

COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS STATE LOTTERY COMMISSION

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In re: *Appeal of Renata Miranda*  
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**DECISION & RECOMMENDATION**

**INTRODUCTION**

The claimant Renata Miranda appeals the decision of the Massachusetts State Lottery Commission (“Lottery”) denying her claims for thirteen Lottery tickets, consisting of six instant tickets and seven Keno tickets. The Hearing Officer recommends that the Commission affirm the Lottery’s decision to deny these claims because Renata Miranda acquired the thirteen Lottery Tickets through assignments that violated G.L. c. 10, § 28 and 961 C.M.R. 2.28(1).

**PROCEDURAL BACKGROUND**

On March 1, 2021, Renata Miranda with her husband, Luiz Miranda (together, “the Mirandas”), visited the Lottery’s Dorchester Claim Center to submit the claim forms for the Thirteen Lottery Tickets, consisting of six instant tickets and seven Keno tickets (collectively, the “Thirteen Lottery Tickets”). *See* Exs.1-13; Ex. 17; Ex. 18; Tr. 56:17-62:19; Tr. 65:9-75:9; Tr. 79:9-19. The Thirteen Lottery Tickets were signed by Renata Miranda. *See* Exs.1-13.

Renata Miranda submitted the following Thirteen Lottery Tickets:

<b><u>Six Instant Tickets</u></b>	<b><u>Ticket Number</u></b>	<b><u>Prize value</u></b>
\$200,00 A YEAR FOR LIFE!	141-235258-013	\$1,000.00
FASTEST ROAD TO \$1 MILLION	180-350100-047	\$1,000.00
DIAMOND 9s	192-239922-068	\$1,000.00
\$1,000,000 LUCKY	223-076489-069	\$1,000.00
\$10,000,000 SPECTACULAR	288-052051-072	\$1,000.00
\$4,000,000 WINFALL	296-029895-080	\$1,000.00

<b><u>Seven Keno Tickets</u></b>	<b><u>Ticket Number</u></b>	<b><u>Prize value</u></b>
Keno	09475-038897212-157310	\$1,135.00
Keno	09481-057851146-153210	\$1,000.00
Keno	09497-046032663-155810	\$1,017.00
Keno	09500-027931180-151210	\$1,600.00
Keno	09547-048914472-158810	\$807.00
Keno	09548-048016419-156710	\$1,025.00
Keno	09556-027537203-150910	\$1,350.00

See Exs. 1-13; Ex. 14; Ex. 18.

The Dorchester Claim Center Customer Service staff alerted the Lottery Director of Compliance and Security, Daniel O’Neil (“Director O’Neil”), regarding Renata Miranda’s claim forms for the Thirteen Lottery Tickets prize winnings of \$13,934.00, as it is the Lottery’s practice to notify the Compliance Department when five tickets or more are claimed. *See Tr.*

77:13-24; Tr. 77:15-79:4; Ex. 17. Director O’Neil and Security Investigator, Kevin Floster, then interviewed the Mirandas regarding basic information for the Thirteen Lottery Tickets. *See* Ex. 17; Tr. 77:23-78:7; Tr. 79:9-17. Director O’Neil discerned that Renata Miranda had an extensive history of claiming Lottery prizes, Renata Miranda mentioned that she was cashing the Thirteen Lottery Tickets on behalf of her husband, and Luiz Miranda mentioned that he gave the Thirteen Lottery Tickets to his wife because she was in a lower tax bracket. *See* Ex. 17; Tr. 80:5-12. The Mirandas also said the Thirteen Lottery Tickets were purchased through a betting pool wherein Luiz Miranda was a member with at least three other men, and that the betting pool was loosely associated with a Downtown Crossing convenience store and possibly two other lottery agent locations. *See* Ex. 17; Tr. 80:12-81:1. Director O’Neil suggested that Luiz Miranda could have been involved in a criminal or impermissible activity, which caused Luiz Miranda to become agitated and upset, and the interview concluded. *See* Ex. 17; Tr. 81:2-20; Tr. 106:9-13.

The Lottery Compliance Department sent a letter to Renata Miranda, dated April 28, 2021, denying the Thirteen Lottery Tickets prize winnings of \$13,934.00, finding that she was not the proper recipient of the prize winnings. *See* Ex. 15. Renata Miranda then noticed her appeal on May 24, 2021. Ex. 16.

A prehearing conference took place via Zoom video conference on March 1, 2023. In accordance with the prehearing conference order, both parties notified the undersigned hearing officer and each other regarding anticipated witnesses and documents for the hearing on March 28, 2023.

A hearing via Zoom video conference convened on April 4, 2023, at 11:00 a.m. *See* Tr. 6:3-4. The Mirandas were sworn in and were represented by Attorney Paul Mordarski. Tr. 6:13-14; Tr. 17:14-22; Tr. 47:3-6. General Counsel Gregory M. Polin represented the Lottery.

Portuguese Interpreter, Clio Anunes, was sworn in and was the interpreter for the testimony of Renata Miranda. Tr. 17:6-10; Tr. 18:19-24. The Lottery presented two witnesses, Director O'Neil and Audit Director, Elizabeth Pottier. The following documents were marked as exhibits and entered as evidence without objection:

1. Exhibit 1: 141-235258-013 – \$200,000 A YEAR FOR LIFE! – copy of ticket (front and back), claim form, and validation slip.
2. Exhibit 2: 180-350100-047 – FASTEST ROAD TO \$1 MILLION – copy of ticket (front and back), claim form, and validation slips.
3. Exhibit 3: 192-239922-068 – DIAMOND 9s – copy of ticket (front and back), claim form, and validation slip.
4. Exhibit 4: 223-076489-069 – \$1,000,000 LUCKY – copy of ticket (front and back), claim form, and validation slips.
5. Exhibit 5: 288-052051-072 – \$10,000,000 SPECTACULAR – copy of ticket (front and back), claim form, and validation slips.
6. Exhibit 6: 296-029895-080 – \$4,000,000 WINFALL – copy of ticket (front and back), claim form, and validation slips.
7. Exhibit 7: 09475-038897212-157310 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.
8. Exhibit 8: 09481-057851146-153210 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.
9. Exhibit 9: 09497-046032663-155810 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.
10. Exhibit 10: 09500-027931180-151210 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.
11. Exhibit 11: 09547-048914472-158810 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.
12. Exhibit 12: 09548-048016419-156710 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.
13. Exhibit 13: 09556-027537203-150910 – Keno ticket – copy of ticket (front and back), claim form, validation slip, and transaction details.

