

**COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION**

In the Matter of)
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Application of Plainville Gaming Redevelopment, LLC for a)
Category 1 Sports Wagering Operator License)
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**DECISION DEEMING PLAINVILLE GAMING REDEVELOPMENT, LLC
ELIGIBLE TO REQUEST A TEMPORARY
CATEGORY 1 SPORTS WAGERING OPERATOR LICENSE¹**

I. Introduction

Plainville Gaming Redevelopment, LLC (d/b/a Plainridge Park Casino), (“PPC” or “Plainridge Park Casino”), the holder of a gaming license under G.L. c. 23K § 2, applied to the Massachusetts Gaming Commission (“MGC” or “Commission”) for a Category 1 Sports Wagering License. Under G.L. c. 23N, the Commission may issue a Category 1 Sports Wagering License (“License”) to any holder of a G.L. c. 23K gaming license that meets the requirements of c. 23N and the rules and regulations of the Commission. For the following reasons, the Commission hereby deems PPC eligible to request a temporary license.

II. Procedural History

On November 21, 2022, the Commission received PPC’s application for a Category 1 Sports Wagering License and the \$200,000 application fee. *See* G.L. c. 23N, § 7(A) and 205 CMR 214.01. The MGC Division of Licensing reviewed the Sports Wagering License Application for administrative sufficiency and determined that the application was sufficient. *See* 205 CMR 218.03. On December 5, 2022, the Commission held a virtual public meeting to hear public comment on all Category 1 Sports Wagering applications, which are contained in the Commission’s public record. *See* 205 CMR 218.05-.06, On December 6, 2022, the Commission held a virtual public meeting to determine whether to issue PPC a preliminary or durable finding of suitability, which included hearing an informal presentation from PPC and the Commission’s consultants. *See* 205 CMR 218.04(1)(a)-(b), 218.05(1)(b), 218.06(1). At that same meeting, the Commission deliberated on the license application and on January 4, 2023, the Commission found PPC preliminarily suitable and deemed PPC eligible to request a Temporary License. *See* 205 CMR 215.01(2)(c)-(d), 218.06(4)-(5) and 218.07(1)(a).

III. Findings and Evaluation

In evaluating whether to issue the Category 1 Sports Wagering License to PPC, the Commission considered: all information in the application submitted by PPC; the public comments made on

¹ All facts referenced in this decision were current as of the date of the respective hearings referenced in the Procedural History for this applicant.

December 5, 2022; the presentations made by PPC and the Commission’s external consultants² on December 6, 2022; and a written report prepared by the Investigations and Enforcement Bureau (“IEB” or “Bureau”) in accordance with 205 CMR 215.01(2)(b).

In accordance with 205 CMR 218.06(5), in determining whether to deem PPC eligible to request a Temporary Sports Wagering License, the Commission evaluated all materials and information in the record to determine whether a license award would benefit the Commonwealth, and considered the following factors:

- a) PPC’s experience and expertise related to Sports Wagering, including:
 1. PPC’s background in Sports Wagering;
 2. PPC’s experience and licensure in other jurisdictions with Sports Wagering;
 3. A description of PPC’s proposed Sports Wagering operation;
- b) The economic impact and other benefits to the Commonwealth if PPC is awarded a License, including:
 1. Employment opportunities within the Commonwealth;
 2. The projected revenue from wagering operations and tax revenue to the Commonwealth;
 3. PPC’s proposed plans for construction and capital investments associated with the License award;
 4. Community engagement;
- c) PPC’s proposed measures related to responsible gaming, including:
 1. PPC’s responsible gaming policies;
 2. PPC’s advertising and promotional plans;
 3. PPC’s history of demonstrated commitment to responsible gaming;
- d) A description of PPC’s willingness to foster racial, ethnic, and gender diversity, equity, and inclusion, including:
 1. Within PPC’s workforce;
 2. Through PPC’s supplier spend;
 3. In PPC’s corporate structure;
- e) The technology that PPC intends to use in its operation, including:
 1. Geofencing;
 2. Know-your-customer measures; and
 3. Technological expertise and reliability;

²The consultants include RSM US LLP (“RSM”), which presented on financial projections; Gaming Laboratories International LLC (“GLI”), which presented on technology considerations; and the Commission’s Investigations and Enforcement Bureau (“IEB”), which presented on suitability.

