)

Director of Racing and Chief Veterinarian Dr. Alexandra Lightbown provided a summary of the suspension order issued by the Michigan Gaming Control Board ("MGCB") against Twin Spires ADW for alleged violations of Michigan's gaming laws and the Horse Racing Law of 1995. Deputy General Counsel Stempeck detailed the procedural history of the litigation that resulted from Twin Spires' failure to comply with MGCB's order, including both the case filed by the MGCB against Twin Spires and vice versa. Chief Operating Officer of Sterling Suffolk Racecourse, LLC, Michael Buckley, explained that they are closely monitoring the situation given Suffolk Downs' use of Twin Spires as an ADW provider. DLA Piper attorney and Counsel for Sterling Suffolk Racecourse, LLC, Bruce Barnett, added that it is a very complex situation and provided additional background about the proceedings.

Commissioner Skinner requested a copy of the Michigan complaint and asked to have a future discussion about Twin Spires ADW's non-compliance with the MGCB order as it relates to suitability. Deputy General Counsel Stempeck noted that both complaints would be provided.

b. Raynham Request for Approval of Global Tote as their Totalizer Provider (25:20)

Dr. Lightbown presented Raynham Park's request for approval of Global Tote US LLC as their totalizer provider and noted that she recommended that the Commission approve this request. Vice President of Operations at Raynham Park, Sue Rodrigues, was also present to answer questions.

Commissioner Hill moved that the Commission approve Raynham Park's request for approval to use Global Tote US LLC as their totalizer provider as included in the Commissioners' Packet and discussed here today. Commissioner O'Brien seconded the motion.

Chair Maynard mentioned that Commissioner Brodeur was experiencing technical audio issues.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Absent.
Chair Maynard: Aye.
The motion passed, 4-0.

c. Horse Health at Plainridge Racecourse (27:08)

Dr. Lightbown presented information regarding horse health at Plainridge Racecourse. She explained that over the course of a three-week period concluding on November 11, 2024 three horses sustained injuries during racing severe enough to necessitate euthanasia, after which she organized a meeting to discuss the incidences in detail, along with ones that occurred earlier in the season. She provided an overview of the protocol that was followed subsequent to the deaths and noted that there was no unifying cause. Dr. Lightbown also stated she will work with the Legal Division to review potential regulation modifications that will help strengthen the Racing Division's oversight in these situations. Director of Racing at Plainridge Park Casino (PPC) Steve O'Toole was also present to answer any questions.

Commissioner Hill asked how many euthanasia deaths there were. Dr. Lightbown confirmed there was one sudden death and five euthanasia deaths related to musculoskeletal injuries. She added that the racing industry is looking further into the sudden death issue and conducting studies. Director O'Toole explained that this number of deaths was very unusual for PPC. Commissioner O'Brien thanked Dr. Lightbown for looking into this issue and expressed interest in seeing the study results once they are released. Chair Maynard requested that the Racing Division provide immediate notification in the future when a death occurs.

5. Investigations and Enforcement Bureau (41:51)

a. Briefing on noncompliance matter related to Temporary Category 3 Sports Wagering Licensee FBG Enterprises Opco, LLC, d/b/a Fanatics and discussion regarding next steps. Alleged noncompliance relates to wagers on an unauthorized event in violation of 205 CMR 247.01(1), 205 CMR 247.01(2)(i) and the Massachusetts Gaming Commission Sports Wagering Catalog (42:15)

Enforcement Counsel Nate Kennedy reviewed the noncompliance matter involving Fanatics offering wagering on Belarusian national soccer teams in contravention of 205 CMR 247.01(1), 205 CMR 247.01(2)(i), and the Massachusetts Gaming Commission's Sports Wagering Catalog. He provided further background on the incident. He asked for the Commission's guidance on next steps as to whether this matter should be sent back to the IEB for further investigation, set up for an adjudicatory hearing, or reviewed to assess a civil administrative penalty pursuant to M.G.L. c. 23 §16.

