

Massachusetts Gaming Commission Meeting Minutes

Date/Time: July 1, 2025, 10:00 a.m.

Place: Massachusetts Gaming Commission
VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 112 636 5360

The Commission conducted this public meeting remotely utilizing collaboration technology. Use of this technology was intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public.

Commissioners Present:

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

1. Call to Order (00:00)

Chair Maynard called to order the 557th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. Meeting Minutes (00:44)

The minutes from the February 21, 2024 public meeting, March 21, 2024 public meeting, May 22, 2025 public meeting, and May 27, 2025 public meeting were included in the Commissioners' Packet on pages 4 through 46.

Commissioner Skinner moved that the Commission approve the minutes from the February 21, 2024 and the March 21, 2024 public meetings that are included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or other non-material matters. Commissioner O'Brien seconded the motion.

Roll call vote:

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

The motion passed unanimously, 4-0 with one abstention.

Commissioner Skinner moved that the Commission approve the minutes from the May 22, 2025 public meeting that are included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or other non-material matters. 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.

Commissioner Skinner moved that the Commission approve the minutes from the May 27, 2025 public meeting that are included in the Commissioners' Packet, subject to any necessary corrections for typographical errors or other non-material matters. Commissioner Hill seconded the motion.

Roll call vote:

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

The motion passed unanimously, 4-0, with one abstention.

3. <u>Legislative Update</u> (03:41)

Commissioner Hill explained that the budget bill passed the legislature and was sent to the Governor, and that the Governor had 10 days to veto parts of the bill. He stated that the line-item appropriation regarding payments to cities and towns hosting racing facilities was funded by the House of Representatives but later removed by the Senate and that those payments were eliminated from the budget.

Commissioner Hill explained that Section 13 of the budget bill contains language that would align G.L. c. 23N with G.L. c. 23K regarding the disclosure of publicly sensitive information.

Commissioner Hill explained that Section 104 of the budget bill set the distribution of revenue for category one licensees through Fiscal Year 2026. He stated that unless modified for Fiscal Year 2027, the rates would return to those stated in G.L. c. 23K. He stated that the budget did not include a distribution to the Community Mitigation Fund.

Commissioner Hill stated that the Attorney General's Office sought increased funding from the Commission's control fund for enforcement actions as currently, the Attorney General's Office can only be reimbursed \$3,000,000. He stated that this legislative change was not adopted by the Conference Committee. He noted that the Commission would continue to work with the Attorney General's Office to identify alternative sources of funding.

4. Administrative Update (08:32)

a. Discussion regarding Chief Information Officer and General Counsel staff vacancies

Executive Director Dean Serpa provided an update on postings for open positions with the Commission: Chief Information Officer ("CIO") and General Counsel. *Information regarding the postings for the open CIO and General Counsel positions was included in the Commissioners' Packet on pages 47 through 58.*

Executive Director Serpa explained that the two roles were identified as major policy-making positions which required annual statements of financial interest. He noted that Commission Hiring Policy 103.01 required the Executive Director to come before the Commission to determine if the Commission had a preference for involvement in the hiring process for these two roles.

After a brief discussion ascertaining interest in the hiring committees, Chair Maynard used his authority as the Chair in accordance with the Commission Hiring Policy 103.01(a) to designate himself and Commissioner Brodeur to participate in the Hiring Committee for the General Counsel position.

Chair Maynard then used his authority as the Chair in accordance with the Commission Hiring Policy 103.01(a) to designate Commissioner Skinner and Commissioner O'Brien to participate in the Hiring Committee for the CIO position.

b. <u>Update on weapons detection</u> (18:37)

Caitlin Monahan, Director of Investigations and Enforcement Bureau, explained that 205 CMR 138.20 prohibited possession of firearms within or on the premises of a Massachusetts gaming establishment. She stated that as of the end of May, all three casinos in Massachusetts had installed weapons detection systems at each entrance that were operated 24/7. She stated that some casino patrons had expressed gratitude that the weapons detection systems had been installed.

5. Succession of Officer Positions (21:40)

Commissioner Skinner moved in accordance with G.L. c. 23K, § 3(f) that the Commission appoint Commissioner Brodeur as Secretary for a term of one year. 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 Hill moved in accordance with G.L. c. 23K, § 3(f) that the Commission appoint Commissioner Skinner as Treasurer for a term of one year. 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.

