

Massachusetts Gaming Commission Meeting Minutes

Date/Time: May 22, 2025, 10:00 A.M.

Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292 PARTICIPANT CODE: 111 1538 4728

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 Jordan Maynard Commissioner Eileen O'Brien Commissioner Bradford Hill Commissioner Nakisha Skinner Commissioner Paul Brodeur

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

Chair Maynard called to order the 554th Public Meeting of the Massachusetts Gaming Commission ("Commission") at 10:00 a.m. Roll call attendance was conducted, and all five Commissioners were present for the meeting.

- 2. Meeting Minutes (00:39)
 - a. January 19, 2023
 - b. October 29, 2024
 - c. April 24, 2025
 - d. May 1, 2025

Commissioner Skinner moved that the Commission approve the minutes for the January 19, 2023 and October 29, 2024 meetings that are included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or any other non-material matters. Commissioner Hill 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 one abstention.

Commissioner Skinner further moved that the Commission approve the minutes for the April 24, 2025 meeting that is included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or any 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: Aye.
Chair Maynard: Aye.

The motion passed unanimously, 5-0.

Commissioner Skinner further moved that the Commission approve the minutes for the May 1, 2025 meeting that are included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or any other non-material matters. Commissioner O'Brien seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Abstain.
Commissioner Brodeur: Aye.
Chair Maynard: Aye.

The motion passed, 4-0 with one abstention.

3. Legislative Update (03:00)

Commissioner Hill stated that they are continuing to follow the Senate budget, but he didn't have any other news to report.

4. Administrative Update (03:16)

Executive Director Dean Serpa updated the Commission that they are collaborating with the Massachusetts Supplier Diversity Office in co-hosting a Diverse and Small Vendor Opportunity Fair on Monday, June 16, 2025 from 1:00 PM to 3:00 PM at the Sheraton Framingham Hotel and Conference Center. He explained that this event is designed to connect Massachusetts certified

diverse and small businesses with our casino licensees, other state agencies, and small business resource providers to help them learn about doing business with the Commonwealth. Executive Director Serpa noted that they are expecting over 70 attendees.

Commissioner Skinner stated that she is proud of this initiative and asked how they are going to get the word out more formally about this event. Executive Director Serpa responded that the Massachusetts Supplier Diversity Office has pushed out a notification to their database. Commissioner Brodeur asked Executive Director Serpa if he had a single document or graphic which he could share with the commissioners to send out. Executive Director Serpa agreed to send the commissioners a graphic for the event and also noted that Tom Mills, Chief of the Communications Division, created a blog post about this event.

5. Community Affairs Division (08:22)

Chief of the Community Affairs Division Joseph Delaney stated that today the commissioners will hear quarterly reports from the three gaming establishments.

a. MGM Springfield Quarterly Report (09:13)

MGM Springfield presented their Q1 2025 Quarterly Report. A copy of their presentation can be found in the Commissioners' Packet on pages 31 through 56. Vice President of Finance Arlen Carballo reviewed MGM Springfield's Q1 2025 gaming and sports wagering revenue and tax amounts. She also discussed their 2025 year-over-year lottery sales. Vice President Carballo then reviewed their Q1 2025 diversity spend and Q1 procurement events.

Director of Compliance Dan Miller discussed MGM Springfield's Q1 2025 compliance data. He noted he is very happy with their access metrics and elaborated that they have continued to extend measures around the perimeters of the gaming area and trained security staff on the detection and removal of underage patrons.

Vice President Carballo then resumed speaking about MGM Springfield's 2025 employment numbers and highlighted their Q1 2025 workforce and hiring initiatives. After that, Director of Public Affairs Beth Ward, discussed MGM Springfield's Q1 2025 community outreach and special events. She mentioned that they have collectively logged 551 volunteer hours, which is nearly 200 more hours from Q1 2024, partnered with hunger relief organizations, donated technical equipment, created a community music school partnership, and hosted Springfield public school career fairs. Then she discussed MGM Springfield's Q1 entertainment events at MassMutual Center and Symphony.

b. Encore Boston Harbor Quarterly Report (27:15)

Encore Boston Harbor presented their Q1 2025 Quarterly Report. *A copy of their presentation can be found in the Commissioners' Packet on pages 57 through 82.* Executive Director of Legal Juliana Catanzariti presented on Encore Boston Harbor's Q1 2025 gaming revenue and taxes, including a year-over-year summary. She also discussed their Q1 2025 sports wagering revenue

and taxes and lottery sales, including a year-over-year summary. She then discussed their workforce composition and operating spend: diversity and local.