Commissioner O'Brien expressed that she would be inclined to send this matter back to the IEB for a recommendation. All of the other commissioners agreed.

b. Briefing on noncompliance matter related to Temporary Category 3 Sports Wagering Licensee BetFair Interactive US, LLC, d/b/a/ FanDuel and discussion regarding next steps. Alleged noncompliance relates to wagers on an unauthorized event in violation of 205 CMR 247.01(1), 205 CMR 247.01(2)(i) and the Massachusetts Gaming Commission Sports Wagering Catalog (44:55) Enforcement Counsel Kennedy reviewed the noncompliance matter involving FanDuel offering wagering on Belarusian national soccer leagues in contravention of 205 CMR 247.01(1), 205 CMR 247.01(2)(i), and the Massachusetts Gaming Commission's Sports Wagering Catalog. He indicated that this matter and the next matter to be discussed are related. Enforcement Counsel Kennedy paused for questions.

Commissioner O'Brien stated she would like to hear both matters together before commenting since they are intertwined.

c. Briefing on noncompliance matter related to Temporary Category 3 Sports Wagering Licensee BetFair Interactive US, LLC, d/b/a FanDuel and discussion regarding next steps. Alleged noncompliance relates to wagers on an unauthorized event in violation of 205 CMR 247.01(1), 205 CMR 247.01(2)(i) and the Massachusetts Gaming Commission Sports Wagering Catalog (47:07)

Enforcement Counsel Kennedy reviewed the additional noncompliance matter involving FanDuel which arose after an audit conducted in response to the previously discussed incident. Commissioner O'Brien expressed concern about how the rules could have been misinterpreted by FanDuel and requested further clarification from FanDuel. Director of the Investigations and Enforcement Bureau, Caitlin Monahan, and Enforcement Counsel Kennedy explained that this is the only information they have from FanDuel at this preliminary stage but can ask for additional information. Commissioner Skinner asked to have this matter sent back to the IEB for further investigation with specific note of Commissioner O'Brien's questions. The other commissioners agreed.

Assistant Director of the IEB Kathleen Kramer sought confirmation that the commissioners are comfortable with the IEB treating both FanDuel non-compliance matters together. The commissioners all affirmed.

6. <u>Legal</u> (54:41)

a. 205 CMR 243.02: Sports Wagering Equipment (Kiosks) - Discussion and Review of Regulation Amendments and Small Business Impact Statement for authorization to begin the promulgation process by Commission (55:06)

Associate General Counsel Ying Wang presented the proposed regulation at 205 CMR 243.02 regarding sports wagering kiosks and explained that it is intended as a cross-reference to 205 CMR 143.07. Commissioner Skinner asked whether operators are already complying with the requirements in 205 CMR 143.07. Associate General Counsel Wang stated that they were and explained that this regulation is being proposed for ease of reference by operators.

Commissioner Hill moved that the Commission approve the Small Business Impact Statement and the draft of 205 CMR 243.02 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 Skinner seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

b. 205 CMR 257: Sports Wagering Data Privacy - Discussion and Review of Regulation Amendments and Small Business Impact Statement for authorization to finalize the promulgation process by Commission (57:30)

Deputy General Counsel Stempeck reviewed a public comment received from BetMGM regarding the proposed amendments to 205 CMR 257 and asked for a vote to move the regulation through final promulgation.

Commissioner Skinner moved that the Commission approve the Small Business Impact Statement and the draft of 205 CMR 257 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 O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

Chair Maynard requested a short break before moving forward in the agenda. At the end of the break, roll call attendance was conducted, and all five commissioners were present for the meeting.

7. Research and Responsible Gaming (1:07:40)

Director of the Research and Responsible Gaming Division Mark Vander Linden introduced the GameSense team and explained that they will share GameSense activities and highlights from the second quarter of Fiscal Year 2024-2025.

a. GameSense Quarterly Report (1:09:01)

Chief Marketing Officer at GameSense Janine Ruggiero started off the presentation and introduced her fellow team members, including Director of Diversity, Equity, Inclusion, and Belonging Shekinah Hoffman, Director of GameSense Operations Ray Fluette, and GameSense Adviser Brian Beard.