6. Racing Division (27:06)

a. <u>Massasoit Greyhound Association, Inc. request to approve Churchill Downs</u>
<u>Technology Initiatives Company platforms Twin Spires and DK Horse, LLC as Advance</u>
<u>Deposit Wagering Providers in accordance with 205 CMR 6.20 (27:08)</u>

Before discussion began, Commissioner Hill expressed that he was still trying to understand the ramifications of what was being asked of the Commission regarding the Massasoit Greyhound Association's request to approve a new advance deposit wagering ("ADW") provider. He requested that the Commission postpone a vote on this topic to another meeting as he had a lot of unanswered questions. Commissioner O'Brien stated that she respected Commissioner Hill's request and asked that the Commission begin conversations on this topic but postpone the vote.

Chair Maynard stated that the Commission could begin initial conversations regarding this topic and receive further briefing before voting on this matter at a later meeting. Interim General Counsel Justin Stempeck stated that he would briefly frame the issue and then allow for comments from the stakeholders.

Counsel Stempeck explained that Massasoit Greyhound Association d/b/a Raynham Park ("Raynham") had requested an additional ADW provider. He noted that the additional ADW provider requested by Raynham, Churchill Downs Technology d/b/a TwinSpires ("TwinSpires"),

previously worked with Suffolk Downs ("Suffolk"). He noted that an interesting legal question arose when reviewing Raynham's request. A memorandum regarding Raynham's request and stakeholder statements were included in the Commissioners' packet on pages 59 through 72.

Counsel Stempeck explained that the language in G.L. c. 128A, § 5(c) permits advanced deposit wagering by licensees and also contains language referring to G.L. c. 128C, which is the simulcasting statute. G.L. c. 128C contains limitations on simulcasting by the different licensees. He stated that based on the language in these statutes, it could potentially be interpreted that the simulcast wagering limitations also applied to ADW wagering under the statute. He stated that there was no case law regarding this issue and that the Commission would need to resolve the interpretation issue.

Chair Maynard invited the stakeholders to comment on the issue. Jed Nosal, outside counsel for Raynham, stated that he believed there was a clear distinction between G.L. c. 128A, § 5(c) and the section regarding limitations on simulcast wagering. He noted that Raynham was not requesting something new and that Suffolk previously contracted with TwinSpires. He stated that the Commission had previously approved similar agreements.

Andrew Silver, counsel for TwinSpires, stated that this was not a fresh issue, and that Raynham had offered ADW for decades. He stated that the limitations in the statute only referred to simulcasting and not ADW. He stated that he disagreed with written comments provided by Plainridge Park Casino ("PPC") that they were the only licensee that could offer ADW.

Chair Maynard stated that the Commission intended to protect the industry, jobs within the industry, and revenue to the Commonwealth. He stated that he wanted to hear from all other stakeholders before continuing the discussion. Commissioner O'Brien stated that the issue seemed more complex than at first blush.

Steve O'Toole, Director of Racing from PPC, stated that simulcast restrictions were required by the legislature to create a delicate balance between licensees. He explained that the statute protected the interests of live racing, and that while former racing licensees could conduct simulcasting, only tracks with live racing had the ability to offer ADW. He stated that PPC was the only track conducting live racing in the Commonwealth, and that Raynham was precluded by law from having live racing.

Attorney Nosal stated that live racing was not required for ADW. He stated that the language was "each person licensed to conduct" and that there was no live racing requirement.

Paul Umbrello, the Executive Director of the New England Horsemen's Benevolent and Protective Association ("NEHBPA"), stated that he did not believe live racing should be a requirement for ADW because ADW helps health and welfare programs and breeding programs. He stated that federal law allowed the NEHBPA to take in both simulcast and ADW signals. He stated that the NEHBPA signs an agreement with Suffolk annually to take in premiums on their ADW wagering and that the NEHBPA would be at risk of losing premiums if TwinSpires moved to Raynham. He stated that premiums should continue to be paid to the NEHBPA for as long as

simulcast and ADW signals continue, and that it benefits the thoroughbred horse programs. He stated that the language in the statute needed to be amended to be clarified.

