

# Massachusetts Gaming Commission Meeting Minutes

Date/Time: October 2, 2024, 11:00 a.m.

Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292 PARTICIPANT CODE: 111 166 6792

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:**

Interim Chair Jordan Maynard Commissioner Eileen O'Brien Commissioner Bradford Hill Commissioner Nakisha Skinner

## 1. <u>Call to Order</u> (00:00)

Interim Chair Maynard called to order the 534<sup>th</sup> Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all four commissioners were present for the meeting.

#### 2. Sports Wagering Division (0:33)

a. Presentation of Sports Wagering Operators Q2 Quarterly Reports

Transcriber's Note: The Commission heard the presentation from DraftKings, agenda item 2(a)(III), prior to BetMGM's presentation.

### I. BetMGM (26:42)

Senior Director of Compliance Sarah Brennan and Director of Licensing Josh Wyseman presented BetMGM's Sports Wagering Quarterly Report for Q2 2024. The presentation included the following topics: revenue, human resources, vendor utility, compliance, responsible

gambling, the lottery, and diversity, equity, and inclusion. BetMGM's Q2 Report was included in the Commissioners' Packet on pages 3 to 24.

Commissioner Skinner noted that BetMGM's cooling off statistics were impressive and that she was interested to see how the statistics will change over time as they add new initiatives.

### II. <u>Caesars Sportsbook</u> (42:02)

Digital Compliance Manager Curtis Lane Jr., VP of Compliance and Licensing Lisa Rankin, VP of Procurement Dave Schulte, Director of Diversity, Equity and Inclusion Greg Shinbur, SVP of Corporate Social Responsibility Kiersten Flint and Director of Responsible Gaming Programs Carolene Layugan made a presentation on Caesars Sportsbook and their Q2 2024 Sports Wagering Quarterly Report. The presentation included the following topics: revenue, workforce diversity, vendor and supplier diversity, compliance, responsible gaming, lottery engagement, and community outreach. *The full presentation was included in the Commissioners' Packet on pages 25 to 35*.

#### III. <u>DraftKings</u> (2:45)

Transcriber's Note: DraftKings's gave their presentation at the beginning of the quarterly reports presentation, prior to BetMGM's presentation.

Senior Director of Regulatory Operations Jake List, VP of Inclusion, Equity and Belonging Cristina Ackas, Senior Manager of Responsible Gaming Julie Hynes, and Director of Communications Jared Hess presented DraftKings's 2024 Q2 Quarterly Report. The presentation included the following topics: revenue, workforce and workforce diversity, vendor/supplier spend and supplier diversity, compliance, responsible gaming, the lottery and community, outreach and charitable impacts. *DraftKings' Q2 Report Presentation was included in the Commissioners' Packet on pages 36 to 62*.

During the Supplier Diversity Efforts portion of the presentation, Interim Chair Maynard asked VP Ackas if it was correct that a large portion of DraftKings's total diversity spend was in Massachusetts. VP Ackas stated that was correct, and a big part comes from one of DraftKings's technology contracts. She noted that the company does a lot of work within their local offices and is intentional about ensuring that spending on catering or other planning comes from diverse suppliers. VP Ackas stated that the company acknowledges that there are some things that won't change in the short term but that they are working to ensure that there are processes in place for when contracts come up.

In regard to Compliance, Interim Chair Maynard noted that the DraftKings's Monthly Underage Report was significantly higher than the previous quarter. Senior Director List stated that it was something the company needed to monitor and that some of these numbers may have been driven by the timing of the Superbowl and March Madness.

Commissioner Skinner asked Senior Director List if there had been any recent communication with the Massachusetts State Treasurer's office or the lottery about potential collaboration with DraftKings and if the company intended to integrate Jackpocket features into the sportsbook platform. He stated that they certainly intend to have collaboration between DraftKings and Jackpocket.

A discussion continued around the potential of having the lottery invited to a future meeting.

## IV. Fanatics Betting and Gaming (1:03:37)

Senior Regulatory Counsel Michael Levine, HR Director Stephanie Althouse and Responsible Gaming Senior Manager Anthony D'Angelo presented Fanatics Betting and Gaming's Q2 2024 Massachusetts Sports Wagering Quarterly Report with the following topics: revenue, workforce diversity, vendor diversity and Massachusetts-specific spend, responsible gaming metrics, Responsible Gaming tool usage in Massachusetts, a lottery update, community outreach, and charitable impacts. Fanatics Betting and Gaming's Q2 report was included in the Commissioners' Packet on pages 63 to 76.

During the Responsible Gaming and Underage Report Metrics portion of the presentation, Commissioner Skinner asked Sr. Manager D'Angelo what Fanatics attributed to the increase in underage individuals wagering or attempting to wager during the month of June. Sr. Manager D'Angelo stated that because they were newer in the market, underage individuals who cannot access other platforms tend to try to wager on Fanatics. However, he emphasized that in general, all their numbers regarding sign-ups were increasing due to further awareness in the industry. He added that all of the underage individuals who attempted to wager are suspended. Commissioner Skinner stated that if they gain additional insight into the increase, it should be included in the next quarterly report. Interim Chair Maynard shared Commissioner Skinner's sentiment.

