



Massachusetts Gaming Commission Meeting Minutes

Date/Time: December 7, 2022, 10:00 a.m.
Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 421 2543

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 407th 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 began the meeting by stating 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 highlighted that awarding a sports wagering license was 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 engendered the confidence of the public and maximized the benefits to the Commonwealth. She then briefly explained the agenda for this public meeting.

2. [Legal Framework relative to the award of a sports wagering license](#) (06:00)

General Counsel Todd Grossman stated that this meeting was the Commission's opportunity to evaluate the application for a category one sports wagering license submitted by Blue Tarp reDevelopment, LLC, d/b/a MGM Springfield ("MGM"). He explained that under G.L. Chapter 23N, § 6(b)(1), the Commission shall issue a category one sports wagering license to any holder of a gaming license under G.L. Chapter 23K, provided that any holder of a category one sports wagering license shall not receive a category two sports wagering license.

General Counsel Grossman stated that MGM held a gaming license under G.L. Chapter 23K. He stated that category one sports wagering license was defined in G.L. Chapter 23N, § 3 as a license issued by the Commission that permits in-person sports wagering at a gaming establishment; and not more than two individually branded mobile applications or digital platforms approved by the Commission. He stated that entities operating the mobile platforms would be required to have a category three sports wagering license.

General Counsel Grossman stated that 205 CMR 218 set out the application 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 to review factors nor did the regulation assign particular weight to the factors. He stated that the Commission may require that the applicant provide additional information or documents the Commission deemed appropriate.

General Counsel Grossman noted that the evaluation of this application was being conducted in public and that all deliberations made by the Commission must 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 submitted in the course of the application process. He stated that if the Commission requested answers pertaining to 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 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; suitability of the applicant and qualifiers; and any other appropriate factor in the Commission's discretion.

General Counsel Grossman stated that the Commission could determine 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 an operator was licensed to operate. He stated that additional conditions could be placed on a license pursuant to 205 CMR 220. General Counsel Grossman noted that an operator would also require an operations certificate before they could commence sports wagering operations.

3. [Presentation of Application for Category 1 sports wagering operator license submitted by Blue Tarp reDevelopment, LLC \(d/b/a MGM Springfield\) \(“MGM”\) in accordance with 205 CMR 218.06\(3\) \(20:16\)](#)

Jed Nosal, Outside Licensing and Regulatory Counsel for MGM, introduced Chris Kelley, President and COO of MGM, Arlen Carballo, MGM’s Executive Director of Finance, Beth Ward, MGM’s Director of Community Affairs, Dan Miller, MGM’s Director of Compliance, Gus Kim, MGM’s Legal Counsel, Danielle White, MGM’s Vice President of Community Engagement, Garrett Farnes, MGM Resorts International’s (“MGM Resorts”) Director of Responsible Gaming, and Jae Rim MGM Resorts’ Director of Financial Investigations. He stated that other members of the team were on the call, and might be called on if their expertise was required to answer questions.

Mr. Nosal stated that MGM was requesting that the Commission make a durable finding of suitability and grant MGM a category one sports wagering license. Mr. Kelley explained that MGM Resorts had operated sportsbooks since 1979. He stated that MGM Resorts was active in twenty-four jurisdictions with anticipated markets in thirty-one jurisdictions.

Mr. Kelley explained that MGM had made a decision before sports wagering legislation was passed to spend millions of dollars creating a large sports viewing area, where patrons could engage in sports wagering and elements of the resort at the same time. He stated that this area was easily accessible from the Main Street entrance of MGM.

Mr. Kelley stated that MGM was one of the largest employers and taxpayers in the City of Springfield. He stated that MGM’s employment goals were to have 50% minority employees, 2% veteran employees, 50% women employees, and 35% Springfield resident employees. He stated that MGM was meeting or exceeding all of these goals except for its goal aimed towards women employees.

Mr. Kelley explained that MGM offered hiring events, paid dealer trainings, health benefits, and free meals for all employees. He noted that MGM was actively filling open positions and had more than 250 job requisitions. He stated that tax projections were provided in the application, but because those data points were confidential, MGM chose to present a snapshot of the Tunica, Mississippi location’s revenue. He stated that this location had \$65.9 million in revenue for 2021 and \$34.7 million through quarter three of 2022. He stated that the construction of the sports lounge and betting area was completed in August 2021 and that expenses totaled approximately \$4 million.