Director Fluette presented on Q2 highlights followed by Adviser Beard who presented on GameSense's Champion Award winners. Chief Marketing Officer Ruggiero then provided updates about outreach and engagement in the community. Director Hoffman presented on GameSense's participation in the BCLC's New Horizon's Conference Community of Practice. Director Fluette and Chief Marketing Officer Ruggiero discussed the partnership between GameSense and Operation Hope, which is a non-profit organization providing free financial literacy and economic inclusion services for patrons. Director Hoffman walked the Commission through GameSense's recommendations for inclusive signage and then discussed GameSense Massachusetts' core values. Chair Maynard stated his support for DEI initiatives at GameSense. Director Hoffman discussed the RightToBe bystander intervention training. Chief Marketing Officer Ruggiero then presented GameSense's plans for Problem Gambling Awareness Month and other initiatives for Q3.

Commissioner Maynard commended the Champion Award winners. Commissioner Brodeur asked about whether GameSense relies on any federal government grants. Director Hoffman responded that GameSense relies on more than one funding source. Chief Executive Officer Marlene Warner confirmed that they currently do not receive any federal funding. Director Vander Linden provided an anecdote involving the voluntary self-exclusion program and how important the program is.

8. Sports Wagering Division (1:53:35)

a. Update to House Rules – Penn Sports Interactive (1:54:03)

Manager Steffen explained changes requested by Penn Sports Interactive to their Massachusetts house rules for baseball golf, and futsal. *Information regarding the specific changes requested is found on pages 115 through 117 of the Commissioners' Packet*. He concluded that the Sports Wagering Division confirms all requirements have been met under 205 CMR 247.02 and recommends approving these changes.

Commissioner Hill moved that the Commission approve the updates to Penn Sports Interactive's House Rules 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 Brodeur: Aye.

Chair Maynard: Aye.

The motion passed unanimously, 5-0.

b. Event Petition Request – Professional Women's Hockey League (PWHL) (1:56:59)

Manager Steffen then introduced FanDuel's petition to add the PWHL to the Commission's Event Catalog. He stated that Fanatics petitioned the Commission to approve this hockey league in the past, and at the time, the Commission conditioned its approval of the event on Fanatics reaching out to the Players Association. Manager Steffen concluded that the Sports Wagering Division confirms all requirements have been met under 205 CMR 247.03 and that FanDuel has reached out to the Players Association in accordance with the condition imposed on Fanatics following their earlier request. Although the Players Association declined to take a position on FanDuel's intention to offer PWHL, Manager Steffen explained that the Sports Wagering Division recommends approving the PWHL to be added to the Event Catalog. FanDuel's Trading Compliance Manager Chris Black was present to answer questions.

Commissioner Hill moved that the Commission amend the Official Catalog of Events and Wagers to include the Professional Women's Hockey League as included in the Commissioners' Packet and discussed here today. Commissioner Brodeur seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

c. <u>Discussion of Exhibition Matches Included with the Event Catalog</u> (2:03:31)

Manager Steffen explained that the Sports Wagering Division was asked to provide options for the Commission to consider with respect to the inclusion of exhibition matches within the Commission's Event Catalog. He provided background as to what the Event Catalog currently allows and shared examples. He then turned it over to Compliance Officer Griffin Miniutti who summarized their research findings about what other jurisdictions allow for exhibition matches. Manager Steffen explained several options for consideration by the Commission and noted this is not an exhaustive list. *The options are found on page 220 of the Commissioners' Packet*.

Commissioner Hill asked if current regulations allow the Commission to review any exhibition match events that come before it. Chief of the Sports Wagering Division Carrie Torrisi explained that the Commission has the authority to review any events and exclude it from the Catalog. Commissioner Hill stated he was inclined to keep things as they are since the Commission already has the authority to review such events. Commissioner O'Brien stated she is more inclined to approve option 2 ("[r]estrict exhibition matches for Combat Sports only [i.e., Boxing, MMA], however allowing sports wagering operators the opportunity to petition for the

exhibition match they wish to offer, provided the operator identifies the match to be governed by an approved league AND the match take place between two professionally ranked participants") and option 3 ("[r]estrict exhibition matches outright for all approved leagues, however allowing sports wagering operators the opportunity to petition for the exhibition matches they wish to offer, provided the operator follows the guidelines of the event petition process"). Commissioner Skinner asked about wagers placed regarding certain exhibitions where there is no ranking or winner declared. Manager Steffen explained that the Sports Wagering Division can complete a deeper dive on this topic and provide additional examples. A discussion ensued about what the Commission would typically allow with regards to these exhibition matches when there is no outcome. Commissioner Brodeur stated he is more inclined to keep things as they are. Chair Maynard noted that Massachusetts is in line with other jurisdictions and expressed concern about the illegal markets given that people will want to wager on these events. He agreed with Commissioners Hill and Brodeur to keep things as they are. Commissioner Skinner stated she didn't see any issue with keeping the current language. Chair Maynard confirmed that four out of five commissioners are with keeping the language the same as outlined in option 1 ("[m]ake no changes to the event catalog and continue to allow wagers to be placed on all exhibition matches for all approved leagues with no restrictions").

