



Massachusetts Gaming Commission Meeting Minutes

Date/Time: March 30, 2023, 10:00 a.m.
Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 233 7338

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 446th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. [Investigations and Enforcement Bureau](#) (00:51)

- a. Massasoit Greyhound Association Application for Category 2 Sports Wagering License – Review of Applicant's Operating Lease Agreement with American Wagering, Inc. (Caesars Sportsbook)

Loretta Lillios, Director of the Investigations and Enforcement Bureau ("IEB") stated that the IEB had reviewed an operating agreement between the Massasoit Greyhound Association ("MGA"), also known as Raynham Park, and Caesars Sportsbook. She stated that MGA conducted simulcasting operations and that they sought out Caesars' expertise and experience related to sports wagering.

Kathleen Kramer, Senior Enforcement Counsel reported that MGA had applied for a category two sports wagering license. She stated that MGA had created a new subsidiary, Raynham Park Sportsbook (“RPS”), and that the two entities had entered into an operating lease agreement with Caesars. She detailed that Caesars would manage and perform all operations and regulatory compliance functions, and that the IEB had submitted a memorandum highlighting the conditions of the operating lease agreement. She reported that the IEB was treating Caesars Sportsbook as an entity qualifier pursuant to 205 CMR 215.

Commissioner Skinner inquired whether the IEB had any concerns about the agreement. Ms. Kramer stated that the structure was different than what the IEB had seen from other operators, but that there were presently no concerns.

General Counsel Grossman stated that he wanted to ensure the Commission had a clear understanding of the interplay of the parties and terms of agreement. He reported that nothing in the agreement raised concerns. Commissioner Skinner asked if there were additional qualifiers from Caesars to be reviewed. Director Lillios stated that Caesars Sportsbook was licensed as a category three operator and had its qualifiers vetted in that process.

Chair Judd-Stein noted that under General Law Chapter 23N, all liability would remain with the licensee. General Counsel Grossman agreed with the Chair’s assessment and stated that liability could not be delegated away by contract. Attorney Jed Nosal from the law firm Womble, Bond, Dickinson LLP stated that the ultimate responsibility to the Commonwealth and Commission would reside with the licensee, who was referred to as “Raynham Park” in some of the documents. He stated that MGA would also benefit from contracting with an experienced operator.

Director Lillios asked if particular conditions should be attached to the license, given the format of the arrangement. Mr. Nosal stated that other jurisdictions made similar arrangements. He noted that Caesars Sportsbook had already been found preliminarily suitable due to their category three sports wagering license. He stated that the arrangement should not affect the timeline for licensure for MGA. He noted that MGA would provide a temporary and permanent facility for the sportsbook and that MGA management would be onsite overseeing operations. He reported that Caesars would provide sportsbook services, signage, and promotional programs.

Director Lillios noted that the new entity RPS was a party to the agreement and asked how that entity was involved. Mr. Nosal replied that RPS was a wholly owned subsidiary of MGA, created for corporate organizational purposes. Attorney Steve Eichel from Rimon Law, the firm representing MGA, stated that the corporate structure would prevent records from being intermingled and confusing. Mr. Nosal stated that both entities were designated qualifiers.

Commissioner Hill asked what other jurisdictions had similar agreements. Senior Vice President and Chief Development Officer for Caesars Digital Dan Shapiro explained that Caesars was

involved in 180 sportsbooks nationwide, and that Caesars had similar agreements in New Jersey, Iowa, Washington D.C., and Ohio. Chair Judd-Stein inquired what Caesars expected from this arrangement. Mr. Shapiro stated that it was an opportunity to bring retail sports wagering to a different area of the state.

Commissioner Hill asked if Caesars was going to partner with MGA's parimutuel horse racing operation. Mr. Shapiro stated that the temporary location was for sports wagering only, but that Caesars would manage parimutuel operations once the permanent location was constructed. He noted that sports wagering might bring a new audience for parimutuel betting and that efficiencies could be created by cross-marketing them.

Commissioner Maynard expressed concerns about the different age requirements for parimutuel wagering and sports wagering. Mr. Nosal replied that the temporary and permanent spaces would be for those aged twenty-one and older.