14. Exhibit 14: Renata Miranda – denied instant tickets – ticket inquiry results with prize values.
15. Exhibit 15: Lottery Compliance Department denial letter dated April 28, 2021.
16. Exhibit 16: Renata Miranda Notice of Appeal.
17. Exhibit 17: Lottery Compliance Department Interview Memorandum, dated March 25, 2021 – Renata Miranda.
18. Exhibit 18: Renata Miranda denied claims spreadsheet with sales and validation data.
19. Exhibit 19: Renata Miranda denied claims – claim statistics.
20. Exhibit 20: Renata Miranda prize payment report (September 2016-October 2020).
21. Exhibit 21: Renata Miranda prize claim statistics.
22. Exhibit 22: Luiz Miranda prize payment report (May 2013-March 2015).
23. Exhibit 23: Luiz Miranda prize claim statistics.
24. Exhibit 24: Luisa Miranda prize payment report (May 2015-March 2016).
25. Exhibit 25: Marcela Miranda prize payment report (November 2014-August 2015).
26. Exhibit 26: Matheus Miranda prize payment report (February 2015-December 2020).
27. Exhibit 27: Luisa Miranda, Marcela Miranda, and Matheus Miranda prize claim statistics.
28. Exhibit 28: Luan Oliveira prize payment report (August 2019-June 2020).

*See* Tr. 4-6.

The parties were allowed the opportunity to provide written submissions to the hearing officer within 30 days after receipt of the hearing transcript. The parties' written submissions were originally due on May 19, 2023. Claimant's counsel, with assent by the

Lottery, requested a 30-day extension. The parties submitted their written submissions on June 20, 2023.

### **FACTUAL FINDINGS**

The record presents the following findings of fact:

#### *Denied Tickets*

1. On March 1, 2021, Renata Miranda visited the Lottery's Dorchester Claim Center and submitted Thirteen Lottery claim forms for Six Instant Tickets and Seven Keno tickets. *See* Exs. 1-13; Ex. 17; Ex. 18; Tr. 56:17-62:19; Tr. 65:9-75:9.

2. Each of the Six Instant Tickets had a prize value of \$1,000.00. *See* Exs. 1-6; Ex. 14; Ex. 18.

3. The Seven Keno Tickets had the specific prize values identified below:

- a. 09475-038897212-157310: \$1,135.00;
- b. 09481-057851146-153210: \$1,000.00;
- c. 09497-046032663-155810: \$1,017.00;
- d. 09500-027931180-151210: \$1,600.00;
- e. 09547-048914472-158810: \$807.00;
- f. 09548-048016419-156710: \$1,025.00; and
- g. 09556-027537203-150910: \$1,350.00.

*See* Exs. 7-13; Ex. 18.

4. The back of each of the Thirteen Lottery Tickets were signed by Renata Miranda. *See* Exs. 1-13.

*Submission of Claims and Interview*

5. Director O'Neil has worked for the Lottery for approximately three and a half years. *See* Tr. 57:23-58:17.

6. Director O'Neil described the functions of the Compliance Department to include enforcing the rules and regulations of the Lottery and ensuring the integrity of the Lottery games are upheld. *See* Tr. 58:18-22.

7. Director O'Neil previously worked at the Massachusetts Office of the Inspector General as a Senior Investigator for approximately 23 years and in that role investigated public corruption, construction fraud, and other crimes involving fraud, waste, and abuse and expenditure of public funds on the state, local, and federal levels. *See* Tr. 58:3-14.

8. The claim forms that Renata Miranda signed and submitted for each of the Thirteen Lottery Tickets required her to certify under penalties of perjury that she was the sole recipient of the prize payment and that she was not claiming the prize to assist another in the avoidance of financial obligations. *See* Exs. 1-13.

9. Each of the claim forms submitted by Renata Miranda for the Thirteen Lottery Tickets were signed by Renata Miranda and listed her address as 7 Washington Ave, Ashland, MA 01721. *See* Exs. 1-13.

10. On March 1, 2021, Lottery Customer Service staff in the Lottery's Dorchester Claim Center alerted Director O'Neil that Renata Miranda submitted claims for the Thirteen Lottery Tickets. *See* Ex. 17; Tr. 77:13-24.

11. The Lottery has a process whereby the Compliance Department is to be notified when a person attempts to claim five tickets or more at one time and the claimant is asked basic questions regarding the place, date, and time the tickets were purchased. *See* Ex. 17;

Tr. 77:15-79:4.

12. As in the normal course of the vetting process, Director O’Neil took the information contained on the Thirteen Lottery Tickets and ascertained where the tickets were purchased, viewed validation information, and the claimant’s Lottery prize claim history. *See* Ex. 17; Tr. 77:23-78:7.

13. Director O’Neil’s initial review revealed that Renata Miranda had an extensive history of claiming Lottery prizes. *See* Ex. 17; Tr. 77:20-78:10.

14. Renata Miranda was accompanied by her husband Luiz Miranda on March 1, 2021 when she attempted to claim the Thirteen Lottery Tickets. *See* Ex. 17; Tr. 77:11-15.

15. The Mirandas agreed to be interviewed by Director O’Neil and his colleague, Security Investigator Kevin Floster. *See* Ex. 17; Tr. 79:9-19.

16. Luiz Miranda was permitted to act as an interpreter for Renta Miranda, as she did not speak fluent English, during the March 1, 2021 interview. *See* Ex. 17; Tr. 79:19-80:2.

17. During the interview on March 1, 2021, the Mirandas conveyed that Renata was cashing the Thirteen Lottery Tickets on behalf of her husband. *See* Ex. 17.

18. Luiz Miranda informed Director O’Neil that the claims for the Thirteen Lottery Tickets were his and that he was giving such claims to his wife, as she was in a lower tax bracket. *See* Ex. 17; Tr. 80:5-12.

19. During the interview, Luiz Miranda became defensive and very agitated and visibly upset after Director O’Neil asked simple questions and Director O’Neil thought Luiz Miranda could be involved in criminal or impermissible activity. *See* Tr. 80:5-8; Tr. 106:9-13.

20. The Mirandas are married, but file their tax returns with a “married filing separately” designation, and Luiz Miranda files his tax returns through his company. *See* Tr. 36:12-15.

21. At the hearing, Luiz Miranda claimed that he “never thought about” having his wife claim the prize winnings because she is in a lower tax bracket than him and he elaborated by testifying: “I think in my opinion, you win, you got to do the tax anyway. It doesn’t matter. I’m not that smart. I couldn’t be that smart. But I said I’m going to give her some money to do this and to do that. We have to spend money with immigration status, stuff like that. I paid for everything. I’m the guy who provides at home. So she is my wife. We have 20-year-old kid. You know, so that is the thing.” *See* Tr. 35:9-18.

22. Luiz Miranda has been licensed in the Commonwealth of Massachusetts as an electrician since 2006 where his work entails performing work at people’s houses. *See* Tr. 32:15-17.

23. During the interview on March 1, 2021, the Mirandas said the Thirteen Lottery Tickets were purchased through a betting pool to which Luiz Miranda belongs with at least three other men, and this betting pool is loosely associated with a Downtown convenience store and possibly two other lottery agent locations. At this time Luiz Miranda refused to provide the full names of the other individuals involved in the betting pool. *See* Ex. 17; Tr. 80:12-81:1.