Counsel Stempeck pointed out that one critical component in this discussion was the reference in G.L. c. 128A to follow G.L. c. 128C. He noted that this was not addressed by any parties' statements other than a narrow interpretation argued in TwinSpires' letter. He noted that the parties may want to submit a written statement on this specific topic. He stated that while there are arguments about past practices, the principles of estoppel do not apply to a government agency and the Commission has a right to review this issue anew.

Chair Maynard noted that the Commission was not a legislative body and could not rewrite the statute but that the Commission could interpret the statutory language. He stated that balances and equities were considered when drafting past limitations and that he hoped the parties could collaborate to achieve a resolution.

Commissioner O'Brien requested that, as Counsel Stempeck suggested, the parties submit additional written statements to the Commission. Commissioner Hill expressed that he would like to review this issue through a new lens. He stated that once all information was presented, the Commission would have to decipher what the law requires and adhere to that law. Chair Maynard reiterated that the Commission had approved ADW signals in the past, and that he would want more details as to why this issue was not raised at that point. He stated that he looked forward to additional comments.

7. Sports Wagering Division (1:31:03)

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a. House Rules Update – Fanatics (1:31:14)
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Sports Wagering Compliance and Operations Manager Andrew Steffen presented proposed updates to Fanatics' House Rules. *The proposed house rules revisions were included in the Commissioners' Packet on pages 73 through 76.*

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.

8. Research and Responsible Gaming (1:33:54)

a. Presentation of report, "Diversity in Sports Wagering and Recommendations for Future Practices in the Massachusetts Industry"

Director of Research and Responsible Gaming Mark Vander Linden introduced Rachel Volberg, Research Professor at University of Massachusetts Amherst and Principal Investigator for Social and Economic Impacts of Gambling in Massachusetts ("SEIGMA"), and Mark Melnik, Director of Economic and Public Policy Research at the UMass Donahue Institute and Principal Investigator for SEIGMA.

Dr. Volberg and Dr. Melnik presented a report titled "Diversity in Sports Wagering and Recommendations for Future Practices in the Massachusetts Industry," with topics that included defining key players, research strategy, data collection, qualitative and quantitative findings, workforce diversity, vendor diversity, and recommendations. *The report and presentation were included in the Commissioners' Packet on pages 77 through 241*.

Commissioner O'Brien noted that the number of women employed in sports wagering was low industry-wide and asked if Massachusetts was consistent with the national average. Dr. Melnik stated that Massachusetts was lower than the national average but not significantly so. Commissioner O'Brien asked if there was a way to differentiate data for women in supervisory or management roles. Dr. Melnik stated that the information was differentiated by management in the full report. Dr. Volberg noted that there was a high proportionate number of women at the executive level in the mobile sports wagering sector.

Commissioner Skinner noted that the Commission conducted a diversity audit of category one licensees and that she saw some overlap with the findings presented regarding the difficulty of businesses being able to receive certification. She stated that the Commission developed a subgroup to investigate those findings with more detail. She stated that the Commission would develop recommendations to assist in the certification process. She stated that the audit was focused on category one operators, but diverse business vendors would benefit.

Commissioner Brodeur noted that the Commission partnered in the past with the Supplier Diversity Office ("SDO") to create connections and assist businesses with navigating the certification process. He inquired as to whether the Commission should focus on assisting with the certification process or continue to seek the assistance of the SDO. Dr. Volberg stated that the Commission should do both. She stated that the certification process was difficult in her personal experience. She stated that partnering with the SDO was important, but that the Commission should educate business owners as to what services the Commission purchases.

Commissioner Brodeur asked if the issue was that there was a small pool of individuals who navigated the certification process, or whether it was because there was a smaller pool of individuals or businesses who qualified for certification. Dr. Melnik stated that both of those situations created issues. He stated that there was also the broader issue of interactions between generational wealth, inequities, and race. He stated that small businesses required the owner to tap into wealth resources, which is more difficult due to the economy not being as strong as it once was.

Commissioner Brodeur noted that the SDO had resources available through a directory and dashboard and asked if those resources had an impact on the marketplace. Dr. Melnik stated that information was available, but that it could be daunting to find that information. Dr. Volberg stated that materials on the website were helpful, but due to the amount of information requested, the process of becoming certified still had significant legal and accounting costs.