Chair Judd-Stein noted that while an executive session was reserved, an executive session was not needed for this agenda item, as it appeared that Commissioners were satisfied with the level of discussion in a public meeting.

b. [Disclosure by Betr Holdings, Inc. \(Category 3 Licensee\) relating to SEC matter](#)
(34:55)

Director Lillios explained that the Securities and Exchange Commission ("SEC") had announced charges against Jake Paul, who was a qualifier for category three licensee BetR. She stated that the SEC announced on March 22, 2023, that Mr. Paul was one of eight celebrities that illegally touted crypto-companies asset securities. She explained that Mr. Paul had promoted crypto assets in a tweet on February 21, 2021, without disclosing he was paid to give publicity by the company. She stated that in exchange for the tweet, Mr. Paul received crypto assets valued at approximately \$25,000. She noted that Mr. Paul had settled the charges without admitting or denying the SEC's findings by paying \$25,000 to cover the value of the asset and a civil penalty of \$75,000. She stated that BetR notified the IEB within twenty-four hours of the resolution with the SEC, and that BetR was not a party to the matter before the SEC.

Commissioner O'Brien asked if IEB was given notice upon learning the SEC was investigating Mr. Paul, or upon the issue being resolved. Director Lillios stated that the notification was upon resolution of the matter. Commissioner O'Brien inquired why there was no notification that charges were pending. Director Lillios stated that the IEB was in the process of reviewing those details. She added that the IEB was planning a meeting with the licensees and a letter further detailing the operators' duties. Chair Judd-Stein commented that it was possible the SEC had prohibited discussion of the matter until the public announcement.

3. [Sports Wagering](#) (39:27)

a. Commission Approval of House Rules for BetR Holdings, Inc. (D/B/A Betr)

Sports Wagering Operations Manager Sterl Carpenter presented BetR's proposed house rules. The *proposed house rules from BetR* were included in the Commissioner's Packet on pages 4 through 13. Mr. Carpenter noted that all comments from the Commission's previous meetings had been addressed. He stated that BetR had fewer rules due to limiting wagers to football, basketball, and baseball.

Chair Judd-Stein asked if there were any concerns related to the proposed house rules. Mr. Carpenter stated that BetR had addressed several areas with the Sports Wagering Division. He noted that the house rules were drafted with a compliance team reviewing the Massachusetts regulations. He stated that BetR was responsive to the Commission's staff requested changes.

Commissioner Maynard moved that the Commission approve the house rules submitted by BetR Holdings, Inc., D.B.A. BetR, as included in the Commissioner's Packet and discussed today. Commissioner Skinner seconded the motion.

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.

4. [Legal](#) (44:42)

a. Withdrawal of PointsBet Massachusetts, LLC application for a Category 3 Sports Wagering License

Deputy General Counsel Carrie Torrisi reported that PointsBet had submitted a request to withdraw their application for a category three sports-wagering license. She explained that 205 CMR 213.01(2) required that the Commission expressly approve the withdrawal based on a finding of good cause. The *Request For Withdrawal*, with competitively sensitive information redacted, was included in the Commissioner's Packet on pages 14 through 16.

Commissioner Hill moved in accordance with 205 CMR 213.01(2) that the Commission find that PointsBet Massachusetts, LLC, has shown good cause for the withdrawal of its category three sports wagering license application; and further, that the Commission approve PointsBet Massachusetts LLC's application withdrawal request. Commissioner Skinner seconded the motion.

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.

b. [Determination as to Whether Wagering on Horse Racing may be Included in the Sports Wagering Catalog Approved by the Commission under G.L. c. 23N \(48:03\)](#)

General Counsel Grossman stated that some operators had questioned whether wagers on horseracing or greyhound racing could be considered sporting events that the operators could offer wagers on. He stated that 205 CMR 247.01(2)(d) expressly prohibited wagering on these events.

General Counsel Grossman stated that the laws regarding simulcast and live racing were also set out in General Law Chapters 128A and 128C. He stated that racing laws expressly set out requirements that needed to be met for a licensee to offer wagering on these races. He noted that G.L. Chapter 128A, § 13 expressly criminalized holding or conducting a gambling pool or wagering on a horse or dog race except as permitted in G.L. Chapter 128A. He expressed his belief that wagering on these events was confined to this statutory construct. He noted that racing was also subject to the Interstate Horseracing Act under federal law which required certain terms and conditions to be established.

