

**Massachusetts State Lottery Commission
Official Minutes of 01/28/2025 Meeting**

Massachusetts State Lottery Commission

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Official Meeting Minutes

DATE: Tuesday, January 28, 2025

TIME: 10:30 a.m.

All Attendees Participated Remotely through Zoom Conferencing System

MEMBERS PRESENT: Chandra Bork, Deputy Treasurer and Chief of Staff, Treasury
William J. McNamara, Comptroller
Meghan S. Liddy, Commissioner
Nina X. Liang, Commissioner
Suleyken Walker, General Counsel, Executive Office of Public Safety and Security, designee of Secretary Terrence M. Reidy

ALSO PRESENT: Mark William Bracken, Executive Director, Lottery
Sheila Capone-Wulsin, Chief Marketing Officer, Lottery
Gregory Polin, General Counsel, Lottery
Steven Martins, Chief Revenue Officer, Lottery
John Rinkacs, Chief Technology Officer, Lottery
Didier Bertola, Chief Financial Officer, Lottery
Christian Teja, Chief iLottery Officer, Lottery
Michael Lorden, Director of Sales and Regional Operations, Lottery
Thomas Cream, Director of IT, Lottery
Matthew DiFrancesco, Director of Operations, Lottery
Delwin Dickinson, Director of Modernization, Innovation and Performance, Lottery
Liz Giffen, Director, Digital Operations, Lottery
Greg Versaw, Director of Human Resources, Operations and Services Group, Lottery
Christopher Taffe, Associate General Counsel, Lottery
Austin McGovern, Associate General Counsel, Lottery
Lisa Vallier, Assistant Director of IT, Lottery
Franklin Carreiro, Assistant Director, IT, Lottery
Benjamin Wood, Assistant Director, Stakeholder Engagement, Lottery
Gregory Gallagher, Assistant Director, Digital Operations, Lottery
P.J. Vande Rydt, Regional Manager, Braintree, Lottery
Thomas Dougherty, Regional Manager, Lawrence, Lottery
Steve Moore, Regional Manager, New Bedford, Lottery
Judy Rampino-Moore, Executive Assistant, Lottery
Rich Reale, Facilities Manager, Lottery

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Thomas Aiello, Manager, Product and Promotional Development, Instant Tickets, Lottery
Kristen Chaput, Manager, Product and Promotional Development, Monitor Games, Lottery
Tim Karalexis, Manager, Product and Promotional Development, Draw Games, Lottery
Jamie Martel, Social Media Coordinator, Lottery
Max O'Day, Communications Specialist, Lottery
Justin Donnini, Marketing Specialist, Draw Games, Lottery

Emily Kowtoniuk, Director of Policy and Legislative Affairs, Treasury
Andrew Napolitano, Communications Director, Treasury
Sandra Lynch, General Counsel, Treasury
Lizandra Gomes, Deputy Chief of Staff, Treasury
Makayla Fucile, Special Assistant, Treasury
Alexa Michon, Policy Associate, Treasury

Victor Ortiz, Director, Mass DPH Office of Problem Gambling Services
Lorena Lama, Deputy Director, Mass DPH Office of Problem Gambling Services

Paul M. Kominers, Esq. Hearing Officer
Mark Palmer, Appellant
Vandana D. Gurung, Appellant

Mark Basedow, Operations Specialist, Lotto.com Inc.
Steve Byrne, Vice President, Tremont Strategies Group
Amy Gabrila, Senior GameSense Advisor, The Massachusetts Council on Gaming and Health

Aditi Thube, Graduate Journalism Student, Boston University reporting under the Statehouse Program
Abigail Pritchard, Journalism Student, Boston University, College of Communication
Matt S., Interested Member of the Public

I. Opening of Meeting

Deputy Treasurer Chandra Bork opened the Massachusetts State Lottery Commission (“Commission”) meeting at 10:31 a.m.

Deputy Treasurer Bork introduced herself to the Commission and stated that Treasurer Deborah Goldberg was not in attendance, and she would be chairing the meeting on her behalf.

Deputy Treasurer Bork stated:

“Pursuant to the Commonwealth’s Open Meeting Law, Massachusetts General Laws, Chapter 30A, Section 20, I would like to advise that any person may make a video or audio recording of this

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meeting. However, I am obligated to inform attendees of any recording at the beginning of the meeting,” and she asked those who are making any recording identify themselves as doing so.

Judy Rampino-Moore, Lottery, Abigail Pritchard, Journalism Student, Boston University, and Mark Palmer, Appellant identified themselves as making a recording.

Deputy Treasurer Bork referenced the Massachusetts Open Meeting Law, Massachusetts General Laws, Chapter 30A, section 20, and identified the following Commissioners as present: Commissioner Meghan Liddy, Comptroller William McNamara, General Counsel Suleyken Walker, Commissioner Nina X. Liang, and herself, Deputy Treasurer Chandra Bork. Deputy Treasurer Bork stated that the Commissioners would be participating remotely for the meeting pursuant to Chapter 2 of the Acts of 2023, which permits remote participation by all Commissioners and allows the use of adequate alternative means, such as audio or video conferencing, to ensure public access to the deliberations of the Commission.

Deputy Treasurer Bork noted that the Commissioners are all participating by a conference call through Zoom conferencing and asked the Commissioners to identify any sort of technical difficulty. Deputy Treasurer Bork also stated that the Commissioners may participate in any votes scheduled to take place at today’s meeting and that all votes must be taken by roll call.

II. Approval of the Minutes from December 17, 2024

Deputy Treasurer Bork asked the Commission to accept the minutes from the meeting held on December 17, 2024.