Commissioner Brodeur asked if the study had any information on the subsector of diversity work regarding the intellectual disability community. Dr. Melnik stated that there were questions as to how to best induce labor force participation rates for underrepresented populations. He stated that labor force participation was low for individuals with disabilities, and that there would have to be a focus on identifying opportunities tailored to that community.

Chair Maynard noted that the Commission always inquired about workforce and supplier diversity during quarterly reports. He stated that the Commission collaborated with the SDO and would continue to expand its efforts.

Finance & Budget Office Manager John Scully stated that the Commission staff worked diligently to increase diversity. He stated that on June 16, 2025, the Commission held a joint event with the SDO and licensees. Chief Financial and Accounting Officer ("CFAO") Derek Lennon stated that the Commission procured Supplier.io through a diverse vendor on the statewide contract. He stated that the procurement would help the Commission find diverse businesses in Massachusetts and assist in getting the businesses certified.

9. Legal (2:58:22)

a. <u>205 CMR 256 – Sports Wagering Advertising - Discussion and Review of Regulation Amendments and Small Business Impact Statement for authorization to finalize the promulgation process by Commission (2:58:56)</u>

Interim General Counsel Stempeck presented proposed amendments to 205 CMR 256 clarifying the scope of the regulation and further to add language requiring marketing and advertising disclosures. A memorandum, draft amended regulation, amended small business impact statement, and public comments were included in the Commissioners' Packet on pages 242 through 258.

Counsel Stempeck stated that he reviewed the public comments regarding this regulation and that he recommended moving forward with the language as written.

Commissioner O'Brien moved that the Commission approve the amended small business impact statement and draft of 205 CMR 256 included in the Commissioners' Packet and discussed here today, and further that staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to finalize the regulation promulgation process. The motion was seconded by Commissioner Skinner.

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.

10. <u>Investigations and Enforcement Bureau</u> (3:03:56)

a. Review of the IEB's Recommendation of Assessment of a Civil Administrative Penalty pursuant to 205 CMR 232.02(2), regarding noncompliance with Knowledge Based Authentication requirements by American Wagering Inc., d/b/a Caesars Sportsbook (3:04:12)

Zac Mercer, Senior Enforcement Counsel, stated the Investigation and Enforcement Bureau ("IEB") recommended the assessment of a civil administrative penalty in the amount of \$10,000 to American Wagering Inc. d/b/a Caesars Sportsbook ("Caesars") for a non-compliance event occurring between September 1, 2023 and April 30, 2024. He explained that the regulation implicated was 205 CMR 248.04(4), which required the use of knowledge-based authentication ("KBA") questions during account establishment for sports wagering accounts.

Counsel Mercer noted that the IEB initially briefed the Commission on this matter at the July 11, 2024 public meeting and returned to the Commission with additional information at the February 6, 2025 public meeting. He stated that Caesars was cooperative during the extensive investigation and that Caesars agreed with the IEB's recommendation after review.

The Commission reached a consensus to adopt the IEB's recommendation and impose a \$10,000 civil administrative penalty on Caesars.

11. Finance (3:07:55)

a. FY26 Budget Approval (3:08:03)

CFAO Lennon presented the FY26 Budget for approval, with topics that included total budget regulatory costs, assessments on licensees, and department budgets. *The FY26 budget was included in the Commissioners' Packet on pages 259 through 345*. He noted that no public comments had been received.

Commissioner O'Brien moved that the Commission approve the proposed FY26 Budget as included in the Commissioners' Packet and discussed here today. Commissioner Skinner seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.
Commissioner Hill: Aye.
Commissioner Skinner: Aye.
Commissioner Brodeur: Aye.

Chair Maynard: Aye.

The motion passed unanimously, 5-0.

12. Commissioner Updates (3:14:16)

There were no Commissioner updates.

13. Other Business (3:14:21)

Hearing no other business, Chair Maynard requested a motion to adjourn.

Commissioner Hill moved to adjourn. The motion was seconded by Commissioner Brodeur.

Roll call vote:

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

The motion passed unanimously, 5-0.

List of Documents and Other Items Used

- 1. Revised Notice of Meeting and Agenda dated June 27, 2025
- 2. Commissioners' Packet from the July 1, 2025, meeting (posted on massgaming.com)