24. During the hearing, Luiz Miranda stated that he purchased all Thirteen Lottery Tickets and denied that any of the Thirteen Lottery Tickets were purchased through a betting pool. *See* Tr. 33:17-21; Tr. 52:9-12.

25. When asked who purchased the Thirteen Lottery Tickets, Luiz Miranda testified: “I purchased. I did. Of course, I did. All over the place, all over the place.” *See* Tr. 33:17-21.

26. Luiz Miranda later testified that he and Renata Miranda bought the Thirteen Lottery Tickets together and acknowledged that at times he handed the money to the cashier to purchase some of the Thirteen Lottery Tickets and Renata Miranda at other times handed the money to the cashier to purchase the other Thirteen Lottery Tickets. *See* Tr. 38:7-21.

27. Twelve of the Thirteen Lottery Tickets were sold from Sales Agent locations in Framingham, and the other ticket was sold from a Sales Agent location in Marlboro. *See* Ex. 18.

28. When asked to clarify which of the Thirteen Lottery Tickets were purchased by him and which were purchased by Renata Miranda, Luiz Miranda testified: “I think the ones that were not played in Framingham was bought from me (sic) when I was working.” *See* Tr. 39:7-13.

29. During the hearing, Renata Miranda testified that she and Luiz Miranda purchased the Thirteen Lottery Tickets together. *See* Tr. 48:13-19.

30. On March 1, 2021, after he declined to provide the full names of the other individuals in the betting pool, Luiz Miranda became upset and called Director O’Neil a racist, at which point Director O’Neil informed him that the interview was over, and the Compliance Department would further review the claims and follow up with them later. *See* Ex. 17; Tr. 81:2-20.

31. The race of Renata Miranda and Luiz Miranda did not factor into the Compliance Department’s review and denial of the Thirteen Lottery Tickets. *See* Ex. 15; Ex. 17; Tr. 79:5-8.

32. After the interview ended, Luiz Miranda did not immediately leave the Lottery’s Dorchester Claim Center and Director O’Neil politely said that the police may need to be called

if he did not leave the Claim Center. *See* Tr. 81:20-24.

33. During the April 4, 2023 hearing, after Director O’Neil described the conclusion of the interview on March 1, 2021, an agitated Luiz Miranda interrupted Director O’Neil’s testimony and directed the following statement toward him: “You’re a liar. You’re a liar, mother fucking liar.” *See* Tr. 82:1-3.

***Sale Price of Instant Tickets***

34. Three of the Six Instant Tickets had a sale price of \$10. *See* Ex. 1; Ex. 3; Ex. 6.

35. One of the Six Instant Tickets had a sale price of \$30. *See* Ex. 2.

36. One of the Six Instant Tickets had a sale price of \$5. *See* Ex. 4.

37. One of the Six Instant Tickets had a sale price of \$20. *See* Ex. 5.

38. Usually, a heavy Lottery player purchases instant tickets at the same price point. *See* Tr. 64:13-65:4.

39. Director O’Neil found it to be unusual that the Six Instant Tickets, with varying price points, were submitted to be claimed on the same day, by one individual. *See* Tr. 64:13-65:8.

***Keno Tickets – Number of Spots Played and Numbers Selected***

***Ticket # 1 of 7 – ending in 7310***

40. One of the Seven Keno Tickets contains serial number of 09475-038897212-157310 (“Keno Ticket 7310”) and this wager was purchased at 7:06 p.m. on Wednesday, December 9, 2020. *See* Ex. 7; Tr. 65:9-69:2.

41. The total amount of the wager for Keno Ticket 7310 was \$100 and it consisted of 20 drawings (game #2301179-2301198) with a wager of \$5 for each drawing. *See* Ex. 7; Tr. 69:3-70:8.

42. Keno Ticket 7310 was not a Quic Pic. *See* Ex. 7; Tr. 70:9-11.

43. For Keno Ticket 7310, the purchaser played a 9-spot game and manually selected numbers 51, 53, 57, 59, 62, 68, 71, 77, and 79. *See* Ex. 7; Tr. 70:12-23.

**Ticket # 2 of 7 – ending in 3210**

44. One of the Seven Keno Tickets contains serial number of 09481-057851146-153210 (“Keno Ticket 3210”) and this wager was purchased at 11:27 a.m. on Tuesday, December 15, 2020. *See* Ex. 8.

45. The total amount of the wager for Keno Ticket 3210 was \$4 and it consisted of one drawing (game #2302864) with a wager of \$4 for that drawing. *See* Ex. 8.

46. Keno Ticket 3210 was not a Quic Pic. *See* Ex. 8.

47. For Keno Ticket 3210, the purchaser played a 4-spot game and manually selected numbers 14, 49, 75, and 79. *See* Ex. 8.

**Ticket # 3 of 7 – ending in 5810**

48. One of the Seven Keno Tickets contains serial number 09497-046032663-155810 (“Keno Ticket 5810”) and this wager was purchased at 11:44 a.m. on Thursday, December 31, 2020. *See* Ex. 9.

49. The total amount of the wager for Keno Ticket 5810 was \$30 and it consisted of thirty (30) drawings (game #2307669-2307698) with a wager of \$1 for each drawing. *See* Ex. 9.

50. Keno Ticket 5810 was a Quic Pic, which means, after the purchaser manually selected the number of spots to be played (i.e., quantity of numbers), the purchaser did not manually select the specific numbers to be played. *See* Ex. 9.

51. For Keno Ticket 5810, the purchaser played a 12-spot game, which was manually selected by the purchaser. *See* Ex. 9.

52. During the hearing, Luiz Miranda testified that he has never played a 12-spot Keno ticket in his “whole life.” *See* Tr. 43:22-44:2.

**Ticket # 4 of 7 – ending in 1210**

53. One of the Seven Keno Tickets contains serial number 09500-027931180-151210 (“Keno Ticket 1210”) and this wager was purchased at 3:32 p.m. on Sunday, January 3, 2021. *See* Ex. 10.

54. The total amount of the wager for Keno Ticket 1210 was \$2 and it consisted of one drawing (game #2308626) with a wager of \$2 for that drawing. *See* Ex. 10.

55. Keno Ticket 1210 was not a Quic Pic. *See* Ex. 10.

56. For Keno Ticket 1210, the purchaser played a 6-spot game and manually selected numbers 5, 8, 11, 22, 57, and 61. *See* Ex. 10.

**Ticket # 5 of 7 – ending in 8810**

57. One of the Seven Keno Tickets contains serial number 09547-048914472-158810 (“Keno Ticket 8810”) and this wager was purchased at 3:06 pm on Friday, February 19, 2021. *See* Ex. 11.

58. The total amount of the wager for Keno Ticket 8810 was \$60 and it consisted of 30 drawings (game #2322719-2322748) with a wager of \$2 for each drawing. *See* Ex. 11.