#### V. FanDuel (1:19:47)

VP of Regulatory Richard Cooper, Senior Director of DE&I Keita Young, and Senior Director of Responsible Gaming Ashley Cahill presented Fanduel's Q2 2024 Sports Wagering Quarterly Report. The presentation included the following topics: revenue, compliance, diversity, equity, and inclusion strategies and their impacts, responsible gaming, their Kindbridge partnership expansion, and their ambassador program. *Fanduel's Q2 Report was included in the Commissioners' Packet on pages 77 to 97.* 

During the DEI portion of FanDuel's presentation, Commissioner Skinner commended Senior Director Young for her efforts and dedication to DEI. A discussion ensued about the number of quantitative goals in their DEI efforts.

During the presentation on FanDuel's Responsible Gaming Tool Usage in Massachusetts, Commissioner Skinner asked Senior Director Cahill if she had any comparative statistics from last quarter to reflect the increase in tool usage. Senior Director Cahill stated that the numbers present on the slide were reflective of the increase and noted that it was a small increase.

#### VI. Penn Sports Interactive (2:11:39)

The Commission reconvened after a short break. A roll call was taken, and all four of the commissioners were present.

HR Director Armina Hasan and VP of Talent Acquisition and People Jimmy Tristovski presented Penn Sports Interactive's Q2 2024 Quarterly Report. The presentation included the following topics: revenue, workforce diversity, vendor and supplier diversity, compliance, responsible gaming, the lottery, and community, outreach and charity. *Penn Sports Interactive's Q2 Report was included in the Commissioners' Packet on pages 98 to 115*.

### 3. <u>Investigations and Enforcement Bureau</u> (2:22:30)

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.

Enforcement Counsel Nathaniel Kennedy presented a series of noncompliance matters by BetMGM, LLC ("BetMGM"). He reminded the Commission that in February 2024, the IEB presented two matters, one involving improper wagers on player propositions in NCAA football and a non-compliance event involving penalty cards placed in soccer markets. Both matters were sent to the IEB for a full investigation and an adjudicatory hearing. After the IEB's investigation, BetMGM hired Gaming Labs International ("GLI") to conduct a full audit of their platform to determine if there were any other impermissible markets being offered. As a result of this audit, the IEB received information in June 2024 that BetMGM did offer wagers on Belarusian leagues. This information was presented to the Commission on August 1, 2024. Mr. Kennedy explained that in August 2024, the IEB was made aware of three additional noncompliance events.

Commissioner Skinner asked if the three additional noncompliance matters were discovered outside of the GLI audit process. Mr. Kennedy stated that these matters were self-reported by BetMGM as a part of the ongoing audit on BetMGM's platform.

Mr. Kennedy presented the new noncompliance matters. The first matter involved an additional 41 wagers on NCAA football player propositions, which brought the total amount of wagers to 15,480. The next noncompliance matter consisted of 13 player proposition wagers on the NCAA Men's basketball's National Invitation Tournament. Mr. Kennedy stated the next noncompliance matter involved 12 player proposition wagers on two NCAA Women's Elite 8 basketball games.

The last matter involved 106 wagers placed on Glory Kickboxing events. He stated that the IEB was looking for guidance from the Commission on these matters and if they would like them to be included in the existing investigation into the original noncompliance matters.

Commissioner Hill stated he would be fine adding the new matters into the existing investigation. Interim Chair Maynard, Commissioner Skinner, and Commissioner O'Brien shared this sentiment.

The Commission reconvened after a short break. A roll call was taken, and all four of the commissioners were present.

#### 4. Security at the Casino Facilities (2:36:59)

#### a. Executive Session

Interim Chair Maynard read the following into the record: "The Commission anticipates that it will meet in executive session in accordance with G.L. c.30A, §21(a)(4), G.L. c.30A, §21(a)(7), and G.L. c. 23K, §21(a)(7) and 205 CMR 139.02 to discuss the use and deployment of security personnel or devices, or strategies with respect thereto, specifically with regard to firearms security at Encore Boston Harbor and Plainridge Park Casino; and to discuss the response to the Commission's internal control related directive submitted by Encore Boston Harbor and Plainridge Park Casino, related to the same subject matter. The public session of the Commission meeting will not be reconvened at the conclusion of the executive session."

Commissioner Hill moved to enter an executive session on the matter and for the reasons articulated by the Interim Chair. Commissioner Skinner seconded this motion.

Roll call vote:

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

#### 5. Commissioner Updates (2:37:08)

The Commissioners had no updates to share.

## 6. Other Business (2:37:21)

Seeing and hearing no other business, the Commission entered the executive session.

Transcriber's Note: The Commission did not reconvene the public meeting session.

## List of Documents and Other Items Used

- Notice of Meeting and Agenda dated September 30, 2024
   Commissioners' Packet from October 2, 2024, meeting (posted on massgaming.com)