- f) The suitability of PPC and its qualifiers, including:
1. Whether PPC can be or has been determined suitable in accordance with 205 CMR 215;
 2. PPC's and all parties in interest to the license's integrity, honesty, good character, and reputation;
 3. PPC's financial stability, integrity, and background;
 4. PPC's business practices and business ability to establish and maintain a successful sports wagering operation;
 5. PPC's history of compliance with gaming or sports wagering licensing requirements in other jurisdictions;
 6. Whether PPC is a defendant in litigation involving its business practices; and
- g) Any other appropriate factor, in the Commission's discretion.

Further, the Commission decided whether each section of PPC's application failed to meet, met, or exceeded expectations.

Ultimately, the Commission finds there is substantial evidence in the record to conclude that PPC's proposed sports wagering operation meets, and in many instances exceeds, the requirements set forth in G.L. c.23N and 205 CMR 218. The Commission further finds there is substantial evidence to adopt the following specific findings of fact and conclusions of law related to PPC's application.

A. Experience and Expertise Related to Sports Wagering

PPC reported that as of December 2021, PPC's parent company, Penn Entertainment, Inc. ("Penn"), had 21 retail sports betting locations generating \$85 million in gross gaming revenue, making Penn the second largest provider of sports wagering in the US. Also, as PPC explained in its presentation at the December 6, 2022, hearing, retail sports wagering at Plainridge Park Casino would be PPC General Manager North Grounsell's third retail sports wagering operation. Finally, PPC's VP of Operations led the sports wagering launch at his last property.

Commissioners expressed concerns with PPC's reliance on Penn Sports Interactive, LLC ("PSI") and Penn's experience and requested that the Applicant elaborate on the contractual relationship between PPC and PSI. Mr. Grounsell explained that PSI will provide equipment and certain trading services to PPC as a vendor. He further explained that all team members operating the sportsbook and taking bets would be PPC members licensed by the Commission.

Accordingly, PPC has demonstrated by substantial evidence that it has the experience and expertise, both locally and among its corporate affiliates, required to develop and operate a physical retail sportsbook. Therefore, PPC's proposal in the experience and expertise category exceeds expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Background in Sports Wagering	For the reasons described above, the Commission unanimously agreed that PPC has sufficient background in Sports Wagering, and experience and licensure in other jurisdictions with Sports Wagering, and has been fully vetted in that regard.
Experience and licensure in other jurisdictions with Sports Wagering	<p>As PPC explained in its application, PENN, PPC’s parent company, operates 43 entertainment destinations in 20 jurisdictions across the United States with a variety of retail and online gaming, live and simulcast racing, entertainment, and hospitality offerings, and currently has 25 retail sportsbooks in 11 states. Commissioners expressed concerns with PPC’s potential reliance on PSI (a tethered Category 3 applicant). PPC General Manager North Grounsell clarified that the relationship between the two would be an intercompany agreement, under which PSI will provide services as a vendor to PPC. He noted that having a third party manage the risk of large wagering pools is common within the sports wagering industry. He further clarified that PSI will not operate the sportsbook.</p> <p>The Commission initially expressed concerns that because PSI holds the contracts with PPC’s vendors, PSI would exercise inappropriate control over the sports wagering operation. However, the Commission was ultimately satisfied that PSI would not exercise inappropriate control over PPC’s sports wagering operation.</p>
Description of PPC’s proposed Sports Wagering Operation	<p>As PPC explained in its application and presentation, the Sportsbook at PPC will offer patrons the opportunity to wager on an estimated 5,000 or more markets where results can be determined on the field of play and can be proven by a box score or other statistical analysis.</p> <p>Guests will be able to place bets at automatic kiosks or teller windows with PPC team members available to answer questions about wagering. Wager pricing will be available via odds boards, sheets, PPC’s website, and at teller windows, and guests will have the option to wager on 5,000 or more wagering markets. PPC’s statistical analysis will incorporate over 1,000 leagues and include exhibition, pre-season, regular season, all-star events, and professional sports drafts—all subject to Commission approval.</p>

	<p>In accordance with G.L. c. 23N and 205 CMR some wagers will be prohibited, such as high school youth sports, injuries, penalties, discipline, replay reviews, proposition wagering on individual college athletes, and college sporting events involving Massachusetts colleges (unless otherwise specified).</p> <p>The wagering space will launch in two phases. First, there will be a temporary sportsbook near the Revolution Lounge with five teller windows and 18 kiosks.</p> <p>Upon granting of a durable license, a second phase of building out the sports wagering space would begin. This would include a multimillion-dollar capital investment to transform the existing Flutie space into a Barstool-branded bar and restaurant.</p> <p>The Commission was satisfied by this described plan for Sports Wagering operations.</p>
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B. Economic Impact

PPC provided a detailed description of the anticipated economic impact to the Commonwealth of receiving a sports wagering license.