59. Keno Ticket 8810 was not a Quic Pic. *See* Ex. 11.

60. For Keno Ticket 8810, the purchaser played a 9-spot game and manually selected numbers 1, 8, 9, 20, 22, 25, 72, 77, and 79. *See* Ex. 11.

**Ticket # 6 of 7 – ending in 6710**

61. One of the Seven Keno Tickets contains serial number 09548-048016419-156710 (“Keno Ticket #6710”) and this wager was purchased at 1:32 p.m. on Saturday, February 20,

2021. *See* Ex. 12.

62. The total amount of the wager for Keno Ticket 6710 was \$100 and it consisted of 20 drawings (game #2322996-2323015) with a wager of \$5 for each drawing. *See* Ex. 12.

63. Keno Ticket 6710 was not a Quic Pic. *See* Ex. 12.

64. For Keno Ticket 6710, the purchaser played a 9-spot game and manually selected numbers 1, 8, 12, 14, 61, 64, 74, 77, and 79. *See* Ex. 12.

**Ticket # 7 of 7 – ending in 0910**

65. One of the Seven Keno Tickets contains serial number 09556-027537203-150910 (“Keno Ticket 0910”) and this wager was purchased at 3:32 p.m. on Sunday, February 28, 2021. *See* Ex. 13.

66. The total amount of the wager for Keno Ticket 0910 was \$2 and it consisted of one (1) drawing (game #2325426) with a wager of \$2 for that drawing. *See* Ex. 13.

67. Keno Ticket 0910 was a Quic Pic, which means the purchaser manually selected the number of spots to be played (i.e., quantity of numbers) but did not manually select the specific numbers to be played. *See* Ex. 13.

68. For Keno Ticket 0910, the purchaser played a 5-spot game. *See* Ex. 13.

69. During the hearing, when asked what Keno numbers he plays and how many numbers he typically plays, Luiz Miranda testified:

I usually play three numbers with \$5 with bonus, and I play four numbers, \$5. And I play five numbers, which is the most common one, five numbers, \$1. And we play \$8. But when we play eight numbers - - sorry, eight numbers, we use them for bonus because we already have to pay tax after six. So I can do that. I’m not stupid. That is the way I’m [sic] play. Most common one is three number, \$5 with bonus, that is my game, and four number, \$5. This one four number, \$2 with bonus.

*See* Tr. 42:10-24.

70. None of the Seven Keno Tickets is a 3-spot ticket. *See* Exs. 7-13.
71. None of the Seven Keno Tickets is an 8-spot ticket. *See* Exs. 7-13.
72. Only one of the Seven Keno Tickets is a 4-spot ticket however it was a \$4 wager and not a \$2 wager or \$5 wager. *See* Exs. 7-13.
73. Only one of the Seven Keno Tickets is a 5-spot ticket however it was a \$2 wager and not a \$1 wager.
74. The Seven Keno Tickets were purchased within a span of approximately three months from several different Lottery Sales Agents in Framingham. *See* Ex. 18; Tr. 71:18-72:6.
75. The Seven Keno Tickets differed in terms of the number of spots that were played, the numbers that were played, and included both Quic Pics and non-Quic Pics. *See* Exs. 7-13; Tr. 72:7-13.
76. Director O’Neil testified that in his experience, it is not likely that only one individual person purchased all the Seven Keno Tickets because frequent Keno players typically play the same number of spots, select the same numbers, and usually select such numbers based on sentimental factors such as birthdays and anniversaries. *See* Tr. 72:14-73:2.
77. In his review of the Seven Keno Tickets, Director O’Neil reviewed the Seven Keno Tickets and noted that those wagers differ from the betting patterns of traditional, frequent Keno players. *See* Tr. 73:4-6.
78. During the hearing, Luiz Miranda acknowledged that he considered tax consequences when determining what Keno wagers to play. *See* Tr. 42:10-24.

***Tickets Validation***

79. A “validation” is when a Lottery player or Lottery Sales Agent scans a Lottery

ticket's barcode on a Lottery terminal to determine if the ticket is a winner and, if so, the value of the prize winnings. *See* Tr. 60:17-23.

80. Regardless of where a Lottery ticket is sold, it can be validated at any Lottery Sales Agent location in the Commonwealth and the information is tracked in the Lottery's gaming system. *See* Tr. 60:17-23; Tr. 63:12-17; Tr. 75:4-9.

81. Director O'Neil reviewed the validation data of the Thirteen Lottery Tickets submitted by Renata Miranda and he noted that several of the validations occurred at a location different than where the ticket was purchased. *See* Ex. 18; Tr. 75:10-15.

82. With regards to the validations of the Thirteen Lottery Tickets, Director O'Neil also noted that most of the tickets were validated months or several weeks prior to Renata Miranda submitting claims for them on March 1, 2021. *See* Ex. 18; Tr. 75:20-76:11.

83. The validation data reviewed by Director O'Neil indicates that the Thirteen Lottery Tickets were acquired through what he referred to as a bundling operation; Director O'Neil described this as an operation whereby individuals who initially purchase the tickets from Lottery Sales Agents sell their winning tickets through secondary market transactions to other individuals, possibly associated with Lottery Sales Agents, who accumulate a number of winning Lottery tickets, and then sell them collectively through another secondary market transaction at a negotiated price to a different person who submits claims for the tickets at the Lottery and makes a small amount of profit in the process. *See* Tr. 76:12-77:10.

***Denied Tickets Statistical Data***

84. At the hearing, the Lottery presented witness, Audit Director Pottier, to elicit testimony concerning a statistical analysis document of the Thirteen Lottery Tickets that Renata

Miranda submitted on March 1, 2021 (“Denied Claims Statistical Spreadsheet<sup>1</sup>”). *See* Ex. 19; Tr. 110:19-116:7.

85. The Denied Claims Statistical Spreadsheet utilizes instant ticket game information that includes, but is not limited to, the cost of each instant ticket, the odds of winning a prize of \$1,000 or more for each instant ticket, the prize payout percentage for each instant ticket game, and calculations of the instant tickets that statistically would need to be purchased to win the Six Instant Tickets that Renata Miranda submitted on March 1, 2021. *See* Ex. 19; Tr. 110:19-116:7.

86. Lottery records show that the Six Instant Tickets<sup>2</sup> submitted by Renata Miranda on March 1, 2021, were purchased during the November 2020 through February 2021 period. *See* Ex. 19; Tr. 111:15-20.

87. One of the Six Instant Tickets is \$200,000 A YEAR FOR LIFE! and it costs \$10 per ticket, has odds of winning a prize of \$1,000 or more as approximately one in 2,053.79, and has a prize payout of 80.19 percent. *See* Ex. 1; Ex. 19; Tr. 113:15-24.

88. One of the Six Instant Tickets is FASTEST ROAD TO \$1 MILLION and it costs \$30 per ticket, has odds of winning a prize of \$1,000 or more as approximately one in 946.59, and has a prize payout of 80.70 percent. *See* Ex. 19.