Regarding the lottery, Commissioner O'Brien asked why the numbers are trending the way reported by Encore Boston Harbor. Executive Director Catanzariti responded that they are a large lottery purchaser with monthly promotions and noted that they are going to switch to newer and more upgraded lottery machines, which will be a bigger draw.

Executive Director of Security and Investigations Tom Coffey reviewed compliance matters, including minors prevented from gaming on the floor. He highlighted that Encore Boston Harbor no longer allows anyone under 21 years of age to enter their Red 8 restaurant and have installed a new crash bar and upgraded the alarm system in the high limits slot area. Executive Director Coffey also noted that they have installed additional turn styles and railings at all entrances. Commissioner O'Brien asked about the average time of minors on the floor. Executive Director Coffey responded that the average time was about one hour. He then proceeded to discuss the addition of their new Evolv system which can accurately determine how many individuals access the floors and noted that an estimate of 1.5 million patrons have entered the gaming floor this quarter.

Executive Director Catanzariti discussed their human resource initiatives and spotlighted their Launch of the Climb Program, which is a 6-month professional development opportunity for ten high potential managers within Encore Boston Harbor. She explained that candidates are nominated by department leaders, and upon completion of the program, graduates receive a Certificate of Completion of the Executive Education Program from Boston University in partnership with Wynn University. Other highlights she mentioned included Encore's All-Star of the Year announcement, Stars Reception, Forbes Five-Star celebration, Problem Gaming Awareness Month with GameSense, and Employee Appreciation Day.

Executive Director Catanzariti then discussed Encore's Q1 2025 community relations activities.

c. Plainridge Park Casino Quarterly Report (40:38)

General Manager North Grounsell presented the Q1 2025 report for Plainridge Park Casino ("PPC"). A copy of their presentation can be found in the Commissioners' Packet on pages 83 through 97. He first discussed their retail sports wagering revenue and taxes and then moved on to discussing gaming revenue and taxes, followed by lottery sales. General Manager Grounsell then discussed PPC's spend by state, local spend, vendor diversity, and diverse spend. He then moved on to speaking about PPC's compliance and noted that they prevented 171 people from entering the gaming establishment, including 20 minors, 46 underage, and 96 patrons who had expired, invalid, or no identification. Additionally, he noted that PPC detected one fake ID and eight weapons using their weapons detection system. General Manager Grounsell mentioned that they had no instances of underage gaming, alcohol service, or sports wagering.

Vice President of Human Resources Kathy Lucas discussed PPC's employment numbers, noting that during Q1 2025, PPC had employed 439 team members, which is slightly lower than last quarter. However, she noted that they continue to exceed their diversity goals. Vice President

Lucas then shared some of the employee initiatives PPC is working on, including leadership training opportunities and opportunities for employees to volunteer with PPC.

6. Research and Responsible Gaming (56:16)

Director of Research and Responsible Gaming Mark Vander Linden introduced discussion on the Springfield Youth Health Survey and the Springfield Youth Risk Behavior Study which was conducted by the Public Health Institute of Western Massachusetts along with the Springfield Public School Districts with 8th, 10th, and 12th graders. He mentioned that the Commission previously provided funding for these studies through their annual research agenda back in 2019 after MGM Springfield opened in order to understand more about youth gambling behavior and its relationship to other health issues. Director Vander Linden explained that his guest speaker will share with the Commission some of the data collected from these two surveys.

a. <u>Springfield Youth Health Surveys: Understanding Youth Gambling Behavior in Springfield</u> (57:44)

Senior Director of Community Research and Evaluation at the Public Health Institute of Western Massachusetts, Kathleen Szegda, provided a brief overview of her organization. Then she discussed background information about the Springfield Youth Health Survey Initiative. Senior Director Szegda mentioned that this partnership effort started in 2014 and that their goal was to use data for action to support youth health in Springfield, Massachusetts. She outlined that the 8th graders took a modified version of the survey called the Youth Health Survey while the 10th and 12th graders took the Youth Risk Behavior Survey.