Ms. Ward presented on community engagement. She explained that MGM was involved in programs focusing on food insecurity, sustainability, and workplace development. She stated that MGM sponsored the Spirit of Springfield and donated to several local non-profits. She stated that MGM employees helped Source to Sea clean up the Connecticut River and volunteered at a local soup kitchen, Loaves and Fishes. She explained that MGM participated in the adopt-a-school program, sponsored a breast cancer walk, worked with Habitat for Humanity, and partnered with the non-profit, Rachel's Table. She noted that MGM donated unused food and hosted the Mayflower Marathon food drive.

Mr. Farnes stated that MGM and BetMGM had integrated GameSense into their guest service models. He stated that MGM used a holistic and comprehensive approach to responsible gaming which emphasized consumer education and mitigating gambling related harm. He explained that MGM used research to reinforce positive play, and that MGM employees were trained in best practices related to responsible gaming. He noted that MGM Resorts partnered with regulators, advocacy groups and external organizations to continue progressing in the field of responsible gaming. He stated that over 200 GameSense advisors were certified company-wide over the past year. He stated that he would conduct the responsible gaming trainings at MGM.

Mr. Farnes stated that MGM properties had responsible gaming awareness advertisements on signage at the properties, on the slot machines, by the ATMs, and on marquees. He stated that MGM prioritized adding multiple GameSense touchpoints through the property to spark interest in responsible gaming. He stated that sports-centric responsible gaming messaging would be added when sports wagering was implemented. He stated that MGM saw 100,000 website visits related to GameSense.

Mr. Farnes stated that MGM abided by the American Gaming Association's ("AGA") code of marketing and all regulatory requirements. He stated that safeguards were added to compare daily automated reports to the voluntary self-exclusion ("VSE") list. He stated that MGM Resorts had donated \$430,000 to the International Center for Responsible Gaming and partnered with EPIC Risk Management to develop training modules.

Ms. White explained that MGM focused on human capital to create an inclusive culture. She stated that MGM was growing its supplier diversity program and cultivating relationships with diversity centers of excellence. She stated that there was a DEI team with established supplier and internal diversity goals. She stated that MGM included diversity in the design of programmatic solutions, processes, and job sourcing.

Mr. Miller stated that MGM Springfield would use the system provided by BetMGM for all sports events. He stated that the sports wagering counter would have tills that allow cashiers to issue, redeem, or void wagers. He stated that all employees would go through job specific training and sports wagering training. He stated that when bets were placed at kiosks there would be ID verification and suspicious-activity monitoring.

Mr. Rim stated that the know-your-customer (“KYC”) program was integral to the company’s anti-money laundering (“AML”) program as it made customers known to the company. He explained that methods of review included KYC, source-of-wealth, source-of-funds, adverse media review, ID screening and ongoing monitoring screening.

Mr. Nosal stated that MGM and its qualifiers were found suitable in December 2013, and that their suitability and licensure was in good standing. He stated that MGM had a policy of transparency with compliance and that business-related litigation was self-reported to regulators. He stated that MGM Resorts had consolidated net revenues of \$3.4 billion as of Q3 2022. He stated that MGM Resorts had \$5.295 billion in cash and cash-equivalent assets. He noted that this information was available in Securities and Exchange Commission filings.

4. [Presentations and Analysis Relevant to Review and Evaluation of Application for Category 1 Sports Wagering Operator License Submitted by MGM](#) (1:34:14)

a. Technical Components- Gaming Laboratories International (“GLI”)

Chair Judd-Stein provided an initial overview of GLI. She explained that GLI was the first company to develop and set gaming technical standards, which are now considered an industry benchmark. She stated that GLI continued to innovate standards; and that regulators relied upon these standards to preserve the integrity of the industry. She then introduced GLI’s Director of Client Solutions, Joe Bunevith.

