



Massachusetts Gaming Commission Meeting Minutes

Date/Time: May 22, 2023, 10:00 a.m.
Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 516 5146

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 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 454th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. [Community Affairs Division](#) (00:47)

a. [MGM Quarterly Report](#) (00:51)

MGM Springfield's ("MGM") Vice President and Legal Counsel Gus Kim, MGM's President and COO Chris Kelley, MGM's Vice President of Finance Arlen Carballo, MGM's Director of Community Affairs Beth Ward, and MGM's Compliance Director Daniel Miller presented MGM's Quarterly Report with topics including: revenue, taxes, lottery collaboration, compliance, workforce diversity, vendor diversity, and community outreach. *MGM's quarterly report presentation was included in the Commissioners' Packet on pages 3 through 29.*

Commissioner Skinner noted that MGM had previously used its own corporate standard regarding diversity spend and asked how that reconciled with MGM's diversity and affirmative marketing plan filed with the Commission. Mr. Kim explained that MGM previously did not account for exclusions permitted by the American Gaming Association ("AGA") when submitting its diversity vendor spend. He stated that MGM was now including those exclusions in its reports, resulting in a large increase in diversity spend.

Commissioner Skinner stated that she did not see a reference to the AGA standard in MGM's operation spending. Mr. Kim stated that the AGA was referenced in the diversity plan. Commissioner Skinner asked where the AGA standard was applied. Mr. Kim stated that MGM would provide a supplemental filing to the Commission.

Commissioner O'Brien inquired about the incident where a 19-year-old was on MGM's gaming floor for 90 minutes. Mr. Kim explained that the underage individual entered the gaming floor with her parents at a non-checkpoint open area. He stated that the 19-year-old stood behind her parents while they gamed but did not game herself. He noted that the underage individual cashed out the ticket at the end.

Commissioner O'Brien asked how the underage individual was able to enter the gaming floor without being asked for identification. Mr. Kim explained that MGM had an open floor plan, and that the individuals walked through a point of entry without a barrier. Commissioner O'Brien asked how much of the gaming floor's perimeter had unsecured access. Mr. Miller stated that the area in this instance was by the South End Market and had since been blocked by a handrail. He stated that MGM was continuing to install additional handrails.

Commissioner Hill stated that the number of underage individuals accessing the gaming floor was disturbingly high. He asked if MGM was implementing efforts to lower access other than handrails. Mr. Kim stated that MGM had ordered more staffed security podiums. Commissioner Hill expressed concern about the number of individuals below the age of 18 that accessed the gaming floor. Mr. Miller clarified that some parents try to cut through the gaming floor with their children to move through the property more expeditiously. He stated that there was no evidence that individuals below the age of 18 were trying to game.

Commissioner Skinner asked if the upcoming changes would close off all non-staffed access points. Mr. Kim explained that the perimeter would not be completely sealed off as MGM had to consider safety, fire exits, and occupancy. Chair Judd-Stein stated that MGM could potentially use more personnel to redirect patrons as they are exiting the convention center and install more signage.

Commissioner O'Brien inquired about what steps MGM was taking to increase the hiring of women. Mr. Kim stated that MGM used targeted marketing and hiring events, but that women were less likely to attend hiring events. He stated that MGM was looking into other solutions and

that MGM would provide the Commission with updates. Chair Judd-Stein commended MGM's veteran employee numbers and asked if there was a reason behind that success. Mr. Kim stated that there was not an initiative to attract veterans to apply, but that many veterans lived in close proximity to MGM.

Commissioner Hill asked if MGM planned to maintain 15 employees on its sports wagering team. Mr. Kim stated that MGM was expanding the hours of operation at its sportsbook, and that the sportsbook would be staffed accordingly.

Commissioner Hill expressed an interest in discussing how MGM attracts entertainment to the casino. He noted that this topic might be appropriate for an executive session. Chair Judd-Stein stated that the topic of entertainment could be added to a future executive session.

b. Community Mitigation Fund Application Review (Community Planning, Projects of Regional Significance, Specific Impact, and Gambling Harm Reduction) (58:28)

Chief of the Community Affairs Division Joe Delaney presented applications for funds from the Community Mitigation Fund for community planning projects, projects of regional significance, specific impact projects, and gambling harm related projects. *Summaries of such 2023 Community Mitigation Fund applications were included in the Commissioners' Packet on pages 30 through 42.*

Chair Judd-Stein asked how much funding was set aside for projects of regional significance. Chief Delaney explained that there was \$3 million in funding for western Massachusetts and \$5 million in funding for eastern Massachusetts.