Senior Director Szegda discussed their interest in understanding the impact of a casino on youth gambling behavior and stated that they added gambling questions to the survey to understand the prevalence of gambling. Then she moved on to discussing their specific youth survey methods and participation rates over time and noted that they had better participation with the 8th graders versus the 10th and 12th graders. Senior Director Szegda continued to discuss the survey methodologies and the types of gambling included (lottery tickets, sports betting, card games, games of skill, loot box in a video game, online games without using money, online games with money, horse races, bingo, and slot machines/table games at a casino). Next, she discussed gambling prevalence over time and the most common types of gambling according to their survey results.

Commissioner O'Brien asked whether the disparity in responses from the different age groups can be attributed to how long gambling has been a part of mainstream culture. Senior Director Szegda noted that the data itself cannot give us an answer to that question. However, she noted she intends to bring Commissioner O'Brien's question back to the groups they are partnering with for further review and research. Commissioner Hill expressed his surprise at the decrease in 10th and 12th grade response levels and asked whether one reason could be that they are engaging in underage gambling and just not telling us. Senior Director Szegda agreed and responded that their participation rates are just not as high, noting that those who are at risk are likely not taking the survey. Commissioner Hill then asked if they have any data about how youth are engaging in underage sports betting (i.e. via parents or peers). Senior Director Szegda stated she would take

that question back for further research. Commissioner Brodeur expressed that youth risk behavior surveys have been the subject of some push back as of late and that this is short sighted because the data and engaging with youth at this stage is important. Commissioner Skinner joined Commissioner Brodeur in applauding the organization's work on this topic. Director Vander Linden underscored that these two surveys have been a significant undertaking and are filled with other important health data. He noted that they have multiple projects happening which touch on the topic of youth gambling and will hopefully answer some of the more qualitative questions the commissioners asked during this meeting.

Moving on to the next topic, Chair Maynard took the time to preface the discussion by reminding the public that the Commission prides itself on being educated and prudent when making decisions. He noted that discussion on the following topic is an opportunity to learn and prepare for certain realities and reminded the public that if they choose to wager, the safest place in the Commonwealth to do so is with their robustly regulated operators.

7. <u>Discussion of Predictable Markets</u> (1:29:03)

Deputy General Counsel Justin Stempeck introduced the topic of prediction markets. He noted that the goal of this presentation is to be educational and that he is not making any recommendations or asking for a vote. He explained that prediction markets are platforms where people can take a monetary position on a real-world future event. Deputy General Counsel Stempeck also noted that the type of future event can include everything from financial to political to entertainment to sport events or any other category. He noted that each event "contract" has a fundamental value of \$1.00 and involves a binary choice of something either happening or not happening. Deputy General Counsel Stempeck then explained that the Commodities Futures Trading Commission ("CFTC") regulates prediction markets. He also explained the similarities and differences between prediction markets and sports wagering. Deputy General Counsel Stempeck then discussed a current controversy involving the company Kalshi which offers sports events contracts on its exchange and noted that several gaming regulators have sent the company cease and desist letters. He further explained that the CFTC has been silent with respect to this ongoing legal battle and recently cancelled a planned roundtable with numerous parties interested in the impact on sports wagering.

Commissioner O'Brien asked that the Commission continue to be updated about the status of any pending litigation. Commissioner Brodeur asked whether it was correct that some of these operators also offered election contracts and that the CFTC initially objected but then dropped their objections. Deputy General Counsel Stempeck responded that Kalshi received a lot of press coverage in the Fall for offering election markets on the presidential election which the CFTC initially challenged but then in the last two or three weeks dropped the litigation. Commissioner Brodeur noted how this demonstrates the level of influx on this whole situation. Deputy General Counsel Stempeck noted that the CFTC leadership has changed which may have an effect as well.

8. <u>Discussion of Sports Wagering Advertising Research: Saturation Prohibitions in the US and Abroad</u> (1:41:59)

Associate General Counsel Judith Young introduced the next topic. She noted that she was appearing on behalf of the Legal Division and the Sports Wagering Division to share the results of their jurisdictional research about the saturation of advertisements during live sporting events and other relevant prohibitions. She provided an overview of G.L. c. 23N, § 4(c) and 205 CMR 256.00 which govern sports wagering advertising. Associate General Counsel Young started with a discussion of the specific regulations governing the volume or frequency of sports wagering advertisements at the federal level in the United States and then moved onto discussing regulations in the United Kingdom and Australia. She reviewed five categories of state regulations for sports wagering advertisements, which include (1) restrictions on targeting minors (restrictions on content, placement, and endorsement); (2) prohibitions on false, misleading or deceptive content (risk-free, can't lose, get rich); (3) required inclusion of responsible gaming messaging; (4) pre-approval by regulatory bodies; and (5) volume and frequency regulations (amount and frequency of ads). She concluded her presentation by stating that 205 CMR 256.08(2) provides a foundational standard by prohibiting advertisements presented "with such intensity and frequency that they represent saturation of that medium or become excessive." Associate General Counsel Young also stated that the Commission could consider issuing clarification to the public on what constitutes "saturation" through guidance, examples, or enforcement criteria that take into account the number of ads per event, timing, and audience composition.