Director Bunevith, explained that before the test lab could make submittals, the Commission would need to approve 205 CMR 138, 205 CMR 238, 205 CMR 247, and 205 CMR 248. He noted that those regulations were scheduled for a vote in the following week. He stated that after those regulations were approved, the operators would submit the code for their sports wagering system and hardware to GLI for testing. He explained that the code would be tested in a locked-down environment to verify compliance with regulations and GLI standards and Massachusetts specific requirements. He remarked that additional testing would take place at the retail point-of-sale and that these tests would take two to three days. He concluded by stating that GLI would also review operators’ internal controls and procedures.

b. [Report on Suitability of the Applicant](#) (1:40:24)

Chief Enforcement Counsel Heather Hall explained that when evaluating MGM’s suitability for a sports wagering license the Commission could utilize information obtained from suitability investigations related to G.L. Chapter 23K. She stated that in 2013, the Commission found MGM and each of its then qualifiers, both individual and entity, suitable in connection with its application under G.L. Chapter 23K. She added that new qualifiers who joined the company also submitted to background process as well. As stated in the executive summary, Chief Enforcement Counsel Hall noted that the applicant remained in good standing with its ongoing

suitability requirements. She confirmed that she would remain available throughout the remainder of the meeting if Commissioners had questions.

c. [Financial and Economic Impact Analysis](#) (1:43:06)

Partner from RSM US LLP (“RSM”) Greg Naviloff stated that RSM had reviewed sections of the application related to finance. Jeff Katz, RSM’s Strategic Finance Practice Leader, Chuck Torrisi, RSM’s Director of Financial Investigations and Disputes, and Connor Loughlin, RSM’s Director of Financial Consulting.

Mr. Torrisi stated that the estimated market share analysis was linked to RSM’s projected revenue analysis. He stated that part of RSM’s analysis used external research to identify the likely Massachusetts sportsbook market size, and compare it with MGM’s market share assumptions.

Mr. Katz stated that RSM also used data from other jurisdictions where sports wagering was legalized to look at the contribution mix for retail and online sports wagering. He stated that the market share for each casino was also considered. He reported that based upon this information, MGM was in-range in terms of its estimated market share.

Mr. Torrisi stated that the sportsbook would have revenue attributed to non-gaming impacts, such as from the bar. He stated that the Commission may seek to understand further the approach MGM was using to link their loyalty program with BetMGM. He stated that compared to the square footage of other sportsbooks MGM is somewhat smaller, but that the proposed square footage was in-line with revenue estimates. Mr. Naviloff noted that the square footage associated with retail gaming was not strongly correlated with revenue generated from those spaces.

Mr. Loughlin stated that MGM Resorts had \$33.9 billion in debts and commitments as of September 30, mostly due to long-term lease commitments. He stated that MGM Resorts had reduced senior bonds and notes exposure due to the sale of growth properties. He noted that the average remaining lease term was approximately twenty-seven years. He stated that MGM had \$7.3 billion in total available liquidity, with \$5.2 billion in cash. Mr. Naviloff stated that MGM had significant liquid assets that could withstand business cycles.

5. [Review and Evaluation of Application for Category 1 Sports Wagering Operator License Submitted by MGM in Accordance with 205 CMR 218.00 Including, but not Limited to Consideration of the Following Criteria](#) (2:01:22)

a. Experience and Expertise related to Sports Wagering (205 CMR 218.06(5)(a))

Commissioner Hill asked if the proposed sports wagering area had always allowed for gaming. Mr. Kelley stated that the area of the property allowed for gaming, and was previously occupied by slot machines.

Commissioner Skinner noted that MGM's application stated that MGM would rely heavily on BetMGM and asked the applicant to explain that relationship further. Mr. Kelley stated that BetMGM was a joint venture, with 50% owned by MGM Resorts and 50% owned by Entain PLC, ("Entain"). He stated that BetMGM provided a service and platform for retail operations. He stated that all operations for MGM would be conducted by Springfield employees. Commissioner Skinner asked what services would be provided other than the platform. Mr. Kelley stated that there would be advisory services and a linked rewards system that occupied a separate database.

Commissioner Skinner noted that she was not pleased with how much of MGM's application referenced the BetMGM application. She stated that the missing details were needed to completely consider the category one applicant's application. She stated that she was not prepared for a full deliberation of this application without the benefit of reviewing the BetMGM application.

Mr. Nosal explained that the application relied on BetMGM as a vendor that provided services, and that MGM's application satisfied the rules and regulations to stand on its own. Commissioner Skinner asked if one of the services that BetMGM was providing was trading services, as that was a significant point of control and integrity for sports wagering operations. Mr. Kelley stated that odds-making was part of the BetMGM platform, and that BetMGM would train MGM in how to use the system. Mr. Nosal stated that while BetMGM was providing the training and platform, that the MGM staff would be operating the system.

