



Massachusetts Gaming Commission Meeting Minutes

Date/Time: November 7, 2024, 12:00 p.m.
Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 652 5701

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 539th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

Chair Maynard introduced and welcomed Commissioner Brodeur as the newest commissioner.

2. [Meeting Minutes](#) (04:08)

- a. August 17, 2023
- b. September 13, 2023
- c. September 18, 2023
- d. September 21, 2023
- e. October 19, 2023

The public meeting minutes for the above-mentioned dates are included in the Commissioners' Packet on pages 4 through 62.

Commissioner Skinner moved that the Commission approve the minutes from the August 17, 2023, September 13, 2023, September 18, 2023, September 21, 2023, and October 19, 2023 meetings that are included in the Commissioner's 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.

3. [Administrative Update](#) (05:48)

Executive Director of the Commission Dean Serpa welcomed Commissioner Brodeur on behalf of the staff. He reminded the commissioners of an upcoming visit to a Community Mitigation site.

a. [Overview of Supporting Affordability and Fairness with Every Bet \(SAFE Bet\) Act](#) (08:52)

Executive Director Serpa turned it over to the Director of the Research and Responsible Gaming Division, Mark Vander Linden, who, at the request of the Commission, provided an overview of the federal Supporting Affordability and Fairness with Every Bet Act, commonly known as the SAFE Bet Act, H.R. 9590. He explained that the SAFE Bet Act intends to address public health implications inherent in the widespread legalization of sports betting and would require states that offer sports betting to meet minimum federal standards in advertising, affordability, and AI. He highlighted some important parts of the bill.

Commissioner Skinner asked whether Congress gave the public an opportunity to comment on this bill. She expressed that she is interested in any other comments that may have come in, especially from operators. Commissioner Hill explained that it would go through a public hearing process similar to other bills but clarified that he doesn't know the current status of the bill. He responded that the bill would go to a committee for review, and a date would be scheduled during which members of the public can testify on the bill. Commissioner Skinner asked the team to track the status of the bill in Congress and keep apprised of any comments. Commissioner Brodeur clarified that Congress does not schedule a hearing on every bill and that it is not uncommon that a piece of legislation can fail to pass without any action taking place. Commissioner Skinner proposed that the Commission discuss adding a Director of Legislative

Affairs role in the future. Chair Maynard affirmed Commissioner Skinner's comments that if there are public comments on the SAFE Bet Act, all of the commissioners would like to see them.

4. [Sports Wagering Division](#) (18:12)

Chief of the Sports Wagering Division Carrie Torrissi turned it over to Compliance and Operations Manager Andrew Steffen to discuss the next agenda item.

- a. [Review of Mike Tyson vs. Jake Paul boxing match scheduled for November 15, 2024 for discussion of whether to exclude from approved sports wagering event catalog](#) (18:30)

Manager Steffen provided an overview of an upcoming boxing match on November 15, 2024 between Mike Tyson and Jake Paul. He explained that this event is allowed under the current Massachusetts Event Catalog and highlighted two rule changes and three jurisdictions that have decided to prohibit wagering on this event. Manager Steffen concluded that after careful consideration and research, the Sports Wagering Division recommends letting the event stand as approved for wagering within the Event Catalog.

Commissioner O'Brien commented that the most influential fact for her in allowing this event to stand as approved under the catalog is that the proposed rule changes are related to safety. She requested that the commissioners discuss in the future whether they would like exhibitions to move forward as a matter of course or whether they would like to add any other parameters. Commissioners Hill and Skinner agreed that safety was influential in their decision as well. Commissioner Skinner asked whether any of the sports wagering operator house rules speak to rule changes for these kinds of matches. Manager Steffen confirmed he has not seen anything in the house rules that address that.

Commissioner Brodeur noted for the record that he supports sports wagering on this fight and would not be bringing forward a motion to prohibit wagering. Chair Maynard stated that if they did ban this event, it would only potentially move patrons to the illegal market, and that he is inclined to agree with the other commissioners in allowing this event to move forward.