Commissioner O'Brien stated that while the Commission has a statutory directive with regard to within the location of an event, taking into consideration any federal issues, she suggested that the Legal Division may want to look at examples of saturation outside of venues. She further asked whether the Commission wants to create a definition of saturation. Commissioner Brodeur commented that the data on this topic is going to be so important and asked whether First Amendment considerations would be a unique challenge here as compared to outside the United States. Associate General Counsel Young responded that while she didn't include First Amendment considerations within her research, it is something the Legal Division would consider.

Commissioner Brodeur also asked how difficult it is for a state to set up a set of rules that might impact the effectiveness of advertising given how media is structured nationally. Associate General Counsel Young provided the example of New York sports wagering advertisements and how they are subject to the approval of the New York regulatory body there but also must comply with FCC rules. Deputy General Counsel Justin Stempeck added that media buys, which are typically purchased for a region, makes things more complicated. Commissioner Brodeur noted that he thinks a national rule or protocol or practice might be helpful in this case.

Commissioner O'Brien commented that it may be helpful to get a sense of what the sports industry thinks is acceptable in terms of frequency of advertisements within a certain time period. Chair Maynard agreed and asked for data on how many ad buys per day are going out, if such data exists.

Transcriber's note: The Commission took a 10-minute break at 12:10 PM and reconvened the public session of the Commission meeting at the 2:16:00 time mark. A roll call was conducted with all five commissioners present.

9. <u>Finance</u> (2:17:22)

a. 3rd Quarter Budget Update (2:17:41)

Finance and Budget Office Manager John Scully presented the FY25 third quarter budget update. He summarized that the Commission previously approved an FY25 budget of \$59.54 million for gaming, racing, community mitigation, sports wagering and research and responsible gaming. Manager Scully explained the adjustments the Finance Division made in the first two quarterly updates. He explained that the total budget for the Commission is now \$60.3 million. Manager Scully provided spending and revenue updates for both the Gaming Control Fund and the Racing Development and Oversight Trust. He concluded that the Commission has been made aware of several unanticipated costs in relation to the Attorney General's Office as well as the required move for the data center. He added that the Finance Division will continue to monitor any savings across applicable operational accounts and that the staff is pleased to report that there is currently no need for adjustments to assessments for the licensees.

10. Investigations & Enforcement Bureau (2:22:21)

Director of the Investigations and Enforcement Bureau Caitlin Monahan introduced the next agenda items and noted that some of these matters to be presented for discussion are standard sports wagering non-compliance incidents which are coming before the Commission for the first time and other matters are recommendations for civil administrative penalties for review and potential approval by the Commission. As a result, Director Monahan asked that they go out of order from what was set out in the agenda.

Transcriber's note: The IEB presented their agenda items in the following order: (a), (e), (f), (b), (c), and (d).

a. Briefing on noncompliance matter related to Category 3 Sports Wagering Licensee FBG Enterprises Opco, LLC, d/b/a Fanatics Betting and Gaming and discussion regarding next steps. Alleged noncompliance relates to offering wagering on unauthorized event in violation of 205 CMR 247.01, 205 CMR 247.01(2)(i), and the Massachusetts Sports Wagering Catalog (2:23:41)

Enforcement Counsel Nathaniel Kennedy reviewed a sports wagering non-compliance matter involving FBG Enterprises Opco, LLC, doing business as Fanatics Betting and Gaming ("Fanatics"). He explained that this matter involves Fanatics offering and accepting 36 wagers on the Heisman Trophy winner between January 22, 2025 and March 21, 2025 for a total stake of \$545.70. Counsel Kennedy explained that this is in contravention of 205 CMR 247.01, 205 CMR 247.01(2)(i), and the Massachusetts Sports Wagering Catalog. He asked the Commission for guidance on whether this matter should be returned to the IEB for further investigation and then a recommendation for a civil administrative penalty, set up for an adjudicatory hearing, or move forward under G.L. c. 23N, § 16A.