Commissioner Maynard asked for clarification regarding the *Edit-My-Bet* and *Share-My-Bet* functions. Mr. Miller noted that these two features were available only on the mobile application and would not be used in the retail setting. Commissioner O'Brien noted her disappointment that MGM's category one application repeatedly referenced BetMGM's category three application and shared that some of her questions would not be timely until the Commission reviewed BetMGM's application.

Chair Judd-Stein inquired how many kiosks would be installed at MGM. Mr. Kelley stated that MGM had nine kiosks and was aiming for a total of eighteen kiosks to be installed on the gaming floor.

Chair Judd-Stein noted that due to the nature of the property, MGM had issues with minors accessing the gaming floor, and asked if MGM was comfortable with the design so that underage persons would not access the sports wagering location. Mr. Kelley stated that as of Q3, incidents of minors on the gaming floor had dropped by 90%, and added that MGM had recently added a Director of Security position.

The Commission reached consensus that MGM had met the Commission's expectations in regard to this section of the application.

b. [Economic Impact and Other Benefits to The Commonwealth If Applicant Is Awarded a License \(205 CMR 218.06\(5\)\(b\)\)](#) (2:24:34)

Chair Judd-Stein sought clarification as to whether the supervisor positions would be able to monitor the lines. John Grooms, BetMGM's Director of Retail Sports confirmed that supervisors at the sportsbook set the lines. He stated that supervisors would consult the trading team on movement and monitoring of lines.

Chair Judd-Stein noted that the application did not include any non-wagering revenue increases despite there being a bar near the sports wagering area. She asked if there was opportunity for MGM to leverage the retail site for more non-gaming revenue. Mr. Nosal stated that projections were calculated in a conservative manner, and that MGM's aspirations might be different than the projected numbers presented. Mr. Kelley added that it was an issue of expectation in comparison to aspirations and noted that MGM was facing difficulty in hiring efforts.

Commissioner O'Brien asked what MGM would do to focus on hiring Massachusetts employees rather than having a hiring push in Connecticut. Commissioner Maynard asked if the new positions were net new positions, or existing employees who would take on new roles. Mr. Kelley stated that the positions were net new positions and highlighted that over 75% of MGM's staff was from Springfield. He stated that approximately 80% of MGM's staff was from Massachusetts.

Commissioner Maynard noted that MGM's answer regarding the lottery did not discuss MGM's existing partnership with the lottery and asked for further clarification about that relationship. Mr. Kelley stated that lottery units were on the floor at MGM in portions of the business highly visible to guests, and that MGM provided lottery updates in their quarterly reports. Mr. Nosal noted that the formal agreement between MGM and the lottery was required by G.L. Chapter 23K. Chair Judd-Stein noted that BetMGM did not have a relationship with the Massachusetts lottery, and that there might be cross-marketing opportunities.

Chair Judd-Stein asked if the standard purchasing program used with local vendors worked as an economic driver. Ms. Carballo stated MGM had a robust program for identifying and working with vendors, and that MGM strived to meet its diversity goals.

The Commission reached consensus that MGM had met the Commission's expectations in regard to this section of the application.

c. [Applicant's willingness to foster racial, ethnic, and gender diversity, equity, and inclusion \(205 CMR 218.06\(5\)\(d\)\)](#) (2:41:04)

Commissioner Skinner reiterated that MGM's application deferred to the BetMGM application in several areas, and asked if MGM and BetMGM had a legal agreement. She asked if BetMGM

was expected to influence MGM's diversity goals. Mr. Nosal stated that the agreement between MGM and BetMGM was included in the BetMGM application, but that the document was marked confidential. Mr. Kelley stated that MGM's diversity goals and its approach to DEI would be driven by MGM's staff in Springfield.

Chair Judd-Stein stated that while MGM had yet to meet its workforce goal with respect to women, their numbers related to veterans and Springfield residents should be applauded. Mr. Kelley stated that MGM took pride in reaching its diversity goals, and that efforts were underway to continue to pursue the goal related to women.

Commissioner O'Brien asked what efforts MGM was making to increase their percentage of women employees, and asked if MGM could speak to the number of women in management roles.