Chief Delaney explained that there were two portions of the Pioneer Valley Planning Commission's application, the preliminary work on design followed by implementation of the design. Commissioner O'Brien requested that the Commission approve the \$125,600 for planning purposes and requested that the Community Affairs Division come back to the Commission before releasing the second round of funding.

Commissioner Maynard asked why the funds were kept separate by region. Chief Delaney explained that funds from MGM stayed in Region B while funds from Encore Boston Harbor stayed in Region A. He noted that the casinos both supported keeping the funds separate.

Chair Judd-Stein noted that while the guidelines suggest that only one regional project be funded, the Commission could grant a waiver to fund more than one project in western Massachusetts. Chief Delaney noted that there may not be enough money remaining in Region B to fund the Springfield Parking Garage application. He stated that the Pioneer Valley Planning Commission's application was more regionally significant than the Springfield parking garage project.

Commissioner Skinner asked if there were any issues identified with the Springfield parking garage application by the subcommittee on community mitigation. Chief Delaney stated that the primary concern discussed by the subcommittee was that the Springfield garage was not regionally significant.

The Commission reached a consensus that the Commission would defer a vote on the Springfield garage application until a later meeting once it was determined how much remained in Region B funds after all other applications were reviewed.

Commissioner O'Brien noted that the Hampden District Attorney's Office requested funds to support funding staff. She expressed an interest in tracking the nexus of casino related crimes being prosecuted by the Hampden District Attorney's Office because funds were requested to support the hiring of employees.

Commissioner O'Brien noted that the Western Massachusetts Recovery and Wellness Center requested \$400,000 annually. She stated that at a certain point, the Commission would need to discuss whether there was a continuing nexus of impact related to the casino as almost a decade has passed since the Center was required to move out of the casino's footprint.

Commissioner Hill moved that the Commission approve applications from the following applicants for funding from the Community Mitigation Fund for the purposes described in the submitted applications and materials included in the Commissioners' Packet and for the reasons described therein and discussed here today, and further that the Commission staff be authorized to execute a grant instrument commemorating these awards in accordance with 205 CMR 153.04: the City of Everett for \$199,100 for a feasibility study to restore the seawall, Charlestown pumping station, and the extension of the Mystic River Harbor Walk; to the City of Malden for \$100,000 for the funding of a transit oriented development opportunity study for the Malden Center MBTA station; to the City of Holyoke for \$200,000 for continued support for Holyoke's tourism efforts including website updates, art program shuttles between MGM and Holyoke, and events tied to the tourism plan; to the Town of Saugus for \$100,000 for funding native shade tree plantings along bus routes to provide shade and improve air quality for patrons and employees; to the Pioneer Valley Planning Commission for \$485,600 for funding for the development of the regional business ecosystem network implementation, a new capacity building network of regional business coalitions, and resources to grow successful small and micro businesses; to the Hampden District Attorney for \$75,000 of continued funding for D.A. personnel to handle casino-related prosecutions; to the Hampden County Sheriff's Department for \$400,000 for continued lease assistance for the Western Massachusetts Recovery and Wellness Center; to the City of Springfield for \$19,600 for a study to engage youth 18 to 24 in identifying problem gambling issues that need further investigation.

Commissioner O'Brien offered an amendment that the Pioneer Valley Planning Commission's grant be limited to an initial distribution of \$125,600 for planning purposes, and that the Community Affairs Division return to the Commission prior to the release of the remainder of

the funds. Commissioner Hill accepted the amendment. Commissioner O'Brien seconded the motion.

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Commissioner O'Brien moved that the Commission approve in part the City of Foxborough's joint application with the Town of Plainville and the Town of Wrentham for funding from the Community Mitigation Fund for the following amounts and purposes, for the reasons described in the memorandum in the Commissioners' Packet and discussed here today, and further that the Commission staff be authorized to execute a grant instrument commemorating these awards in accordance with 205 CMR 153.04, namely \$105,000 for graphic design animation and commercial production and \$167,000 for a media buy, for a total grant award of \$272,000. Commissioner Hill seconded the motion.

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Commissioner O'Brien moved that the Commission approve in part the City of Boston's application for funding from the Community Mitigation Fund for funding for one year of cultural and arts programming through the Pao Arts Center in the amount of \$283,000 for the reasons described in the memorandum in the Commissioners' Packet and discussed here today, and further that the Commission staff be authorized to execute a grant instrument commemorating these awards in accordance with 205 CMR 153.04. Commissioner Hill seconded the motion.