Commissioner Brodeur noted that this matter strikes him as not requiring more investigation and is a fairly low dollar value. He stated that he would like the IEB to work with the operator to

negotiate and get to an agreement on a civil administrative penalty and potentially other remedies. Commissioner Skinner agreed with Commissioner Brodeur that the matter be sent back to the IEB, but noted that she disagreed with him on whether further investigation was needed, which she believes is part of the process. Commissioner O'Brien agreed with Commissioner Skinner and added that she would like the investigation to include finding answers as to what sort of educational training has been done and what ameliorative steps they have taken. Commissioner Hill and Chair Maynard also agreed with the recommendation to send it back to the IEB for further investigation.

b. Review of the IEB's Recommendation of Assessment of a Civil Administrative
Penalty pursuant to 205 CMR 232.02(2) regarding noncompliance with permissible
sports wagering offerings by Category 3 Sports Wagering Licensee FBG Enterprises
Opco, LLC, d/b/a Fanatics Betting and Gaming (2:39:13)

Counsel Kennedy presented the IEB's recommendation that the Commission assess a civil administrative penalty in the amount of \$10,000 upon Fanatics for a non-compliance event that occurred between September 12, 2023 and March 22, 2024. He provided procedural background on this matter, noting that the IEB previously briefed the Commission on this non-compliance event on January 16, 2025 at which point the Commission decided to assign this matter to the IEB.

Counsel Kennedy summarized that this matter involved wagers placed on certain Belarusian soccer teams, specifically the Belarusian national team for the UEFA Euro Championship. He added that between September 12, 2023 and March 22, 2024, a total of 127 wagers were accepted for a total stake of \$968.12 and that all of the wagers were cancelled and the amounts refunded to patrons. Additionally, he noted that the patrons were allowed to keep any money that was considered on wagers that would have won on April 30, 2025.

Counsel Kennedy summarized IEB's finding that Fanatics had auto-authorized a setting on the event and that Fanatics had improperly believed that if a team typically had been permitted to participate in the Euro Championship, which is governed by the Union of European Football Association, it would be approved for sports wagering. He added that the UEFA had previously banned Russian and Belarusian teams from participating and then began allowing the teams to participate again. He noted that Fanatics had not individually confirmed that each team participating in the championship was approved for sports wagering in Massachusetts.

All commissioners agreed with the IEB's recommendation.

c. Review of the IEB's Recommendation of Assessment of a Civil Administrative
Penalty pursuant to 205 CMR 232.02(2) regarding noncompliance with permissible
sports wagering offerings by Temporary Category 3 Sports Wagering Licensee
Betfair Interactive US, LLC, doing business as FanDuel (2:43:29)

Counsel Kennedy presented the IEB's recommendation that the Commission assess a civil administrative penalty in the amount of \$20,000 upon Betfair Interactive LLC, doing business as FanDuel, for a non-compliance event occurring between March 20, 2023 and July 18, 2024. He reminded the Commission that this matter was previously before them on January 16, 2025 and that the Commission decided to assign this matter to the IEB.

Counsel Kennedy summarized the facts of this incident: wagers were permitted to be placed on certain Belarusian soccer teams in international play and then also the Belarusian Premier League teams in the UEFA Championship, which is governed by FIFA. He added that a total of 3,870 wagers on the Belarusian soccer teams were accepted for a total stake of \$11,792 and that subsequent to the discovery of those wagers, FanDuel also discovered wagers on the Belarusian Premier League team for an additional 178 wagers and a total stake of \$5,829. Counsel Kennedy noted that these wagers were refunded and that patrons were allowed to keep wagers that would have won.

All commissioners agreed with the IEB's recommendation.

d. Review of the IEB's Recommendation of Assessment of a Civil Administrative Penalty pursuant to 205 CMR 232.02(2), regarding noncompliance involving marketing to excluded individuals by Penn Sports Interactive (2:48:46)

Senior Enforcement Counsel Zac Mercer presented the IEB's recommendation that the Commission assess a \$10,000 civil administrative penalty upon Penn Sports Interactive or PSI for a non-compliance event which occurred between April 2, 2024 and April 4, 2024. He summarized the facts of this incident which involved PSI transmitting promotional materials by way of email and push notification to eight self-excluded individuals in Massachusetts. Senior Counsel Mercer explained that this was the result of human error in the administration of PSI's marketing communications platform.