Mr. Kelley stated that women did not return to the workforce post-covid in the same way men did. He stated that MGM had 300 open positions, most of which were in the food and beverage industry. He stated that there was a weekly hiring fair every Tuesday, and that MGM had increased outreach with external organizations. He stated that MGM benefited from a large network of universities and schools located nearby. Mr. Kelley stated that the last quarterly report showed that 36% of those in management positions were women, and that 44% of those in supervisory positions and above were women.

Commissioner O'Brien stated that there had been allegations that some of MGM's diversity numbers submitted to the Commission had been inflated. Mr. Nosal stated that it would be difficult to discuss ongoing litigation in the public setting.

Commissioner Hill sought further details regarding the DEI program moving diverse candidates to managerial positions. Ms. White stated that MGM launched a mentorship program in 2023 pairing existing leaders with aspiring leaders. She stated that MGM also launched the accelerated leadership program in 2020. Mr. Kelley stated that MGM worked with suppliers with diverse backgrounds to give them assistance in becoming vendors to the property

The Commission reached consensus that MGM had met the Commission's expectations in regard to this section of the application.

d. [Proposed measures related to responsible gaming \(205 CMR 218.06\(5\)\(c\)\)](#) (3:32:25)

Commissioner O'Brien inquired about what responsible gaming guardrails were in place and asked about the fine given to BetMGM in Canada in April. Mr. Farnes stated that MGM tried to increase awareness and visibility of responsible gaming. He stated that the patrons have access to tools to mitigate gambling related harm through the VSE and internal self-limits. He stated that all team members are trained in responsible gaming facets and where to find resources available on-site.

Commissioner O'Brien asked if there were guardrails related to marketing and advertising. Mr. Farnes stated that MGM follows the AGA code of conduct and best practices for responsible gaming. He stated that training and developing relationships with team members was essential. He stated that MGM wanted to reemphasize its focus on player health and creating a culture of responsibility.

Commissioner O'Brien asked if BetMGM had policies about creating relationships with colleges or universities. Mr. Farnes stated that BetMGM avoids partnerships with collegiate sources to prevent exposure to potentially vulnerable populations.

Sarah Brennan, Senior Director of Compliance for BetMGM, stated that BetMGM was involved at the retail level for ensuring the correct helpline is available to patrons and jurisdictionally specific language was included. She stated that BetMGM was operational in twenty-seven jurisdictions and ensured that their national advertisements comply with each jurisdiction's language.

Ms. Brennan explained that the fine in Ontario was due to human error, as an employee was not fully trained and inadvertently published an advertisement that would be legal in other jurisdictions, but not Ontario. She stated that it was an honest mistake, and that BetMGM worked with Ontario regulators to remove the offending materials and also retrained the BetMGM staff person.

Ms. Brennan stated that BetMGM found it paramount to self-report instances of non-compliance. She stated BetMGM investigates how these instances occur and enact mitigation efforts. She stated that the original \$48,000 fine was lowered to \$32,000 because BetMGM immediately corrected the situation. She stated that BetMGM has not had further marketing compliance issues in other jurisdictions.

Chair Judd-Stein commended MGM Resorts for their adoption of GameSense across the company. Mark Vander Linden, Director of Research and Responsible Gaming, stated that MGM was a leader across gaming companies in terms of responsible gaming. Chair Judd-Stein asked what year MGM chose to adopt GameSense. Mr. Farnes replied that it was in 2017.

Commissioner Skinner asked for details regarding advertising and marketing campaigns BetMGM had launched. Ms. Brennan stated that BetMGM had brand ambassadors, and that BetMGM staff reviewed all scripts for radio and television advertisements. She stated that BetMGM kept affiliates informed of the dos-and-don'ts in the industry.

Commissioner Skinner requested more information regarding third-party affiliates. Ms. Brennan stated that BetMGM was affiliated with sports teams, Buffalo Wild Wings, Action Network, and Yahoo. She stated that these affiliates may advertise a BetMGM offer on their landing page. She stated that all partners who needed to be licensed are licensed. Commissioner Skinner asked if

BetMGM adhered to the AGA advertising guidelines. Ms. Brennan replied that BetMGM did follow the guidelines.