General Counsel Grossman stated that there were also policy concerns as the takeout structure of G.L. Chapter 128A and 128C, and the taxation of sports wagering were different. Chair Judd-Stein agreed, stating that allowing horseracing and greyhound racing as sporting events did not seem consistent with the statutory structure of Chapter 23N.

Commissioner Hill moved that the Commission find that horseracing shall not be included in the sports wagering catalog approved by the Commission under G.L. Chapter 23N. Commissioner O'Brien seconded the motion.

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.

5. [Racing \(59:26\)](#)

a. FanDuel Request for Approval to Enable Access Points to FanDuel Racing Within the FanDuel Sportsbook

Director of Racing and Chief Veterinarian, Dr. Alex Lightbown, explained that FanDuel had requested to direct-link their sportsbook and Advanced Deposit Wagering (“ADW”) FanDuel racing application. She stated that FanDuel had been an approved vendor for Suffolk Downs for account wagering for several years. She noted that the ADW system would remain separate from the sports wagering system as far as monies were concerned. She stated that the link would allow patrons to not have to log-in twice if going to FanDuel racing from the FanDuel Sportsbook. She noted that new users going to FanDuel racing would be prompted with the terms and conditions regarding account wagering, and that FanDuel indicated that eleven other states have this system in place. She stated that the link could drive business towards ADW wagering which benefits the tracks, horseman’s purses, and the budget of the Racing Division.

Commissioner O’Brien asked if the licensees with the ADW relationship were in support of this request. Dr. Lightbown stated that Director of Racing with Plainridge Park Casino (“PPC”) Steve O’Toole had indicated that the racetrack has no issues with this link to the ADW services.

Commissioner O’Brien asked if there were concerns about underage individuals using these links to gain a backdoor entrance to sports wagering. Legal and Regulatory Affairs and Product Counsel from FanDuel Josh Mehta stated that the eligibility service for the sports wagering system was certified by GLI and that only individuals over the age of twenty-one would be able to participate in the sports wagering. He stated that they were distinct platforms.

Commissioner Skinner sought clarification regarding the difference between this request and the request from DraftKings in the previous meeting. Dr. Lightbown explained that DraftKings had requested to be an account wagering vendor for Suffolk Downs, whereas FanDuel had already been an account wagering vendor that was approved by the Commission. She stated that FanDuel was requesting to put a direct link in their sportsbook linking to their account wagering for horseracing. Commissioner Skinner asked if there were any concerns with approving the request. Dr. Lightbown replied that there were no concerns.

Chair Judd-Stein asked if there would be the possibility of new responsible gaming messages for the ADW patrons with this link. Mr. Mehta stated that FanDuel applied responsible gaming tools across all of their platforms. Chair Judd-Stein asked if responsible gaming language was required for ADW accounts. Dr. Lightbown stated that Suffolk Downs, Raynham Park, and PPC all worked on responsible gaming and were in contact with the Research and Responsible Gaming Division.

Commissioner Maynard sought clarification on whether there were plans to cross-promote and stated that he wanted to ensure that there were separate accounting features on the promotions. Mr. Mehta stated that the accounting features were separate. He noted that promotional credits were product specific. He stated that if the Commission had concerns about cross-promotions, FanDuel could opt not to offer them.

General Counsel Grossman stated that FanDuel was a legally authorized ADW provider and a sports wagering operator, and that if FanDuel followed both sets of laws appropriately, he could not think of any consequences that may arise as a result.

Commissioner Skinner moved that the Commission approve FanDuel, Inc.'s request to enable access points to the FanDuel Racing Experience within FanDuel Sportsbook as included in the Commissioner's Packet and discussed here today. Commissioner Hill seconded the motion.

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.

6. [FY24 Research Agenda](#) (1:47:34)

Director of the Research and Responsible Gaming Division Mark Vander Linden presented the proposed FY24 Research Agenda. The *Proposed FY24 Research Agenda* was included in the Commissioner's Packet on pages 43 through 49.

