



## **Notice of Public Hearing**

Notice is hereby provided that in accordance with G.L. c. 30A § 2, the Massachusetts Gaming Commission (“Commission”) will convene a public hearing for purposes of gathering comments, ideas, and information relative to the proposed adoption of regulations. The regulation was promulgated pursuant to G.L. c. 23N § 4, as part of the Commission’s regulatory process, and concern the following regulation:

**205 CMR 238.00 – Additional Uniform Standards of Accounting Procedures and Internal Controls for Sports Wagering; Specifically, 205 CMR 238.12: Reserve Requirement.** This regulation is being amended to allow Operators to backup patron funds in Sports Wagering Accounts through a letter of credit, cash reserves, Segregated Account, or a combination thereof. The effect of the amendment would allow an Operator to commingle funds for use in operations where an Operator has secured patron funds through a letter of credit. However, an Operator would be required to protect patron funds through a Segregated Account or cash reserves where an Operator did not utilize a letter of credit.

### **Scheduled hearing date and time:**

**Tuesday, May 7, 2024, at 9:30 AM EST**

Given the unprecedented circumstances, Governor Charles Baker issued an order to provide limited relief from certain provisions of the Open Meeting Law to protect the health and safety of the public and individuals interested in attending public meetings during the global Coronavirus pandemic. In keeping with the guidance provided, the Commission will conduct this hearing utilizing remote collaboration technology.

**CONFERENCE CALL NUMBER: 1-646-741-5292**

**PARTICIPANT CODE: 111 146 2747**

A complete copy of the draft regulation referenced above may be downloaded by visiting [www.massgaming.com](http://www.massgaming.com), clicking on ‘Regulations and Compliance’ and selecting the ‘[Proposed Rulemaking](#)’ Section. Anyone wishing to offer comments on this regulation can email [Judith.Young@massgaming.gov](mailto:Judith.Young@massgaming.gov) and request the virtual hearing link to appear and speak. Alternatively, written comments may also be submitted to the same email address with ‘Regulation Comment’ in the subject line.

**Comments must be received by 5:00PM EST on May 6, 2024.** Additionally, please find the accompanying Small Business Impact Statements in accordance with M.G.L. c. 30A, § 2 attached.



Massachusetts Gaming Commission

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## **SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this Small Business Impact Statement in accordance with G.L. c. 30A, §2, relative to the proposed amendments to **205 CMR 238 ADDITIONAL UNIFORM STANDARDS OF ACCOUNTING PROCEDURES AND INTERNAL CONTROLS FOR SPORTS WAGERING**, specifically 205 CMR 238.12: Reserve Requirement.

This regulation was promulgated as part of the process of promulgating regulations governing sports wagering in the Commonwealth, and is authorized by G.L. c. 23N, §4. This regulation governs the internal standards to which sports wagering operators must adhere to in the provision of sports wagering in the Commonwealth, and 205 CMR 238.12 specifically details the reserve accounts required of Operators.

This regulation is unlikely to have an impact on small businesses as it governs the behavior of Sports Wagering Operators who are not small businesses. Under G.L. c.30A, §2, the Commission offers the following responses to the statutory questions:

1. Estimate of the number of small businesses subject to the proposed regulation:

This regulation is unlikely to have an impact on small businesses.

2. State the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping, or other administrative costs required for small businesses to comply with this regulation.

3. State the appropriateness of performance standards versus design standards:

No standards applicable to small businesses are set forth. Provided standards are performance standards.

4. Identify regulations of the promulgating agency, or of another agency or department of the Commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:



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This amendment is unlikely to have any impact on the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission  
By:

/s/ Carrie Torrasi  
Carrie Torrasi, Deputy General Counsel

Dated: March 7, 2024



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