89. One of the Six Instant Tickets is DIAMOND 9s and it costs \$10 per ticket, has odds of winning a prize of \$1,000 or more as approximately one in 2,396.35, and has a prize payout of 80.20 percent. *See* Ex. 19.

90. One of the Six Instant Tickets is \$1,000,000 LUCKY and it costs \$5 per ticket,

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<sup>1</sup> The Denied Claims Statistical Spreadsheet utilizes instant ticket game information that includes, but is not limited to, the cost of each instant ticket, the odds of winning a prize of \$1,000 or more for each instant ticket, the prize payout percentage for each instant ticket game, and calculations of the instant tickets that statistically would need to be purchased in order to win the Six Instant Tickets that Renata Miranda submitted on March 1, 2021. *See* Exhibit 19; Tr.110:19-116:7.

<sup>2</sup> Information regarding the Lottery’s active instant tickets is available on its website. *See* Draw and Instant, Massachusetts State Lottery, <https://masslottery.com/games/draw-and-instants>.

has odds of winning a prize of \$1,000 or more as approximately one in 5,988.12, and has a prize payout of 76.51 percent. *See* Ex. 19.

91. One of the Six Instant Tickets is \$10,000,000 SPECTACULAR and it costs \$20 per ticket, has odds of winning a prize of \$1,000 or more as approximately one in 899.44, and has a prize payout of 80.07 percent. *See* Ex. 19.

92. One of the Six Instant Tickets is \$4,000,000 WINFALL and it costs \$10 per ticket, has odds of winning a prize of \$1,000 or more as approximately one in 2,025.99, and has a prize payout of 79.90 percent. *See* Ex. 19.

93. For Renta Miranda to win \$1,000 or more on the Six Instant Tickets, statistically, she would need to purchase 14,310 tickets at a cost of approximately \$141,088.00 in prize winnings and those tickets would be expected to yield approximately \$112,103.00 in prize winnings during November 13, 2020, through March 11, 2021. *See* Ex. 18; Ex. 19; Tr. 115:5-23.

94. Renta Miranda purchasing 14,310 tickets would have had to purchase approximately 121.27 tickets per day, or average 5.05 ticket purchases per hour for every 24-hour period during this 118-day period. *See* Ex. 19; Tr. 115:24-116:7.

95. When asked what she does for work, Renata Miranda testified that she is a house cleaner. *See* Tr. 48:24-49:2.

96. Renata Miranda estimated that during the four-to-five-month period prior to March 1, 2021, she, and her husband Luiz Miranda spent \$10,000 to purchase Lottery tickets. *See* Tr. 48:20-23.

97. Luiz Miranda estimated that during the four-to-five-month period prior to March 1, 2021, he and his wife Renata Miranda spent \$15,000 to purchase Lottery tickets. *See* Tr. 50:10-18.

### ***Prior Prize Claim History***

#### ***Renata Miranda's Prior Prize Claim History***

98. During the period of September 12, 2016, through October 26, 2020, Renata Miranda submitted 69 Lottery prize claims with 68 of those prize claims being over \$600 and the total value of those prizes was \$92,052.00. *See* Ex. 20; Tr. 116:8-117:17.

99. Renata Miranda submitted 42 of the 69 Lottery prize claims were instant tickets, and 41 of these instant tickets had a prize value \$1,000 or higher September 12, 2016, through October 26, 2020. *See* Ex. 20; Ex. 21.

100. For Renata Miranda to win \$1,000 or more on the 42 instant tickets, statistically, she needed to purchase approximately 120,276 tickets at a cost of approximately \$1,051,842.00, and those tickets would be expected to yield approximately \$831,649.00 in prize winnings. *See* Ex. 21; Tr. 119:15-120:2.

101. Renat Miranda would have had to purchase approximately 73.25 tickets per day, or average 3.05 ticket purchases per hour for every 24-hour period during this 1,642-day period to purchase 120,276 tickets from September 12, 2016, through March 11, 2021. *See* Ex. 21 (Note that the Lottery ran the calculated average number of expected purchases for the slightly longer period of September 12, 2016, through March 11, 2021. By inadvertently increasing the number of potential purchasing days, this lowered (in favor of the Mirandas) the calculated number of how many daily purchases that would statistically be expected to have made if they genuinely won as frequently as they alleged).

102. Luiz Miranda testified that the 69 Lottery prize claims submitted by Renata

Miranda was purchased by him, and Renata and he elaborated by stating “We play whatever it is, it is my ticket. It doesn’t matter.” *See* Tr. 34:21-35:6.

103. Regarding the 69 Lottery prize claims submitted by Renata Miranda, Luiz Miranda testified that Renata was with him “most of the time” when he purchased those tickets. *See* Tr. 36:20-24.

104. Luiz Miranda explained Renata Miranda claiming the 69 Lottery prizes by stating: “Every time when she need stuff, like she has to help her brother in Brazil, and every time I give her the money ticket. I can give her this. I have \$10,000 here but you cash it, and you deal with your taxes.” *See* Tr. 37:1-6.

105. When asked whether Renata Miranda and Luiz Miranda shared the prize winnings from the 69 Lottery prizes, Luiz Miranda replied: “No. She use[s] it to pay stuff, like my kid’s college, my kid’s car we bought, the dental that we don’t have insurance, stuff like that, you know. People, things that - - the normal type of things we do, you know.” *See* Tr. 37:24- 38:6.

***Luiz Miranda’s Prior Prize Claim History***

106. Luiz Miranda submitted 48 Lottery prize claims over \$600 and the total prize value of those prizes was \$64,284.00 from May 13, 2013, through March 2, 2015. *See* Ex. 22.

107. Luiz Miranda submitted the 48 Lottery prize claims with an address of 7 Washington Avenue, Ashland, MA 01721. *See* Ex. 22.

108. Luiz Miranda submitted 26 of the 48 Lottery prize claims over \$600 for 26 instant tickets, and each of these 26 instant tickets had a prize value of \$1,000 or higher, from May 13, 2013, through March 2, 2015, were. *See* Ex. 22; Ex. 23.

109. For Luiz Miranda to win \$1,000 or more on the 26 instant tickets statistically he would have needed to purchase approximately 74,972 tickets at a cost of approximately

\$657,957.00, and those tickets would be expected to yield approximately \$522,605.00 in prize winnings from May 13, 2013, through March 2, 2015,. *See* Ex. 23.

110. Someone purchasing 74,972 tickets from May 13, 2013, through March 2, 2015, would have had to purchase approximately 113.77 tickets per day, or average 4.74 tickets per hour for every 24-hour period during this 659-day period. *See* Ex. 23.