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Commissioner Hill moved that the Commission deny the application for funding from the Community Mitigation Fund for funding for a master plan planning process for Squire Road to promote economic development and mobility for residents, small businesses, and workforce development partners submitted by the City of Revere for the reasons described in the

memorandum in the Commissioners' Packet and discussed here today. Commissioner O'Brien seconded the motion.

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Maynard: Aye.
Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Commissioner Hill moved that the Commission deny the application for funding from the Community Mitigation Fund for a peer gambling support group by the SAFE Coalition for the reasons described in the memorandum in the Commissioners' Packet and discussed here today. Commissioner Maynard seconded the motion.

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Maynard: Aye.
Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

3. [Finance](#) (3:01:23)

a. [3rd Quarter Budget Update](#) (03:02:14)

CFAO Derek Lennon presented the Fiscal Year 2023 third quarter budget update with topics including the gaming control fund and sports wagering control fund's spending and revenue updates. *The Fiscal Year 2023 Third Quarter Budget Update was included in the Commissioners' Packet on pages 43 through 49.*

4. [Administrative Update](#) (3:06:03)

Executive Director Karen Wells explained that the Commission was in the process of conducting an independent audit of casino diversity. She stated that due to the amount of work involved, the Commission would be putting out a Request for Proposal ("RFP"). Commissioner Skinner asked if the RFP was available for Commission review. Executive Director Wells stated that the RFP was available.

Commissioner Skinner inquired about when the diversity audit was initiated. Executive Director Wells stated that there was litigation regarding MGM that prompted the discussion of audits. She stated that the Commission staff would be conducting audits of all licensees for regulatory compliance.

Commissioner Skinner stated that the Commission should be notified of these projects in advance of their execution. Commissioner O'Brien noted that there had been discussion regarding audits in the past. Commissioner Skinner stated that while discussions were had regarding audits, the Commission was not made aware that a determination was made on how to proceed. She expressed an interest in ensuring that all commissioners receive information at the same time.

a. [MGC COVID-19 Policy Review](#) (3:16:50)

Human Resources Manager Trupti Banda presented on the Commission's COVID-19 policy. *The Commission's COVID-19 policy and an associated memorandum were included in the Commissioners' Packet on pages 50 through 53.*

Ms. Banda explained that the Executive Office had revoked the requirement that state employees be vaccinated against COVID-19. The Commission discussed the merits of changing the Commission's COVID-19 policy to align with the decision of the Executive Office. The Commission reached a consensus that there would be a more holistic review of the Commission's COVID-19 policy at a later date.

5. [Investigations and Enforcement Bureau](#) (3:38:32)

a. [Report on IEB's Assessment of Civil Administrative Penalty on MGM Springfield](#) (3:39:04)

Senior Enforcement Counsel Kathleen Kramer explained that MGM had agreed to a fine of \$45,000 for permitting underage individuals on the gaming floor. She noted that there were 22 incidents between June 2022 and December 2022. She stated that MGM had received similar civil penalties in 2019 and 2021, and that MGM had taken steps to address underage access to the gaming floor.

Commissioner O'Brien asked for a review of the 2019 and 2021 fines received by MGM. Counsel Kramer stated that in 2019, MGM was fined \$400,000 for 52 instances of underage individuals on the gaming floor over a period of eight months. She explained that in 2021, MGM was fined \$18,000 for three incidents of underage individuals accessing the gaming floor over a one-month period. Commissioner O'Brien inquired about mitigation efforts put into place by MGM. Counsel Kramer stated that MGM had installed walls, railings, and security kiosks along the perimeter of the gaming floor.

b. [DraftKing's Non-Compliance Issue Regarding Events Catalog](#) (3:43:55)

Enforcement Counsel Zac Mercer presented a noncompliance matter involving DraftKings and the Massachusetts Events Catalog. He explained that DraftKings offered wagers on the UTR Pro

Series, an unapproved tennis league, from March 10, 2023 until March 22, 2023. He stated that there were 864 total wagers in the amount of \$7,867 on the UTR league during that period.

Counsel Mercer explained that there was a miscommunication between DraftKings' trading team and trading compliance team. He stated that DraftKings' trading team copied tennis offerings from a different jurisdiction without first verifying Massachusetts approval. He noted that DraftKings self-reported this matter, cooperated with the IEB's review, and voided all wagers on unapproved bets. He stated that DraftKings had since reviewed offerings for compliance.

The Commission reached a consensus to hold an adjudicatory hearing regarding this matter.

6. [Other Business](#) (3:56:40)

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 May 18, 2023](#)
2. [Commissioners' Packet from the May 22, 2023 meeting \(posted on massgaming.com\)](#)