- b. [Update regarding BetMGM and DraftKings' compliance with the requirement to hash and encrypt confidential and personally identifiable information as outlined in 205 CMR 257.03\(4\)](#) (27:01)

Chief Torrissi provided an update on DraftKings' and BetMGM's compliance with the requirements of 205 CMR 257.03(4) related to data sharing. She noted that the DraftKings and BetMGM were given waivers from the requirement to hash and encrypt confidential and personally identifiable information until November 15, 2024 to allow time for Commission staff to review and for the Commission to approve their alternative proposed methods. She stated that

after review by ITS, it was determined that the operators misunderstood the regulatory requirements as the regulation only relates to data in transit as opposed to data in storage. She concluded that following ITS's review, it was determined that DraftKings and BetMGM were in compliance with this section of the regulation, and they did not need any alternate methods to be approved by the Commission. She further explained that as result of those conversations, ITS proposed that some clarifications be made to the regulations which are on the agenda to review with Legal. Therefore, no additional action was needed related to this issue and the current waivers will run their course.

Commissioner Skinner asked what language in the regulation was misinterpreted and whether it was a true misinterpretation or if the Commission was not clear enough in the regulation. Chief Torrasi explained that "data sharing" has different meaning in the IT versus legal worlds and that that's where the misunderstanding arose from. Commissioner Skinner also inquired about whether it was necessary to consult with the Massachusetts Attorney General's Office ("MA AGO") on this issue. Deputy General Counsel Justin Stempeck responded that the suggestions were made by ITS to distinguish between data in transit and data at rest. He stated that they were not reviewed by the MA AGO as they are consistent with industry best practices from an information security perspective. Commissioner Skinner stated she would feel better if we consulted with the MA AGO as since there was room for the sports wagering operators to misinterpret the regulation, she wanted to know if the MA AGO had the same misinterpretation and if they had any concerns. Chief Torrasi explained that the sports wagering operators are in compliance with the regulation as it is currently written.

5. [Legal](#) (34:59)

- a. [205 CMR 257: Sports Wagering Data Privacy – Discussion and Review of Regulation Amendments and Small Business Impact Statement for authorization to begin the promulgation process by Commission](#) (35:26)

Deputy General Counsel Stempeck continued the previous conversation regarding 205 CMR 257 and introduced Attorney Mina Makarious from Anderson Krieger to further discuss the proposed amendments to this regulation. Attorney Makarious noted that with regards to working with the MA AGO, they were aware that waivers were provided to the operators and were involved in conversations with the operators. Chair Maynard confirmed that he also recalls the previous involvement of the MA AGO. Deputy General Counsel Stempeck explained that the clarification in the regulation is in regard to protections surrounding data at rest versus data in transit and that they follow best industry practices within the IT sphere. Attorney Makarious added that based on his conversations with the MA AGO about the waivers, their concern was ensuring protection against unauthorized access to data which is what the proposed amendments intend to do in clear language for IT professionals. Deputy General Counsel Stempeck clarified that this is the first round for review of these amendments and confirmed that they can send this regulation to the MA AGO for review upon Commissioner Skinner's request.

Kevin Gauvreau provided additional explanation on the changes to this regulation, noting that the changes clarify what needs to be done when data is stored in a file format or database versus when it is transmitted over the network to a third party.

Commissioner Hill 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 the 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 238.12: Additional Uniform Standards of Accounting Procedures and Internal Controls for Sports Wagering- Discussion and Review of Regulation Amendments and Small Business Impact Statement for authorization to begin the promulgation process by Commission \(42:51\)](#)

Deputy General Counsel Stempeck introduced 205 CMR 238.12 and turned it over to Attorney Makarious, who provided background on the history of the regulation. He explained that this regulation first came before the Commission as part of changes the Commission made to address the potential cessation of operations by operators that were being contemplated in order to protect consumers. He then walked through the options regarding the regulation, including the first option which maintains the current requirement to protect patron wagers that are still in play by a letter of credit, the second option which broadens the letter of credit requirement to also cover money held in sports wagering accounts but which has the greatest expense to it, and a third option which requires a letter of credit for only amounts in sports wagering accounts.