Commissioner Hill sought clarification regarding the FY24 budget. Director Vander Linden stated that the proposed FY24 gaming research agenda budget was \$1,865,000. He noted that it was a 30% increase from FY23 that was largely due to the expansion of the research agenda due to a number of studies related to sports wagering. Chair Judd-Stein asked if some of the research required new procurements. Director Vander Linden confirmed that some of the new research did require procurements.

Chair Judd-Stein inquired about the budget for the Social and Economic Impacts of Gambling in Massachusetts ("SEIGMA") team. Director Vander Linden stated that the budget for SEIGMA was approximately \$990,000. He stated that the rest of the budget was spread out over new procurements and smaller procurements. Chair Judd-Stein asked if those procurements had already occurred. Director Vander Linden replied that they had not, as this was the proposed budget for approval.

Chair Judd-Stein asked if there were other areas the Commission wanted to explore related to public safety. Commissioner O'Brien expressed that she wanted more information about the interplay of advertising and sports wagering but noted that topic would not fall into the public safety category. Chair Judd-Stein expressed an interest in more information related to human trafficking and anti-money laundering, but questioned whether that would be too much to add for this fiscal year. Commissioner O'Brien suggested that offering training on those topics would be a good resource. Director Vander Linden noted that adding anything to the research framework would require more money or re-allocating resources.

Chair Judd-Stein stated that training could be discussed with the IEB. Director Vander Linden stated that an extensive literature review to identify what research had been done might help with identifying the training's objectives and subject matter. Chair Judd-Stein stated that if the Research And Responsible Gaming Division had the resources to do a literature review it would be helpful. Director Vander Linden stated that as part of the FY23 budget, the Research And Responsible Gaming Division was looking at the impacts of gambling advertising. He stated that the research would be presented later this year in the summer.

Chair Judd-Stein asked how the budget for the community-driven research projects was estimated. Director Vander Linden stated that there would be new procurements with an estimated cost of \$100,000 each. Chair Judd-Stein inquired whether more interviews and in-depth reports could be conducted if there was more funding and questioned whether \$100,000 was enough. Director Vander Linden explained that the research teams worked with the Research and Responsible Gaming Division during the procurement process. He stated that he could look at the overall budget and see how priorities could be shifted. He stated that the Commission should continue to explore how to promote community-engaged research.

Commissioner Skinner noted that the Commission's share of money from the public health trust fund had decreased in the past few years. She expressed an interest in an opportunity to revisit that funding with the Executive Office of Health and Human Services.

Chair Judd-Stein asked about the proposed study to review marketing affiliates' payment structure and how it affected sports wagering would be in-line with the research Commissioner O'Brien wanted. Commissioner O'Brien confirmed that it was sufficient.

Commissioner Skinner noted that the Attorney General's Office had mentioned using the data online sports wagering operators collected regarding patron behavior patterns, and asked if it should be considered for the sports wagering research. Director Vander Linden stated that developing risk markers based off of patron data was an area of interest for the Division. Commissioner Skinner stated that it might be an item for the FY25 research budget, as it would require time for the sports wagering industry to set in to receive the data. Commissioner O'Brien stated that parameters could be placed on operators to provide information, and that the data could be used for research.

Commissioner Maynard asked what was being evaluated in the advertising research. Director Vander Linden stated that the study would evaluate how the marketing affiliates pay structures impacted behavior.

7. [Commissioner Updates](#) (2:52:08)

Chair Judd Stein noted that Director VanderLinden would address the Commission on the subject of Play Management. Director Vander Linden reported that March 31, 2023, was the

one-year anniversary of PlayMyWay being launched at MGM Springfield. He stated that Massachusetts was the first state to have this type of play management feature available on every slot machine in the Commonwealth, and now also available on every sports wagering platform. Chief of the Communications Division Thomas Mills stated that MGM Springfield had invited Director Vander Linden and the Commission to their property to celebrate the anniversary of PlayMyWay and the end of Problem Gambling Awareness Month. He reported that the event would begin at 11:30 a.m.

The Commission thanked the Research and Responsible Gaming Division for their work.

8. [Other Business](#) (2:57:31)

Hearing no other business, Chair Judd-Stein requested a motion to adjourn.

Commissioner Skinner moved to adjourn. The motion was seconded by Commissioner O'Brien.

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 March 28, 2023
2. [Commissioner's Packet](#) from the March 30, 2023, meeting (posted on massgaming.com)