Commissioner O'Brien asked the IEB for their reasoning behind assessing \$10,000 versus \$20,000 as a civil administrative penalty. Senior Counsel Mercer explained that the recommendation was based on a combination of factors, including that this involved human error and that these were advertisements versus access to a platform. He added that PSI has undertaken remediation efforts and that they have since reported that around 16,000 marketing campaigns were transmitted without incident. Commissioner O'Brien expressed her dissatisfaction with the penalty amount given the lack of self-disclosure and noted that she would have gone higher than \$10,000.

Commissioner Skinner asked whether there have been any incidents since April 5, 2024 and also asked for further clarification about the facts surrounding this incident. She specifically wanted to know about the mechanisms behind why each individual received a different number of communications. Senior Counsel Mercer explained that someone from their marketing division must manually go into the system to check or uncheck the box that filters those self-excluded individuals from receiving anything from PSI. Commissioner Skinner asked if any of the eight individuals were people from Massachusetts and how only eight people were affected when Massachusetts has more than that on the voluntary self-exclusion list. Senior Counsel Mercer explained that it may have been due to the fact that not everyone had a PSI account. Commissioner Skinner then asked for more specifics about remedial measures that PSI implemented. She added that she doesn't take issue with the IEB's proposed \$10,000 penalty but would like some additional information in order to weigh the options. Chair Maynard stated that such a discussion may be better suited for an adjudicatory hearing. He noted that he has a different opinion from Commissioner O'Brien and Commissioner Skinner and that he is comfortable accepting the IEB's recommendation. Commissioner Brodeur agreed that he is okay with accepting the IEB's recommended penalty amount. Commissioner Skinner requested that

the IEB still provide the information she requested. Commissioner Hill stated he would like to move forward with the IEB's recommendation.

e. Briefing on noncompliance related to Temporary Category 3 Sports Wagering Operator, Crown MA Gaming LLC, d/b/a DraftKings, and discussion regarding next steps. Alleged noncompliance relates to wagers on an impermissible market in violation of G.L. 23N, § 3, and 205 CMR 247.01(2)(a)(1) (2:28:22)

Senior Counsel Mercer presented on a sports wagering non-compliance matter related to Crown MA Gaming LLC, doing business as DraftKings, which involved an impermissible market with an outcome dependent on the performance of an individual collegiate athlete being made available for wagering. He explained that DraftKings offered wagering on the points total of a player in the Oregon vs. Arizona NCAA Men's Basketball game which occurred on March 23, 2025 and accepted 89 wagers with a total handle of \$1,655.00. Senior Counsel Mercer noted that this is in contravention of G.L. 23N, § 3 and 205 CMR 247.01(2)(a)(1). He asked the Commission for guidance on next steps related to this matter.

Commissioner O'Brien asked whether this involved only one individual player bet. Senior Counsel Mercer confirmed that is correct. Commissioner O'Brien then asked for someone to explain to her how they just let one individual player prop bet get through. All of the commissioners agreed with sending this matter back to the IEB.

Chief Enforcement Counsel/Assistant Director of the IEB Kathleen Kramer noted that there have been a number of non-compliance matters of this nature which the Commission has referred back to the IEB. She asked if the Commission would like to hold any recommendations related to this particular type of violation until the June hearing has been completed and a decision has been rendered, as it involves similar subject matter, or if the Commission would prefer that the IEB present their recommendations in the normal course. Commissioner Hill responded that he would prefer the normal course. Commissioner O'Brien asked when the hearing will be. Enforcement Counsel Kennedy confirmed the hearing date of June 18, 2025. Commissioner O'Brien noted that the IEB may proceed but she doesn't see any reason to advance this before they have the hearing. Commissioner Skinner agreed with Commissioner O'Brien.

f. Review of the IEB's Recommendation of Assessment of a Civil Administrative Penalty Pursuant to 205 CMR 232.02(2) regarding noncompliance with permissible sports wagering offerings by BetMGM, LLC (2:35:39)

Enforcement Counsel Diandra Franks presented the IEB's recommendation that the Commission assess a civil administrative penalty in the amount of \$10,000 upon Bet MGM LLC for a non-compliance event which occurred on March 20, 2023 through May 14, 2024. She summarized that this incident involved wagering on the Ladies Professional Golf Association (LPGA) which was previously not approved for wagering and resulted in 1,934 wagers accepted for a total handle of \$35,425. She noted that the IEB previously briefed the Commission on this non-compliance event on October 24, 2024 and that the Commission expressed an interest in finding out what caused this wagering to go undetected for the length of time that it did. Counsel Franks informed the Commission that BetMGM believed that the LPGA was a member of the International Federation of PGA Tours and thus approved under the Massachusetts Event Catalog. All commissioners agreed with the IEB's recommendation.