Mr. Miller stated that some of the oversight and review referenced by Ms. Brennan also occurred with the marketing team on-site at MGM. Commissioner Skinner noted that she had asked because the application had referenced the BetMGM application and did not provide expressly stated details.

Chair Judd-Stein noted that RSM had brought up the rewards system, and asked if the MGM and BetMGM rewards systems were integrated. Ms. Brennan stated that reward points earned for online play may be separate from rewards earned for in-person wagering.

The Commission reached consensus that MGM had met the Commission's expectations in regard to this section of the application.

e. [Technology that the applicant intends to use \(205 CMR 218.06\(5\)\(e\)\)](#) (3:55:17)

Chair Judd-Stein asked if GLI had access to BetMGM's application when reviewing the technology section as BetMGM's application was cross-referenced. Mr. Bunevith stated that he had prepared for the evaluation of MGM. Chair Judd-Stein noted that another independent test lab had tested MGM's platform and asked if GLI was familiar with MGM's platform. Mr. Bunevith stated that he was not familiar as GLI had not tested that platform.

Chair Judd-Stein sought clarification regarding the hardware and software for MGM's sportsbook. Mr. Miller stated that BetMGM was a service provider for the hardware and software, and that the technology had met the certifications and requirements of other jurisdictions being tested by the independent test lab, BMM.

Commissioner O'Brien asked how Entain was related to the technology in the application. Ms. Brennan explained that Entain was involved in providing a platform for the mobile operations, which would not be integrated at MGM. She stated that a more thorough description of Entain's involvement would be included in BetMGM's presentation the following week.

Bruce Band, Director of Sports Wagering, stated that GLI would be able to provide certification once they received BMM's report, but that MGM was still gathering the reports. Commissioner O'Brien stated that as the Commission did not have full information the vote should be held until the certification occurs.

Chief Financial and Accounting Officer Derek Lennon clarified that BMM was one of the Commission's certified independent test labs, and that it would meet the regulatory requirement as long as it met the GLI-33 standards. Chair Judd-Stein asked if there was an affirmative statement in the application that the software met the GLI-33 standard. Mr. Miller stated that the

application asserted that the platform met the GLI certification in other jurisdictions, but not Massachusetts.

Chief Information Officer (“CIO”) Katrina Jagroop-Gomes stated that all GLI had to do was certify that the equipment was tested according to the Commonwealth’s standards. She stated that it might be beneficial to have BMM confirm that they test to the GLI-33 standards.

Commissioner O’Brien noted that the checkbox was missing because BMM’s report was not yet available.

Mr. Nosal stated that the GLI certifications were required to receive an operations certificate and stated that receiving an operation’s certificate could be a condition of licensure. He stated that he was confident the system would meet Massachusetts’ standards. Commissioner O’Brien agreed, but noted that confidence was different than corroboration.

Chair Judd-Stein stated that she would like to rely on GLI’s consultant, but she did not have access to the testing for it to be reviewed. Mr. Bunevith stated that independent test labs test to GLI’s standards, but that GLI would ultimately need to certify their report.

Ms. Brennan noted that BetMGM had parallel certificates in other jurisdictions; verifying that the same product to be used at MGM had been found to be in compliance with GLI-33 standards. She stated that the report from the independent lab was to test for Massachusetts specific compliance.

Chair Judd-Stein noted that regulations allowed for the Commission to request that more information be provided. She stated that the Commission expected to receive more information during the BetMGM evaluation. Commissioner O’Brien stated that the application should be supplemented with more specificity in every instance where it referenced the BetMGM application.

Commissioner Skinner noted that the Commission had not received the certificate from GLI regarding Penn Sports Interactive’s application in connection with Plainridge Park Casino’s application. Commissioner O’Brien stated that her concerns stemmed from MGM’s application referencing an answer in BetMGM’s application without attaching that response. She suggested that the Commission’s decision regarding MGM be deferred until the Commission evaluates BetMGM or until MGM supplements their answers. Commissioner Skinner agreed. Mr. Nosal stated that MGM would provide supplemental information. Chair Judd-Stein stated that she was comfortable deferring the decision until more information was received.