***Cumulative Prize Claim History of Luisa Miranda, Marcela Miranda, and Matheus Miranda***

111. Luisa Miranda is the daughter of Luiz Miranda. *See* Tr. 45:10-11.

112. Marcela Miranda is the daughter of Luiz Miranda. *See* Tr. 46:8-9.

113. Matheus Miranda is the son of Luiz Miranda. *See* Tr. 45:19-20.

114. During the period of May 13, 2015, through March 4, 2016, Luisa Miranda submitted 15 Lottery prize claims over \$600 and the total prize value of those prizes was \$17,500.00. *See* Ex. 24.

115. At the time when Luisa Miranda submitted the 15 Lottery prize claims, she identified her address as 7 Washington Avenue, Ashland, MA 01721. *See* Ex. 15; Ex. 24; Tr. 83:12-16.

116. When asked if he was aware of how many Lottery prize claims Luisa Miranda submitted, Luiz Miranda stated: “So I think she just did - - I’m not sure how many she did. I think she did when she came. And I bought her a car so she could go to the high school, go to the job. I gave her that, but she paid every single tax.” *See* Tr. 45:12-18.

117. During the period of November 19, 2014, through August 5, 2015, Marcela Miranda submitted 11 Lottery prize claims over \$600 and the total prize value of those prizes was \$10,800.00. *See* Ex. 25.

118. At the time when Marcela Miranda submitted the 11 Lottery prize claims, she identified her address as 7 Washington Avenue, Ashland, MA 01721. *See* Ex. 15; Ex. 25; Tr. 83:12-16.

119. When asked if he was aware of how many Lottery prize claims Marcela Miranda submitted, Luiz Miranda stated: “Same exact thing. When she came and she needed a car, I had those tickets, and I gave her. She tells me that she claim anything on the last five years, I don’t think so.” *See* Tr. 46:10-15.

120. During the period of February 12, 2015, through December 21, 2020, Matheus Miranda submitted 60 Lottery prize claims over \$600 and the total prize value of those prizes was \$89,408.00. *See* Ex. 26.

121. At the time when Matheus Miranda submitted the 60 Lottery prize claims, he identified his address as 7 Washington Avenue, Ashland, 01721. *See* Ex. 15; Ex. 26; Tr. 83:12-16.

122. When asked if he was aware of how many Lottery prize claims Matheus Miranda submitted, Luiz Miranda stated: “Mat is now a licensed electrician. Thank God he don’t play anymore. But that is the one. And I gave - - I told Dan that day, this is my son, it is my family. It is my ticket. I can do whatever I want. So, we don’t know your regulations, you never posted. Try to post the regulations on the convenience store and the gas station, and you going to post every single regulation that you got here.” *See* Tr. 45:21-46:7.

123. In total, during the period of November 19, 2014, through December 21, 2020, Luisa Miranda, Marcela Miranda, and Matheus Miranda collectively submitted 86 Lottery prize claims over \$600 and the total prize value of those prizes was \$117,708.00. *See* Ex. 24; Ex. 25; Ex. 26; Ex. 27.

124. The Miranda Children collectively claimed instant tickets, 63 of the 86 Lottery prize claims over \$600, with a prize value of \$1,000, from November 19, 2014, through December 21, 2020. *See* Ex. 24; Ex. 25; Ex. 26; Ex. 27.

125. The Mirand Children to receive an expected yield of approximately \$1,429,892, and those tickets would be expected to during the period of November 19, 2014, through December 21, 2020, would have had to purchase 166,225 tickets at a daily average of 68.21 tickets or per-hour average of 2.84 ticket purchases for every 24-hour period during this 2,437-day period. *See* Ex. 27.

### ***Luan Oliveira Prize Claim History***

126. Luan Oliveira is an individual that previously rented a unit in Luiz Miranda's house. *See* Tr. 46:16-18.

127. During the period of August 6, 2019, through June 12, 2020, Luan Oliveira submitted 8 Lottery prize claims over \$600 and the total prize value of those prizes was \$18,306.00. *See* Ex. 28.

128. At the time when Luan Oliveira submitted the 8 Lottery prize claims, he identified his address as 7 Washington Avenue, Ashland, MA 01721. *See* Ex. 28; Tr. 83:12-16.

### ***Problem Gambling***

129. On the back of each of the Six Instant Tickets, the Lottery encourages individuals who have problems with gambling to get help and offers a phone number where help may be obtained. *See* Exs. 1-6.

130. The back of each of the Six Instant Tickets also directs individuals who have problems with gambling to websites, such as [www.mahelpline.org/problemgambling](http://www.mahelpline.org/problemgambling) or [www.masslottery.com](http://www.masslottery.com), for potential resources or support. *See* Exs. 1-6.

131. A phone number for a problem gambling helpline is posted on the front page of the masslottery.com website. *See* Massachusetts State Lottery, <https://masslottery.com>.

132. The Lottery identifies a toll-free helpline available as a resource to those with problems gambling in a variety of locations that include, but not limited to, Lottery terminals and self-service vending machines, instant tickets and bet slips, Keno, and The Wheel of Luck monitors, Lottery mobile applications, Lottery social media accounts, and point of sale advertising. *See* Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>.

133. The Lottery partners with the Massachusetts Department of Public Health's Office of Problem Gambling Services in its leadership, resources, and expertise to mitigate harms associated with gambling. *See* Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>.

134. The Lottery has a Responsible Gambling Plan, which is available on its website. *See* Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>.

135. Each year the Lottery participates in a pair of national responsible gaming campaigns: National Problem Gambling Awareness Month in March and holiday campaign in November and December; the holiday campaign is a joint effort with the Massachusetts Department of Public Health's Office of Problem Gambling Services. *See* Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>; Massachusetts State Lottery Commission Official Meeting Minutes, January 30, 2023, <https://masslottery.com/about/commission/meeting-and-performance-management-history>.

136. In 2021, the Lottery received "Verified" status under the North American

Association of State and Provincial Lotteries (NASPL)/National Council on Problem Gambling (NCPG) Responsible Gaming Standard at the Implementation Level after having previously earned this status at the Planning Level in 2017. *See* Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>; Massachusetts State Lottery Commission Official Meeting Minutes, November 30, 2021, <https://masslottery.com/about/commission/meeting-and-performance-management-history-archive>.

137. The Lottery is mindful of gambling addictions and the Lottery's Compliance Department has referred individuals who exhibit signs of problem gambling to available resources on several occasions. *See* Tr. 105:7-16.

138. The Miranda's testify that they have a gambling addiction from the Lottery and that the Lottery has done nothing to prevent lottery commission's lack of help, educational program, or intervention. *See* Tr. 36:5-11.