The Commission was particularly impressed with the employment opportunities that would accompany PPC’s sports wagering operation. According to PPC, PPC’s retail sports wagering operation would create employment opportunities for 46 employees (or 30.8 FTEs). Additionally, PPC will continue to collaborate and build on its relationships with the Massachusetts Department of Labor and Workforce Development, various community colleges, and various other community organizations including the NAACP, United Regional Chamber of Commerce, and the URCC Women’s Impact Network, to increase employment opportunities within the Commonwealth.

Overall, there is substantial evidence that PPC’s proposal in the economic impact category is very good, and therefore exceeds expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Employment opportunities	Employment opportunities would be within sportsbook itself and in the space currently occupied by Flutie’s Sports Pub. PPC would hire for over 40 positions, including managers in front of house and culinary areas, hosts, servers, and bartenders. PPC would endeavor to use hiring for these positions as a tool towards restoring past gender balance among staff.

	<p>PPC anticipates the addition of 5.4 FTE (with a 9-person head count) within the sportsbook itself, and 25.4 FTE (with a 37 person head count) in the sports bar area housing the sportsbook. This includes adding the following positions: SportsBook Manager, SportsBook Assistant Manager, and SportsBook Teller.</p> <p>The Commission was satisfied by this proposed employment plan.</p>
<p>Projected revenue from wagering operations, and tax revenue</p>	<p>PPC described its projected revenue for Sports Wagering on pages 71-85 of its Application, which the Commission found satisfactory.</p>
<p>Proposed plans for construction and capital investments</p>	<p>PPC proposed a retail sportsbook location with mixed use space with central location on the gaming floor. The proposed square footage of the new venue is generally consistent with other sportsbook markets, including New Jersey and Pennsylvania.</p> <p>The proposed design of the sports wagering space, as well as the proposed remodel schedule, are comparable to other remodels.</p> <p>Considerations for construction timeline relate to supply chain uncertainties. Specialty items with long lead times may impact the ultimate completion of the project. However, the remodel of the space does not appear to be subject to a significant risk of supply chain issues, as the physical layout will not require specialized equipment. Elements including custom furnishings and custom carpeting might not be available within the timeframe provided by PPC, but PPC could easily install temporary fixtures that could later be replaced by these custom elements.</p> <p>The Commission was satisfied by PPC’s construction plans to create a Sports Wagering area.</p>
<p>Community engagement</p>	<p>PPC is involved with multiple local charitable organizations, including Boston Pearl, New Hope, New Colony Habitat for Humanity, and Tri-Town Chamber of Commerce.</p> <p>PPC will continue to work with the Lottery to expand on the initiatives established over the last 7 years.</p> <p>PPC has not and will not create, promote, operate or sell games that are similar to or in direct competition, as determined by the</p>

	<p>Massachusetts Gaming Commission, with games offered by the Massachusetts State Lottery Commission.</p> <p>The Commission was satisfied by PPC’s representations regarding its past, ongoing, and future plans for community engagement.</p>
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C. Responsible Gaming

PPC reported that its parent company Penn has a history of commitment to responsible gaming. This history includes annual support of various industry-wide responsible gaming initiatives including Responsible Gaming Education Month and Problem Gaming Awareness Month, an extensive and comprehensive employee responsible gaming training program, and consistent adherence to federal standards governing gaming advertising.

Penn also offers various responsible gaming tools such as self-exclusion and financial restriction in retail and online settings, and has an “exclude one, exclude all” policy. It also has responsible gaming committees at corporate and property levels that meet regularly, and Penn is a regular participant in industry discussions around responsible gaming.

However, the Commission was concerned with Penn’s current and future relationship with Barstool Sports. Specifically, the Commission expressed concerns highlighted in a recent New York Times article about Barstool Sports and the Barstool College Football Show. PPC explained that the Barstool College Football Show is a Barstool Media production, not a Barstool Sportsbook production. PPC also argued in its presentation that its relationship with Barstool Sports allows it to be more creative and effective in its responsible gaming messaging by, utilizing Barstool’s on-air personalities to deliver messages during other media content about the risks associated with gambling. The Commission concluded that this question required further investigation and consideration and decided to impose a condition on the temporary license accordingly.