11. Sports Wagering Division (3:02:57)

- a. Update to House Rules (3:03:40)
 - i. Penn Sports Interactive (3:03:40)

Compliance and Operations Manager Tom Lam discussed Penn Sports Interactive's ("PSI") requested changes to their Massachusetts online house rules. He summarized the changes they are requesting to the general rules, boxing, football, basketball, hockey, specials, and updated rule numbering in boxing and golf. Manager Lam concluded that the Sports Wagering Division confirmed that all requirements under 205 CMR 247.02 were met and recommended approving these changes.

Regarding the football rule changes, Commissioner Brodeur asked if turnovers are for offense only. Manager Lam explained that based on the house rules, turnovers can only be graded against the offensive team. Therefore, if a defensive player were to intercept the ball and later fumbled, that wouldn't be deemed a turnover. Commissioner Brodeur commented that he believes patrons would be surprised to learn that.

Commissioner Hill moved that the Commission approve the updates to PSI's house rules as included in the Commissioners' Packet and discussed here today. Commissioner Brodeur 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.

ii. <u>Fanatics</u> (3:13:43)

Compliance and Operations Manager Andrew Steffen discussed Fanatics' requested change to their Massachusetts online house rules. He explained that this requested change would allow bets on the under for Match Player Props to be graded as winners if the player starts but is subbed off in the first half and has not exceeded the prop total at that point. Manager Steffen concluded that the Sports Wagering Division confirmed that all requirements under 205 CMR 247.02 were met and recommended approving these changes.

Commissioner Hill moved that the Commission approve the updates to Fanatics' house rules as included in the Commissioners' Packet and discussed here today. Commissioner Brodeur 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. <u>FanDuel Request for Waiver from Reporting Gender Information Required by 205</u> CMR 239.04(6) (3:15:58)

Chief of the Sports Wagering Division Carrie Torrisi discussed FanDuel's request for permanent waiver from 205 CMR 239.04(6), which requires sports wagering operators to compile and maintain gender data. She explained that FanDuel's basis for the requested change is that FanDuel does not have any need for this data as an operator, customers may have concerns with providing this data, and gender data is sensitive personal information of which FanDuel would be required to disclose such collection to patrons.

Chief Torrisi then explained that the Sports Wagering Division, Research and Responsible Gaming Division, and Legal Division recommended denying FanDuel's waiver request. She elaborated that the Legal Division advised that there is no definition of "sensitive personal information" and that FanDuel did not provide an argument that gender would fall within such a category.

Chair Maynard asked if any of the other operators objected to providing this information. Chief Torrisi confirmed there were no other operators who objected.

Chief Torrisi then turned it over to the Research and Responsible Gaming Division to explain why there is a need for this data. Director Vander Linden explained that they believe gender is an important data point for the Commission to have access to for research and responsible gaming purposes.

Chief Torrisi again reiterated their recommendation to deny FanDuel's waiver request. Chair Maynard invited Director of Legal & Regulatory Affairs at FanDuel Joshua Mehta to provide additional comments. Director Mehta noted that the Commission was thoughtful about the information they required to be collected from customers when they created sports wagering in Massachusetts and that information is laid out in the account registration requirements in 205 CMR 248.03. He further commented that in reviewing 205 CMR 239.04, the other data points identified in that regulation are related to general corporate records and information that is readily available. Director Mehta noted that they try to balance these requirements with customer friction. He mentioned customer concern about the information that companies hold for them, especially gender data and that before 2025, they did not historically collect that information as part of their account registration process. Director Mehta also mentioned that New York recently made collection of gender data voluntary and that they have only received a 28% response rate from customers. He also noted that there has not been a request to date for this information, that to the extent this information is being purchased by third-party service providers, it would

require additional costs for the operators, and that he doesn't believe this data is something that is maintained in real time.

Chair Maynard stated that he believes that this data is important for the Commission's Research and Responsible Gaming Division and would be inclined to deny FanDuel's request. Commissioner Hill and Commissioner Skinner agreed with Chair Maynard.