### **CONCLUSIONS OF LAW**

#### **I. RENATA MIRANDA WAS, OR SHOULD HAVE BEEN, AWARE OF THE LOTTERY RULES APPLICABLE TO THE GAME.**

Massachusetts courts have consistently held that the relationship between a Lottery player and the Lottery is one based in contract where the terms of the contract are the rules of the game. *See Jacobs v. State Lottery Comm'n*, 60 Mass. App. Ct. 303, 308 (2004). The Appeals Court in *Bretton v. State Lottery Comm'n*, wrote that "[b]y purchasing a ticket the plaintiff entered into a contractual agreement with the commission and is deemed to have reasonable notice of the pertinent regulations and rules of the game." 41 Mass. App. Ct. 736, 741 (1996); *See also DePasquale v. Ogden Suffolk Downs, Inc.*, 29 Mass. App. Ct. 658, 661 (1990) (finding

that bettors are presumed to know the rules of the games they are playing and are subject to those rules).

Instant ticket players such as Renata Miranda are advised in numerous ways - such as the ticket back, claim forms, and the Lottery's website - that the games are subject to Lottery Commission rules. *See, e.g.*, Exs. 1-13. The rules include state laws and Lottery regulations. *Id.* Renata Miranda is charged with knowledge of the rules printed on the Thirteen Lottery Tickets, as the back of all Thirteen Lottery Tickets note that holders are subject to the Lottery Commission's rules and regulation. *Ruggiero v. State Lottery Comm'n*, 21 Mass. App. Ct 686 (1986) (upholding the Lottery's denial of a player's prize claim on an instant ticket and finding that "[the] rules do not appear to us to be unreasonable or unfair." "They appear in simple language and in a location on the card where they are likely to be read.").

Accordingly, Renata Miranda and the Lottery entered into several contracts, and by signing the Thirteen Lottery Tickets, Renata Miranda, is charged with actual or constructive knowledge of the rules applicable to the game. *Jacob*, 60 Mass. App. Ct. at 308.

## **II. RENATA MIRANDA ACQUIRED THE THIRTEEN LOTTERY TICKETS THROUGH IMPROPER ASSIGNMENT.**

An assignment is a transfer of rights or property. *See* Black's Law Dictionary, 128 (8th ed. 2007). The Lottery contends that it properly denied Renata Miranda's claims because she acquired the right to the Thirteen Lottery Tickets' prize money through an improper assignment. Massachusetts law prohibits the assignment of Lottery prizes, except in four limited circumstances:

Section 28. The right of any person to a prize drawn is not assignable except under the following limited circumstances:

- (1) Payment of any prize drawn may be paid to the estate of a deceased prize winner or to the IV—D agency under chapter 119A.
- (2) Payment of any prize drawn may be made to any person under an appropriate judicial order.
- (3) The commission may, by regulations adopted under section 24, permit assignment of prizes for purposes of paying estate and inheritance taxes, or to a trust the beneficiaries of which are the prize winner, his mother, father, children, grandchildren, brothers, sisters, or spouse.
- (4) Payment of any prize drawn may be made to a person under a voluntary assignment of the right to receive future prize payments, in whole or in part, if the assignment is made to a person or entity named as the assignee in an appropriate judicial order of a court of competent jurisdiction, which shall be the superior court sitting within and for the county in which the commission is situated or in which the assignor resides.

See M.G.L. c. 10, § 28 (“Section 28”). The Massachusetts Supreme Judicial Court (“SJC”) held that “[t]he first clause of G.L. c. 10, § 28, standing alone, is unambiguous. It prohibits all assignment of rights to lottery prize money.” *Singer Friedlander Corp. v. State Lottery Comm’n*, 423 Mass. 562, 564 (1996). The SJC in examining Section 28 rejected the notion that any voluntary assignment judicially approved would be permitted, saying such an exception would swallow the rule against assigning lottery prizes. *Singer*, 423 Mass. at 565-566. The “prohibition of prize assignments, rather than the allowance of assignments, must be assumed to constitute the legislative policy.” *Id.* at 566. None of these exceptions are present here.

Lottery regulations contain a prohibition on assignment of prizes with three similar limited exceptions.

#### 2.28 Prizes

- (1) No person entitled to a prize may assign his or her right to claim it except:
  - (a) that payments of a prize may be made to the estate of a deceased prize winner or to another according to law by an appropriate judicial order from a court of competent jurisdiction;
  - (b) for the purposes of paying estate and inheritance taxes [;and]

- (c) to a trust, the beneficiaries of which are restricted to the prize winner, his or her mother, father, children, adopted children, grandchildren, brothers, sisters, or spouse.

See 961 C.M.R. 2.28. Section 28 provides that the assignment is invalid and the Commonwealth and the Lottery Commission, Executive Director, agents, and employees are relieved from awarding the prize payment. G.L. c. 10. § 28(14).

**A. There is Substantial Evidence That Renata Miranda Obtained Her Claims to Lottery Prize Money Through Improper Assignments.**

As a rule, decisions of administrative agencies must be supported by “substantial evidence,” defined as “such evidence as a reasonable mind might accept as adequate to support a conclusion.” *Cobble v. Comm’r of the Dept. of Soc. Svs.*, 430 Mass. 385, 390 (1999) (citing M.G.L. c. 30A, § 1(6)). The substantial evidence test is “fairly characterized as a test of rational probability: an agency’s conclusion will fail judicial scrutiny if the evidence points to no fault or appreciable probability of the conclusion or points to an overwhelming probability of the contrary.” *Id.* at 390-391 (citations omitted). When evaluating whether an agency’s decision is supported by substantial evidence, “[t]he entire record is to be taken into account, including evidence supporting the agency’s conclusion as well as evidence fairly detracting from that conclusion.” *B.K. v. Dept. of Children & Families*, 79 Mass. App. Ct. 777, 780 (2011) (citations omitted). Here, there is substantial evidence that Renata Miranda acquired her right to the Thirteen Lottery Tickets prize monies via improper assignments.

1. The Mirandas’ Inconsistent Statements.

First, the evidence suggests that Renata Miranda acquired the Thirteen Lottery Tickets via improper assignments, since the Mirandas presented inconsistent testimony at the April 4, 2023 hearing in contradiction of their statements made at the March 1, 2021 interview. At the

hearing, Luiz Miranda claimed that he “never thought about” having his wife claim the prize winnings because she is in a lower tax bracket than him. *See* Tr. 35:9-18. But at the March 1, 2021 interview with Director O’Neil the Mirandas conveyed that Renata Miranda was cashing the Thirteen Lottery Tickets on behalf of her husband, since she was in a lower tax bracket. *See* Ex. 17; Tr. 80:5-12. The Mirandas also said the Thirteen Lottery Tickets were purchased through a betting pool, which Luiz Miranda is a member with at least three other men, and this betting pool is loosely associated with a Downtown Convenience Store and possibly two other Lottery Sales Agent locations. *See* Ex. 17; Tr. 80:12-81:1.