Chair Maynard asked whether what the current regulation requires is more protective of consumers than other jurisdictions. Attorney Makarious confirmed that this is true and that they are not aware of any other state that has a letter of credit requirement to back up wagers in play and wagers that have not been awarded yet.

Commissioner O'Brien asked if there is any way for the regulations to be written in such a way as to essentially give unused funds or wagered funds the status of a secured creditor so there is prioritization during bankruptcy due to our regulations. Attorney Makarious explained that the only way to guarantee immediate access to the funds is to have them set aside in a separate instrument, such as a line of credit or bond or something else that is accessible entirely outside of the bankruptcy process.

Commissioner Brodeur asked whether a bond is only reachable to cover a particular set of creditors. Attorney Makarious confirmed that a bond or a letter of credit would provide better protection than under the Bankruptcy Code. Commissioner Brodeur then asked about the track record of the industry. Deputy General Counsel Stempeck explained previous instances of operators ceasing operations, the risk of bankruptcy, and described this regulation as a “belts and suspenders” approach.

Commissioner Skinner asked whether they had heard from the operators on this regulation. CFAO Derek Lennon confirmed that the impetus for proposed amendments to this regulation is coming from the operators and that he has already spoken with them to explain that Massachusetts is focused on consumer protection and the patron. He stated that he anticipates that operators will have additional comments about this regulation and that several operators inquired about the option of using a surety bond since that is more cost effective than a letter of credit.

Commissioner O’Brien asked about a multi-prong approach to this regulation and having operators let patrons know about the amount of funds in their account in an effort to have them draw down their account. Commissioner Brodeur asked about the average amount of funds sitting in funds. Chief Lennon noted that they could ask the operators about that but that it would likely vary by operator. Commissioner O’Brien clarified that the Commission has not set a maximum amount of funds that can be held in an account. Commissioner Hill stated that he is fine with the regulation as is and that it allows for enough consumer protection as currently written. Chair Maynard stated that this regulation already provides higher protection for consumers and agreed with Commissioner Hill. The commissioners asked for comments from patrons, operators, and the MA AGO. Commissioner Brodeur asked for a cost benefit analysis of the different options. Commissioner O’Brien emphasized Commissioner Brodeur’s earlier question about how much funds are sitting in accounts. The commissioners asked to put this on a future agenda for further review and discussion.

- c. [205 CMR 107: Professional practice– Discussion and Review of Proposed Regulation, and Small Business Impact Statement for Review and Approval to start the promulgation process](#) (1:50:11)

Transcriber’s Note: Following a short break, the Commission completed a roll call vote with all commissioners present and tabled discussion of this agenda item until after agenda item #9. After discussing agenda item #9, the Commission returned to this agenda item.

Staff Attorney Autumn Birarelli introduced proposed amendments to 205 CMR 107 which governs professional practice before the Commission. She explained that the proposed amendment to 205 CMR 107.02 incorporates the requirements of Massachusetts Rules of Professional Conduct Rule 5.5(d), which allows an out-of-state attorney who provides legal services to their employer to provide such services in Massachusetts if the employer has a

continuous presence in Massachusetts. Commissioner O'Brien asked whether the requirement for a continuous presence envisions a continuous physical presence rather than a consumer presence like some of the sports wagering operators. Staff Attorney Birarelli responded that she thinks of it more as in they avail themselves to the citizens of the Commonwealth. Commissioner Skinner suggested a slight edit to the language in the regulation to incorporate a requirement that such attorneys are in good standing in the jurisdiction they are licensed in and a requirement to disclose if they have any pending disciplinary proceedings. She provided suggested language. A discussion ensued about whether petitions should be required for attorneys to appear under this regulation amendment, including what would be required in such a petition for in-house counsel and private counsel, when such petitions would be filed and under what circumstances, and what other agencies currently require. General Counsel Grossman noted that they would withdraw the proposal at this time in order to take a closer look at the current regulation.