Commissioner Hill moved that the Commission deny FanDuel's request for a waiver from the requirements in 205 CMR 239.04(6) with respect to gender data 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 Mavnard: Ave.

The motion passed unanimously, 5-0.

- c. Bally's Request to Use an Alternate Method of KYC Identity Authentication at the Time of Sports Wagering Account Establishment Pursuant to 205 CMR 248.04(4) (3:25:20)
 - i. Executive Session (3:26:41)

Chair Maynard stated that the Commission anticipates that it will convene in an Executive Session in conjunction with its review of Ballys' methods of KYC in accordance with G.L. c. 30A, § 21(a)(7) and G. L. c. 4, § 7(26)(n) to review certain materials in connection with the sports wagering operator's processes and parameters during account creation related to customer verification and authentication, as these matters relate to cyber security within the Commonwealth, and the public discussion or disclosure of which is likely to jeopardize public safety or cyber security.

Commissioner Brodeur 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 3:38:26.

Commissioner Hill moved that the Commission approve Bally's alternate method of KYC identity authentication at the time of sports wagering account establishment as included in the Commissioners' Packet and discussed here today including both the method currently implemented and the method to be implemented by the end of the year. Commissioner Brodeur 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 discussed agenda item #13 (Commissioner Updates) and #14 (Other Business) first before resuming agenda items #11(d) and #12.

- d. BetMGM Request to Use an Alternate Method of KYC Identity Authentication at the Time of Sports Wagering Account Establishment Pursuant to 205 CMR 248.04(4) (3:41:08)
 - i. Executive Session (3:41:08)

Chair Maynard stated that the Commission anticipates that it will convene in an Executive Session in conjunction with its review of BetMGM's methods of KYC in accordance with G.L. c. 30A, § 21(a)(7) and G. L. c. 4, § 7(26)(n) to review certain materials in connection with the sports wagering operator's processes and parameters during account creation related to customer verification and authentication, as these matters relate to cyber security within the Commonwealth, and the public discussion or disclosure of which is likely to jeopardize public safety or cyber security.

Commissioner Brodeur moved that the Commission go into executive session for the reasons and on the matter just stated by Chair Maynard. Commissioner Skinner 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 read the executive session language to discuss both agenda items #11(d) and #12 before entering into executive session. The Commission reconvened the public session at 3:54:34 to take a vote on agenda item #11(d).

Commissioner Hill moved that pursuant to 205 CMR 248.04(4), the Commission approve BetMGM's alternate method of KYC identity authentication at the time of sports wagering account establishment as included in the Commissioners' Packet and discussed here today including both the method currently implemented and the method to be implemented by the end of the year. Commissioner O'Brien 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 reentered the executive session at 3:56:29 to finish their discussion of agenda item #12 and noted that they will not reconvene in the public meeting.

12. Executive Session Meeting Minutes (3:42:25)

- a. Executive Session (3:42:25)
 - i. June 6, 2024
 - ii. February 24, 2025 at 11:11AM
 - iii. February 24, 2025 at 11:33AM
 - iv. February 24, 2025 at 1:03PM
 - v. March 11, 2025 at 11:18AM
 - vi. March 11, 2025 at 12:35PM

Chair Maynard read the following language into the record: "The Commission anticipates that it will meet in executive session in conjunction with its review of minutes from previous executive sessions that were convened in accordance with G.L. c. 30A, § 21(a)(3) (February 14, 2023, May 23, 2024, June 17, 2024, and June 20, 2024); G.L. c. 30A, § 21(a)(7) and G.L. c. 4, § 7(26)(f) (May 23, 2024); G.L. c. 30A, § 21(a)(7) and G.L. c. 23N, § 6(i) (May 23, 2024); G.L. c. 30A, § 21(a)(7); and G. L. c. 4, § 7(26)(n) (April 29, 2024 at 1:23PM and April 29, 2024 at 2:12PM) as their discussion at an open meeting may frustrate the intended purpose for which the executive sessions were convened. The public session of the meeting will not reconvene at the conclusion of the executive session."

Commissioner Skinner moved that the Commission enter executive session for the reasons stated by the Chair. 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.

13. Commissioner Updates (3:40:15)

No commissioner updates were raised by the commissioners.

14. Other Business (3:40:58)

No other business was raised by the commissioners.

List of Documents and Other Items Used

- 1. Notice of Meeting and Agenda dated May 20, 2025
- 2. Commissioners' Packet from the May 22, 2025 meeting (posted on massgaming.com)