d. <u>Discussion of Audit of Operators' Compliance with 205 CMR 254 and 205 CMR 255</u> (2:32:24)

Compliance Officer Brittany Costello presented the Sports Wagering Division's audit findings for each Operator's compliance with 205 CMR 254 (Temporary Prohibition from Sports Wagering) and 205 CMR 255 (Play Management). She first provided an overview of the reviews that were completed and described the testing process in detail. She concluded that the Operators were found to be generally compliant. She explained that this audit served as a tool for a proactive and holistic review across all Operators and resulted in the identification of certain regulations which may need more clarity or policy guidance.

Commissioner Brodeur asked how bet limits are controlled when patrons try to make more than one wager that is more than the set limit. Compliance Manager Costello explained that scenario would be controlled based on daily, weekly, or monthly spend limits. Commissioner Brodeur also asked about whether patrons have to go through a certain process before they are allowed to bet again. Compliance Costello explained how cool-down periods for patrons work when such a time period is complete.

e. FanDuel request to use an alternate method of Know Your Customer ("KYC") identity authentication at the time of sports wagering account establishment pursuant to 205 CMR 248.04(4) (2:52:05)

Chief Torrisi reviewed FanDuel's request to use an alternate method of KYC pursuant to 205 CMR 248.04(4) related to identity authentication. She provided background about the tiered approach used by FanDuel for its account establishment KYC process. Representatives from FanDuel, Lexis Nexis, and GLI were present to answer questions.

Chair Maynard stated that the Commission anticipated that it would meet in executive session in conjunction with G.L. c.30A, §21(a)(7) and G.L. c.4, §7(26)(n), to review certain materials in connection with the sports wagering operator's processes and parameters during account creation related to customer verification and authentication, as these matters relate to cyber security within the Commonwealth, and the public discussion or disclosure of which is likely to jeopardize public safety or cyber security.

Commissioner O'Brien moved that the Commission go into executive session for the reasons and on the matter just stated by the Chair. Commissioner Hill seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

Chair Maynard noted that the Commission would reconvene the public session of the meeting following the executive session.

Transcriber's Note: The Commission entered executive session and reconvened the public session of this meeting at <u>03:26:44</u>.

Commissioner Hill moved that, pursuant to 205 CMR 248.04(4), the Commission approve FanDuel's use of an alternative method of Know Your Customer identity authentication at the time of sports wagering account establishment 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 Brodeur: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

9. Commissioner Updates (3:28:07)

Commissioner Hill provided a legislative update on the budget filed on January 22, 2025 by Governor Maura Healey, and new bills of interest which impact thoroughbred racing, responsible gaming, and online gaming. He noted that the proposed budget, which was just the first step in the process, failed to fund the Community Mitigation Fund for a second year. As to the bills, he noted that they included one that would create a Region D in the Worcester area for a casino, one

that would ban horse racing in the Commonwealth, and one that would allow a designated smoking area in gaming establishments, among others.

Commissioner Brodeur, Commissioner Skinner, and Chair Maynard expressed appreciation for the individuals who organized the Annual Martin Luther King Jr. Memorial Breakfast.

10. Other Business (3:35:00)

Having no further business, Commissioner Brodeur moved to adjourn. Commissioner Skinner seconded the motion.

Roll Call Vote:	
Commissioner O'Brien	Aye.
Commissioner Hill	Aye.
Commissioner Skinner	Aye.
Commissioner Brodeur	Aye.
Chair Maynard	Aye.

The motion passed unanimously 5-0.

List of Documents and Other Items Used

- 1. Notice of Meeting and Agenda dated January 23, 2025
- 2. Commissioner's Packet from the January 23, 2025 meeting (posted on massgaming.com)