6. [Racing Division](#) (2:12:54)

a. [FY2023 Racing Annual Report](#) (2:12:54)

Director of Racing and Chief Veterinarian Dr. Alexandra Lightbown presented the Division of Racing's Annual Report for Fiscal Year 2023 and provided the highlights. She mentioned that in 2023, there were eighteen (18) adverse laboratory findings, including seven (7) which involved controlled therapeutic medications, which are drugs that a veterinarian might use to treat a horse. She provided additional background about the process for these laboratory findings.

Commissioner Skinner asked why we are a year behind, reviewing the report from FY2023. Director Lightbown responded it is a timing issue with their limited staff.

Financial Analyst Chad Bourque then provided a brief summary of the Racing Division's financial information contained in the report.

7. [Finance](#) (2:23:04)

a. [Contract/Procurement Delegated Authority Threshold](#) (2:23:04)

CFAO Lennon introduced Finance & Budget Office Manager John Scully who presented on various procurement thresholds. He summarized that the Commission conducts its procurement process in a fair and transparent manner consistent with guidance from the Operational Services Division ("OSD") and Office of the State Comptroller ("OSC"). He elaborated that since the Commission is responsible for approving the budget process and procurements which directly impact the budget, the Commission may elect to be involved in certain procurement activities. Manager Scully summarized that the Finance Division is seeking guidance about what level of participation the commissioners would like to have in the process.

Commissioner Hill asked for clarification about whether they were being asked to delegate authority on a procurement threshold. Chief Lennon clarified that there is currently no such procurement threshold as the Commission just approved its budget and the Finance Division continues to follow thresholds set by OSD and OSC. Commissioner Hill provided background information about the Commission’s budget process, including as to reviewing items related to procurement. Chief Lennon summarized that they are asking the Commission whether they want to set a dollar threshold as well as their level of involvement on the committee once that threshold is set (reviewer, non-voting, voting). A discussion ensued about the possible threshold amounts and how often commissioners have been involved in procurements.

Commissioner Skinner stated she does not want to take away the administrative oversight of the procurement process from the CFAO or the Finance Division or the procurement team. She stated that she doesn’t believe Commissioners need to provide another layer of oversight. Commissioner Brodeur agreed with Commissioner Skinner. Chair Maynard affirmed Commissioner Skinner’s comments but requested that a memo be provided to the Commissioners with information on high value contracts. Commissioner Skinner asked that such memo provide information on all contracts.

The commissioners reached a consensus about a protocol moving forward regarding procurements in syncing it with the budget cycle.

8. [Community Affairs Division](#) (2:51:17)

a. [FY2026 Community Mitigation Fund Guidelines](#) (2:51:17)

Chief of the Community Affairs Division Joseph Delaney presented the final Community Mitigation Fund Guidelines for Fiscal Year 2026. He stated that they did not receive any public comments on the guidelines and indicated that the Community Affairs Division is seeking a vote to approve the guidelines. Chair Maynard asked whether there is a relief valve for additional funds to fund a project in the future. Chief Delaney confirmed that is correct.

Commissioner Hill moved that the Commission adopt the FY 2026 Community Mitigation Fund guidelines 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. [Discussion regarding collective bargaining of the SEIU Local 888 Agreement](#) (1:24:08)

a. [Executive Session](#) (1:24:08)

Transcriber's Note: Discussion of this agenda item occurred prior to discussion on agenda item #5(c).

Chair Maynard stated that the Commission anticipates that it will meet in executive session in accordance with G.L. c.30A, §21(a)(3) to discuss strategy with respect to collective bargaining of the SEIU Local 888 Agreement, as discussion at an open meeting may have a detrimental effect on the bargaining position of the Commission.

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

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.

Transcriber's Note: The Commission entered executive session and reconvened the public session of this meeting at [1:50:11](#).

10. [Commissioner Updates](#) (2:54:33)

Chair Maynard confirmed there are no commissioner updates.

11. [Other Business](#) (2:54:41)

Chair Maynard confirmed there is no other business.

Commissioner Brodeur moved to adjourn. 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.

List of Documents and Other Items Used

1. [Notice of Meeting and Agenda dated November 5, 2024](#)
2. [Commissioner's Packet from the November 7, 2024 meeting](#) (posted on massgaming.com)