2. Unusual Validations With Respect to Timing and Locations.

*Second*, the validation evidence data for the Thirteen Lottery Tickets claims submitted by Renata Miranda support a conclusion that the Thirteen Lottery Tickets were acquired via improper assignment. At the April 4, 2023 hearing, the Lottery elicited testimony from Director O’Neil. Director O’Neil previously worked for 23 years as the Senior Investigator for the Massachusetts Office of the Inspector General investigating public corruption, construction fraud, and other crimes involving fraud, waste, and abuse and expenditure of public funds on the state, local, and federal levels. *See* Tr. 58:3-14. Director O’Neil’s testimony concerning the Thirteen Lottery Tickets’ validation data was credible. Director O’Neil testified that the Thirteen Lottery Tickets validation data showed that tickets were validated at different locations than the purchase location with many of the tickets being validated months or weeks before being submitted. *See* Ex. 18; Tr. 75:10-15; Tr. 75:20-76:11. Based on his experience and review of the Thirteen Lottery Tickets’ validation data, Director O’Neil concluded that the Thirteen Lottery Tickets were acquired through a bundling operation, which is indicated of multiple purchasers. *See* Tr. 76:12-77:10; Tr. 107:8-12.

3. Statistical Data of The Thirteen Lottery Tickets and The Miranda Family's History of Lottery Ticket Winnings.

*Third*, the Lottery presented statistical data at the hearing that strongly suggests that Renata Miranda acquired the Thirteen Lottery Tickets via improper assignment. The Lottery presented a spreadsheet that included the Thirteen Lottery Tickets' statistical data with respect to the expected winnings and the Mirandas family's history of Lottery ticket winnings statistical data ("the Denied Claims Statistical Spreadsheet"). *See* Ex. 19; Tr.110:19-116:7. The Denied Claims Statistical Spreadsheet showed the following:

The Six Instant Tickets statistical data showed that Renata Miranda needed to purchase approximately 14,310 tickets at an approximate cost of \$141,088.00 to receive an expected yield of approximately \$112,103.85 in prize winnings. *See* Ex. 18; Ex. 19; Tr. 115:5-23. Thus, Renata Miranda would have had to purchase 14,310 tickets at a daily average of 121.27 tickets, or per-hour average of 5.05 ticket purchases for every 24-hour period during this 118-day period, from November 13, 2020, through March 11, 2021. *See* Ex. 19; Tr. 115:24-116:7.

The Mirandas' three children, Luisa Miranda, Marcela Miranda, and Matheus Miranda, resided with the Mirandas at 7 Washington Avenue, and they collectively submitted 86 Lottery prize claims over \$600 with a total prize value of \$117,708.00, from November 19, 2014, to December 21, 2020. *See* Ex. 24; Ex. 25; Ex. 26; Ex. 27. The Miranda children statistically would be expected to win \$117,708.00 by collectively purchasing approximately 166,225 tickets at an approximate cost of \$1,429,892, and such tickets would have had to yield approximately prize winnings of \$1,130,620.00. *See* Ex. 27. Thus, the Miranda children would have had to purchase 166,225 tickets at a daily average of 68.21 tickets, or per-hour average 2.84 ticket purchases per hour for every 24-hour period during this 2,437-day period. *See* Ex. 27.

In sum, the statistical data presented by the Lottery is substantial evidence that Renata Miranda acquired her right to the Thirteen Lottery Tickets prize winning through improper assignment.

**B. Awarding Renata Miranda Prize Money Would Foster An Improper Secondary Lottery Ticket Market.**

As the Lottery argues, its actions are consistent with the legislative purpose of its authorizing statute and should be affirmed. The purpose of Section 28 and related Lottery regulations “prohibiting [] unpermitted assignments were, no doubt, intended to prevent the creation of a secondary, unregulated market in winning tickets, a legitimate legislative goal.” *Welford v. Norbrega*, 30 Mass. App. Ct. 92, 103 n.10 (1991) (approving assignment of prize money to a trust as provided by an exception in Section 28). There is little question that Miranda Renata and/or her husband, Luiz Miranda, are involved in a secondary market for winning Lottery tickets. As mentioned above, there is substantial evidence that Renata Miranda acquired the rights to the Thirteen Lottery Tickets prize winning through an improper assignment. This is not an isolated event, but a practice occurring over several years, as suggested by the statistical data. *See* Ex. 19.

The danger of the secondary market is that it thwarts the Lottery’s mandate to ensure the collection of any past due taxes and child-support from Lottery winners. Prior to issuing any prizes above \$600.00, the Lottery is required to determine whether the winning ticket holder owes past child support or tax liability. *See* G.L. C. 10, § 28A. If there is such liability, the Lottery must first satisfy the outstanding, child support and/or tax liability before paying whatever balance remains. *Id.* By accepting the Thirteen Lottery winning tickets via improper assignment, Renata Miranda shields the original ticket purchasers from any reporting and/or payment obligations.

Accordingly, the Lottery denying Renata Miranda claims was appropriate.

### **III. THE LOTTERY IS COMMITTED TO RESPONSIBLE GAMING PRACTICES.**

Although the Mirandas claim that that the Lottery has done nothing to assist with their gambling additions, the undersigned hearing officer finds that the Lottery is committed to responsible gaming practices by offering numerous gambling resources. These gambling resources include but are not limited to: (1) the Six Instant Tickets includes a phone number and website for individuals that seek gambling addiction resources [see Exs. 1-6]; (2) the Lottery's website includes on its front page a gambling helpline phone number [see <https://masslottery.com>]; (3) the Lottery identifies a toll-free helpline in a variety of locations that include, but not limited to, Lottery terminals and self-service vending machines, instant tickets and bet slips, Keno and The Wheel of Luck monitors, Lottery mobile applications, Lottery social media accounts, and point of sale advertising [see Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>]; (4) the Lottery partners with the Massachusetts Department of Public Health's Office of Problem Gambling Services in its leadership, resources, and expertise to mitigate harms associated with gambling [see Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>]; and (5) the Lottery has a Responsible Gambling Plan, which is available on its website [see Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>].

In addition, the Lottery participates in nationally responsible gaming campaigns. See Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>; Massachusetts State Lottery Commission Official Meeting Minutes, January 30, 2023, <https://masslottery.com/about/commission/meeting-and-performance-management-history>. The

Lottery further received “Verified” status under the North American Association of State and Provincial Lotteries (NASPL)/National Council on Problem Gambling (NCPG) Responsible Gaming Standard at the Implementation Level after having previously earned this status at the Planning Level in 2017. *See* Responsible Gaming, Massachusetts State Lottery, <https://masslottery.com/about/responsible-gaming>.

Overall, the Lottery offers multiple readily available resources for individuals with gambling additions that Luiz Miranda could have utilized during his seven-plus year history of playing the Lottery.

### **CONCLUSION & RECOMMENDATION**

The Hearing Officer concludes that Renata Miranda acquired the Thirteen Lottery Tickets at issue through assignments that violated G.L. c. 10, § 28 and 961 C.M.R. 2.28(1). The Hearing Officer therefore recommends that the Massachusetts State Lottery Commission affirm the Lottery’s April 4, 2023 decision.

Respectfully submitted,

The Hearing Officer,

/s/ Nicole J. Cocozza

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