The Commission entered Executive Session pursuant to G.L c. 31 s. 21A(7) to discuss the use of kiosks related to responsible gaming.

Overall, PPC put forth a compelling responsible gaming plan. However, the Commission has concerns about PPC’s relationship with Barstool Sports and its implications for PPC’s responsible gaming plans. Otherwise, there is substantial evidence that PPC’s proposal in the responsible gaming category is excellent and therefore exceeds expectations.

SUMMARY OF EVALUATION BY CRITERIA

Criteria	Finding
Responsible Gaming Policies	<p>As PPC explained in its presentation at the December 6, 2022, hearing, to maximize the acceptance of the program by the public and to provide a unified responsible gaming message throughout the Commonwealth, PPC branded its responsible gaming program with the GameSense brand. PPC hosts the GameSense Information Center, which provides resources and information on healthy and problem gambling and is staffed by representatives of the Massachusetts Council on Gaming and Health (MACGH) during designated hours and online via Live Chat 24 hours a day.</p> <p>PPC educates all team members regarding responsible gaming; the purpose and function of the on-site GameSense team; disordered gambling; the prohibition of underage gambling; the identification and suspension of excluded, self-excluded and suspended persons; and the confidentiality of this information.</p> <p>PPC has an established Responsible Gaming Committee, which meets quarterly, monitors compliance, and continues to evaluate the Responsible Gaming (“RG”) program’s effectiveness and authorizes changes to the program as necessary.</p> <p>PPC follows the advertising guidelines of the American Gaming Association’s Code of Conduct for Responsible Gaming.</p> <p>The Commission was satisfied by PPC’s responsible gaming policies.</p>
Advertising and Promotional Plans	<p>All PPC’s sports wagering advertisements will contain a responsible gaming message and will comply with federal standards. These ads will not appeal to children or minors, feature those who are under the age of 21, make claims that gambling will guarantee success, be placed in front of an audience where most are expected to be under 21, encourage people to play beyond their means, exaggerate chances of winning, or encourage irresponsible play.</p> <p>The Commission was satisfied that PPC’s advertising and promotional plans would adhere to its responsible gaming policies.</p>
History of Dedicated Commitment to Responsible Gaming	See Responsible Gaming Policies, above.

D. Diversity, Equity, and Inclusion

The Commission included Diversity, Equity, and Inclusion as a stand-alone consideration to demonstrate the value it places on this category of an applicant's application.

During the December 6, 2022, hearing, PPC noted that its parent company, Penn, has been recognized as a company leading the way for gender on corporate boards. It was also recognized in Forbes Magazine's "America's Best Employers for Diversity" and certified as an age-friendly employer.

Penn's commitment to diversity, equity, and inclusion has also been demonstrated in its commitment to the future of diversity and inclusion in the industry. In 2021, Penn launched a \$1,000,000 diversity scholarship program for children of employees. Penn also created a \$4,000,000 STEM scholarship fund, and has an internship program at six Historically Black Colleges and Universities in states in which the company operates.

Penn also makes diversity, equity and inclusion a priority through its supplier diversity initiative. Penn doubled its diversity spend in its first year. Its 2021 diversity spend also increased from \$52M in 2020 to \$68M in 2021. In its most recent quarter, Penn met or exceeded all goals of diverse supplier spend.

Locally, PPC also has small business incubator which supports minority businesses and assists them in growing from local to national suppliers. Penn offers ongoing assistance to Boston Pearl Foundation, a 501(c)(3) organization that provides young Black women with college financial assistance, and New Hope, a 501(c)(3) organization that serves individuals and families affected by domestic and sexual violence through combined crisis intervention, violence prevention, life transition, and self-sufficiency opportunities.

Commissioners expressed concerns with the fact that PPC's supplier diversity used to be higher. PPC addressed that concern by stating that part of the local spend is a function of what is considered a "surrounding community" in its various surrounding community agreements. PPC also noted that Mr. Grounsell meets monthly with PPC's procurement team to make sure that the diverse spend stays on track.