Commissioner Maynard asked about the relationship between the window, kiosk, and mobile application and how data flows between those entities. Mr. Rim stated that the data was all stored in a main database, and that the MGM office had individuals who could run a script to pull information from kiosks and patrons wagering at windows. He stated that all of the data would be gathered into a repository system. He stated that data aggregation occurred on a monthly

basis. He stated that the compliance team also could pull information to investigate suspicious activity.

Chair Judd-Stein asked which sections the Commission wanted supplemental information regarding. Commissioner O'Brien stated that section F(3) did not appear to be accurate in connection with MGM and asked that answers be more specific to the retail location with less references to BetMGM.

f. [Suitability of the applicant and its qualifiers \(205 CMR 218.06\(5\)\(f\)\)](#) (4:19:34)

Commissioner O'Brien asked if there were any changes to Mr. Diller's status in terms of suitability. Chief Enforcement Counsel Hall stated that there had not been changes, and that MGM's legal team was aware they would need to provide the Commission staff with ongoing disclosures.

Commissioner O'Brien asked why BetMGM was not listed as an entity qualifier for MGM as they were involved with the moving and setting of lines. Chief Enforcement Counsel Hall stated that the IEB considered existing fully suitable entities and qualifiers in its summary. She stated that BetMGM was acting as a vendor for MGM and as a potential category three operator. She stated that due to timing, the IEB focused on the suitability of category one entities, rather than vendors. She stated that BetMGM's preliminary suitability would be discussed as part of their application.

Chair Judd-Stein asked if that decision was to prevent delay or as a reflection of the law. Chief Enforcement Counsel Hall stated that delay was a consideration, but that the decision was also based in law.

Commissioner O'Brien asked if BetMGM should be considered as a vendor as they were helping to make decisions on the floor. Commissioner Skinner noted that she shared Commissioner O'Brien's concerns. She stated that if the statute did not contemplate category three licenses, then BetMGM would be considered a qualifier of MGM. She stated that if MGM and BetMGM were so significantly intertwined in the operation of the sportsbook, then the Commission would need additional information. Chief Enforcement Counsel Hall stated that for category one operators, the IEB reviewed qualifiers in the ownership chain, and that BetMGM was not in the ownership chain of MGM.

Executive Director Karen Wells stated that it appeared that BetMGM was being treated as a vendor as well as a tethered operator. She stated that the application did not seem to have much information regarding BetMGM's vendor role. Chair Judd-Stein expressed that she did not want to second-guess the qualification process. Commissioner O'Brien stated that she was concerned that a vendor as prominent as BetMGM did not rise to the level of entity qualifier in the four corners of the application.

Chair Judd-Stein stated that the Commission needed more information regarding Section G of the application. Commissioner Skinner stated that the Commission would likely need to wait until BetMGM's presentation to deliberate on this application. Commissioner Maynard stated that he agreed with Commissioner O'Brien and stated that the Commission needed more information regarding BetMGM's services.

Chief Enforcement Counsel Hall noted that for category three applications, the IEB was providing a preliminary review for suitability based upon the applicants' submissions and an open-source check of the applicants and qualifiers. She noted that it was not a full investigation.

Commissioner Maynard noted that the Commission needed more details regarding revocations and denials of the category three applicant. He stated that the answer in MGM's application was limited to MGM and did not include BetMGM. Mr. Nosal stated that MGM would accommodate the Commission's need for additional information.

The Commission reached a consensus that MGM should provide further details wherever BetMGM was referenced in its MGM's application.

Commissioner Maynard stated that the call of the question in the compliance section of the application asked for information from any jurisdiction, not limited to individuals or location. Mr. Nosal stated that he understood now that the definition may have been more expansive than his initial interpretation.

6. [Executive Session](#) (4:44:29)

Chair Judd-Stein noted that she had not heard any requests to enter executive session. Commissioner O'Brien stated that one issue that might require executive session was the information relating to the accuracy of the diversity numbers reported to the Commission. Mr. Nosal stated that MGM had been transparent, but agreed that it was not appropriate to discuss the ongoing litigation in a public forum.

Chair Judd-Stein stated that there might not be a conduit for an executive session with that question. General Counsel Grossman stated that the question did not meet the parameters of G.L. Chapter 23N exception. He stated that the litigation exception also would not apply as the question was related to MGM's ongoing litigation and not the Commission's. He stated that he would give this issue more thought before returning to this application question.

7. [Other Business](#) (4:48:35)

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 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 30, 2022