The Commission determined that PPC's application demonstrated an exemplary commitment to Diversity, Equity, and Inclusion. There is therefore substantial evidence that PPC's proposal in the diversity, equity, and inclusion category exceeds expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
DEI within the workforce	<p>PPC reported that its workforce has the following demographics: 43% women, 5% veterans, 63% from the Commonwealth, 33% from host and designated surrounding communities, and 20% from ethnic minority groups.</p> <p>With the launch of the Sportsbook and re-opening of the Sports bar, PPC will add 46 employees, and will emphasize recruitment of individuals from surrounding communities, ethnic minority groups, and women. In support of that goal, PPC sponsors and recruits candidates from local, regional, state, and/or national organizations committed to the development and promotion of diversity, equity, and inclusion initiatives including Rolling Thunder, The Boston Pearl Foundation, New Hope, Old Colony Habitat for Humanity and the Attleboro YMCA, among others.</p> <p>Plainridge Park offers tuition reimbursement to existing team members and has an Emerging Leaders Program for hourly employees seeking management positions.</p> <p>The Commission was satisfied by PPC’s workforce goals.</p>
DEI through supplier spend	<p>The Commission noted that supplier diversity at PPC had been higher in the past. General Manager North Grounsell noted that he meets monthly with the procurement team to ensure that PPC is appropriately managing its diverse spend, and noted that a certain percentage of local diverse vendor spend is a function of the definition of “a surrounding community” in the Host Community Agreement.</p> <p>PPC set procurement goals for ongoing operations that match those of the Commonwealth for state agencies: 6% MBE, 12% WBE, and 3% VBE. PPC has also implemented two additional policies regarding minority, women, veteran and local business opportunities with PPC:</p> <ol style="list-style-type: none"> 1. Any qualified diverse supplier will be afforded a 5% consideration over competitive bids. 2. MBE/WBE/VBE and local, Massachusetts-based vendors will be eligible in the future to participate in Penn’s credit card payment program, which provides accelerated payment to these vendors upon completion of services or upon delivery of goods. <p>The Commission was satisfied by PPC’s supplier spend goals.</p>

DEI in corporate structure	<p>Penn was included in the 2021 and 2022 Champions of Board Diversity by The Forum of Executive Women and the 2021 Breakfast of Corporate Champions, which recognizes companies that lead the way for gender balance on corporate boards. In 2021 and 2022, Penn was included in Forbes Magazine’s list of America’s Best Employers for Diversity, and has received accolades from the All-In Diversity Project and is certified as an Age-Friendly Employer by the Age-Friendly Institute. Currently, Penn’s Board is 44% female, includes three military veterans, and members who are white/Latino/ Asian/African American and LGBTQ+.</p> <p>The Commission was satisfied by Penn’s corporate structure.</p>

E. Technology

PPC plans to partner with Kambi, a leading independent provider of premium sports betting technology and services, to provide and operate PPC’s sports wagering technology. Kambi has been certified in in over 25 jurisdictions in the United States and more worldwide. For fifteen years Kambi has provided sports betting platforms and systems and applications in European markets and was the first to do so in the U.S. Consultants to the Commission noted that PPC’s application was as thorough and complete on this section as possible and that the technology PPC plans to use is best in class.

However, sports wagering is much more dynamic than land-based gaming operations, so the initial testing and certification, while essential, is only the beginning. It will involve continuing efforts and cooperation with other regulatory bodies. A network security task force is essential to these systems in the long run.

Commissioners questioned whether PSI would have a regulatory structure in place to catch security breaches. Specifically, Commissioners asked whether an individual customer who notices a data breach will be able to speak with a person and stop a breach quickly, particularly because customers have their bank accounts tied to their sports betting accounts. PPC explained that customers do not register with accounts in the retail setting.

Overall, there is substantial evidence that PPC’s proposal in the technology category meets expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Geofencing	Not applicable. As a retail entity offering in-person Sports Wagering, geofencing is not an applicable technology.

Know your customer measures	Please refer to Section F.2 of Penn Sports Interactive, LLC Category 3 – Tethered Application for further details.
Technological expertise and reliability	PPC described its technological expertise and reliability in section F.3-b-01 on its Application, which the Commission found satisfactory.

F. Suitability of PPC and Its Qualifiers

PPC has undergone extensive investigations in relation to its Category 1 Operator’s License, and in 2013 the Commission found PPC and each of its then individual entity qualifiers suitable in connection with PPC’s application for a gaming license. As new qualifiers joined PPC, they were required to submit to full investigations as well, all of which are reviewed in the materials the IEB submitted in accordance with 205 CMR 215.02. Because the criteria for suitability to hold a gaming license are substantially aligned with the criteria for suitability to hold a sports wagering license, the Commission used information obtained in past suitability investigations here.

The Commission was concerned with the suitability of Barstool Sports, of which Penn currently owns 36%, and which Penn will own in the entirety at some point in February 2023. Specifically, the Commission was concerned with PPC’s decision to align with Barstool, and its founder Dave Portnoy, for branding purposes given Barstool’s historic position on gaming. To that end, the Commission has added conditions to this license (set forth below) requiring a full IEB investigation of Barstool’s suitability as it relates to PPC’s proposed sports wagering operation.

The Commission entered Executive Session pursuant to G.L c. 30A s. 21(a)(7) to discuss advertising issues regarding Barstool Sports and a review of associated data, to discuss the use of kiosks related to responsible gaming, and to discuss the suitability of Barstool Sports. These matters related to trade secrets and were competitively sensitive and/or proprietary, thus, their discussion at an open meeting would have placed the applicant at a competitive disadvantage.

The Commission may determine that an applicant or qualifier is preliminarily suitable to hold a sports wagering license based on (1) the applicant and its qualifiers, or the qualifier, certifying to their suitability under the pains and penalties of perjury, and (2) the IEB’s investigative report. *See* 205 CMR 215.01(2)(a). The Commission deliberated on PPC’s preliminary suitability during its deliberations on PPC’s application on December 6, 2022. *See* 205 CMR 215.01(2)(c). Based on PPC and its qualifiers’ certifications, the IEB’s investigative report, information obtained through previous investigations into PPC and its qualifiers as described above, and the license conditions requiring further investigation of Barstool’s suitability, the Commission determined that PPC and its qualifiers are preliminarily suitable to hold a sports wagering license. *See* 205 CMR 215.01(2)(d)(1).

The Commission is largely satisfied with PPC’s suitability, and that of its qualifiers. It therefore found PPC preliminarily suitable and concluded that PPC’s suitability meets expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Suitability in accordance with 205 CMR 215	PPC is preliminarily suitable to hold a sports wagering license.
PPC’s and all parties in interest to the license possess integrity, honesty, good character and reputation	The IEB’s past investigations of PPC and the IEB’s investigative report prepared for the purposes of this temporary license decision have not revealed any disqualifying information concerning PPC or its qualifiers’ integrity, honesty, good character, or reputation.
PPC’s financial stability, integrity, and background	PPC operated under a capital expenditure plan approved by the MGC from opening until December 31, 2020. In 2021, PPC received approval from the MGC on a capital plan that extends through December 31, 2025. The Ultimate Parent Company, Penn Entertainment (PENN) provides all capital funding to PPC.
PPC’s business practices and business ability to establish and maintain a successful sports wagering operation	At this time, the Commission has not been made aware of any disqualifying information concerning PPC’s business practices. As described in the section addressing Experience and Expertise Related to Sports Wagering above, PPC has the ability to establish and maintain a successful sports wagering operation.
PPC’s history of compliance with gaming or sports wagering licensing requirements in other jurisdictions	PENN Entertainment, Inc., the ultimate parent company of PPC, is currently licensed, or has subsidiaries that are licensed, in Arizona, Arkansas, Colorado, Florida, Iowa, Illinois, Indiana, Kansas, Louisiana, Maryland, Maine, Michigan, Missouri, Mississippi, New Jersey, New Mexico, New York, Nevada, Ohio, Pennsylvania, Tennessee, Texas, Virginia, Washington, and West Virginia. In 2014, the Iowa Racing and Gaming Commission (“IRGC”) issued a ruling not to renew the gaming license of Belle of Sioux City, L.P. (“Belle”), an operating subsidiary of PENN. This non-renewal was not due to the operating or suitability record of either Belle or PENN, but because Belle’s operating agreement with its previous charitable “qualified sponsoring organization” (“QSO”), required under Iowa law, expired after 20 years. That QSO chose to partner with another gaming operator and the IRGC did not grant Belle’s request to license a new QSO to partner with Belle. Instead, the IRGC opened the county up for

	<p>applications for a new land-based casino and granted that license to the Hard Rock Casino in Belle’s stead.</p> <p>In December 2022, the Ohio Casino Control Commission issued a Notice of Violation to Penn Sports Interactive, LLC (“PSI”). This Notice contained two counts of administrative charges. The first was that PSI, or its affiliate marketer, advertised or promoted on a college or university campus located in Ohio in violation of the Ohio Administrative Code. The second was that PSI, or its affiliate marketer, targeted individuals under the age of 21, also in violation of the Ohio Administrative Code. Based on these charges, the Ohio Casino Control Commission sought to impose the following administrative sanctions: (1) a monetary fine not less than \$250,000, (2) requiring PSI to ensure that its personnel are trained in all laws, policies, and procedures relevant to advertising and promoting sports betting compliant with Ohio law, and (3) any other sanction or remedy permitted.</p> <p>This matter was pending as of the date of license issuance.</p>
<p>Whether PPC is a defendant in litigation involving its business practices</p>	<p>PPC is not a defendant in any litigation involving its business practices.</p>
<p>Any other appropriate factor in the Commission’s discretion</p>	<p>The Commission expressed concerned with PPC’s alignment with Barstool, which arguably glamorizes irresponsible gaming. For the purposes of this temporary license decision, the Commission is addressing this concern by requiring a full investigation as the licensing process continues.</p>

IV. Award

PPC’S APPLICATION EXCEEDS EXPECTATIONS IN ALL MAJOR CATEGORIES AND THE COMMISSION FINDS PPC ELIGIBLE FOR A TEMPORARY CATEGORY 1 SPORTS WAGERING LICENSE

On January 4, 2023, the Commission deemed PPC (“Licensee”) eligible to request a Temporary Category 1 Sports Wagering Operator License (“License”) pursuant to the terms and conditions of this Agreement (“Agreement”). On November 21, 2022, the MGC received PPC’s request for a temporary license, and an initial licensing fee of \$1,000,000 payable to the Commission. *See* 205 CMR 219.02(1). On January 4, 2023, the Commission voted to issue the requested temporary license. *See* 205 CMR 219.02(3).

This License is subject to the following conditions:

1. Compliance with all the requirements of G.L. c. 23N, as now in effect and as hereafter amended and 205 CMR, as now in effect and as hereafter amended.
2. Compliance with all applicable federal, state and local laws, rules and regulations, now in effect or as hereafter amended or promulgated.
3. Compliance with all terms and conditions of the Gaming License for the Gaming Establishment at PPC dated June 24, 2020.³
4. Compliance with the license conditions required to be inserted into all sports wagering licenses by 205 CMR 220, namely:
 - a. That the Licensee obtain an Operation Certificate before conducting any sports wagering in the Commonwealth.
 - b. That the Licensee comply with all terms and conditions of its license and Operation Certificate;
 - c. That the Licensee comply with G.L. c. 23N and all rules and regulations of the Commission;
 - d. That the Licensee make all required payments to the Commission in a timely manner;
 - e. That the Licensee maintain its suitability to hold a sports wagering license; and
 - f. That the Licensee conduct sports wagering in accordance with its approved system of internal controls, and in accordance with its approved house rules, in accordance with G.L. c. 23N, § 10(a) and with 205 CMR.
5. That that the License, in the form prescribed by the Commission, shall be posted in a location continuously conspicuous to the public within the Sports Wagering Facility at all times.
6. Payment of assessments made pursuant 205 CMR 221.00 in accordance with that regulation.
7. Compliance with any requirements to obtain federal, state and local permits and approvals required to construct and operate the sports wagering facility, and any conditions or requirements set forth therein.
8. The Sports Wagering Operation shall substantially conform to the information included in the application filed by the Licensee.
9. Other specific conditions:

³ PPC's 5-year license renewal was approved as of June 24, 2020; however, the official Renewal Award is dated September 30, 2020.

- a. Fully cooperate with IEB in its suitability investigation, including, without limitation, the IEB's investigation into Barstool Sports and its branding relationship with Licensee.
- b. Prohibit anyone under 21 from attending the Barstool College Football Show as a live audience member.

10. The term of the temporary license awarded to Licensee commences upon January 12, 2023, and shall expire as set out in 205 CMR 219.03.

SO ORDERED

MASSACHUSETTS GAMING COMMISSION



Cathy Judd-Stein, Chair



Eileen M. O'Brien, Commissioner



Bradford R. Hill, Commissioner



Nakisha L. Skinner, Commissioner



Jordan M. Maynard, Commissioner