General Counsel Suleyken Walker made a motion to accept the minutes of the meeting and Commissioner Meghan Liddy seconded the motion.

Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

The minutes were approved at 10:34 a.m.

III. Executive Director’s Report

Lottery Sales Update – December

Executive Director Mark William Bracken updated the Commission on Lottery figures for December 2024 and reported that the overall unadjusted sales for December of 2024 were up \$20.9 million from December 2023.

The estimated December 2024 net profit and prize payout figures do not include accruals for prizes won that have not yet been paid. Due in part to a \$13.0 million decrease in Instant Ticket grand prizes claimed in December 2024 as compared to December 2023 (\$9.0 million as compared to \$22.0 million), the estimated net profit for December 2024 was \$100.0 million as compared to \$95.8 million in December 2023, resulting in an estimated \$4.2 million increase in net profit. The

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estimated prize payout for December 2024 was 72.09 percent as compared to 72.14 percent in December 2023.

Executive Director Bracken reported on the figures for Fiscal Year 2025. He stated that the overall unadjusted sales for the first six months of FY25 were down \$78.2 million from the first six months of FY24. The estimated FY25 year-to-date net profit and prize payout figures both include accruals for prizes won that have not yet been paid. Due in part to an \$87.9 million decrease in sales of Powerball and a \$44.4 million decrease in Instant Ticket grand prizes claimed in the first six months of FY25 as compared to the first six months of FY24 (\$153.4 million as compared to \$197.8 million), the estimated year-to-date net profit for the first six months of FY25 is \$538.0 million as compared to \$574.3 million for the first six months of FY24. After adding in a 2-day average net profit figure of \$6.0 million due to a shift in the calendar, the adjusted year-over-year change for the first six months of FY25 versus the first six months of FY24 is an estimated \$30.3 million decrease in net profit. The estimated year-to-date prize payout for the first six months of FY25 is 74.24 percent as compared to 74.06 percent for the first six months of FY24.

Executive Director Bracken provided a December 2024 sales breakdown. He reported that as compared to December of 2023, Mega Millions sales were up \$22.5 million (high jackpot of \$1.22 billion as compared to \$395 million in December 2023), he noted that this is the first billion jackpot of the year, whereas last year at this point, there were “four” billion dollar jackpots. Instant Ticket sales were up \$8.0 million, Keno sales were up \$2.9 million, The Wheel of Luck sales were up \$227,031, and Megabucks sales were up \$194,160 (high jackpot of \$4.95 million as compared to \$1.61 million in December 2023). Executive Director Bracken noted that Megabucks was hit last night for just over \$6 million and was sold to one lucky person from a store in Rockland, Massachusetts. Lucky for Life sales were up \$137,536.

As compared to December of 2023, Powerball sales were down \$11.7 million (high jackpot of \$256 million as compared to \$760 million in December 2023), The Numbers Game sales were down \$663,144, and Mass Cash sales were down \$45,814.

Prize Payout Percentage, Fiscal Year-to-Date by Month

Executive Director Bracken presented a five-year prize payout comparison chart and reported on the prize payout as a percentage of Lottery’s sales as compared to the last five fiscal years. Referring to the chart in the meeting materials, he noted that the prize payout is close to where it was in FY24 but still significantly higher than it was the previous 3 fiscal years before that.

Gross Sales Results – December Sales

Executive Director Bracken reported on the year-to-date FY25 versus FY24 sales through December Unadjusted Non-Fiscal Year as well as the Gross Sales Results for December FY25 versus December FY24.

Reporting on December FY25 versus December FY24, Executive Director Bracken reported on the large decrease seen in Powerball sales that was due to the lower jackpot with sales down \$11.7 million. Due to the billion-dollar jackpot, Mega Millions sales were up \$22.5 million resulting in an overall total increase of \$20.9 million for the month as compared to last December.

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Reporting on the gross sales results year-to-date FY25 versus FY24 Unadjusted Non-Fiscal Year, Executive Director Bracken reported that when looking at overall sales, sales significantly remained down because of the lack of the billion dollar jackpots. He referenced Powerball, with sales down \$87.9 million, Mega Millions down \$10.0 million, and The Numbers Game down \$3.5 million. He reported a strong showing from Keno with sales up 3.5 percent for an additional \$21.3 million bringing overall sales down \$78.2 million.

Keno Multiplier Mania Promotion Results

Executive Director Bracken passed the presentation to Kristen Chaput, Product Manager for Monitor Games, and asked her to update the Commission on the results of the Keno Multiplier Mania Promotion.

Product Manager Chaput reported that this three-day promotion, where all multipliers were included, resulted in approximately \$13 million in sales (\$13,188,163) and produced an 18.4 percent increase in sales as compared to last year's three-day 2X Bonus promotion. This promotion also experienced its highest sales week ever with \$28.7 million in sales (approximately \$2 million higher from the last recorded sales from May 2023) and generated the highest sales ever on New Years Eve. Product Manager Chaput described this as a great way to round out 2024.

Executive Director Bracken noted that regarding the new record of \$28.7 million, the next closest record was \$26 million and weekly Keno sales have only reached \$26 million seven times. He described this as a significant achievement for Keno and congratulated Product Manager Chaput on an awesome promotion that really drove sales.

February 18, Instant Ticket Launch

Executive Director Bracken asked Instant Ticket Product Manager Tom Aiello to report on the February 18 Instant Ticket Launch.

Product Manager Aiello directed the Commission's attention to the meeting materials and introduced the "Week for Life" ("WFL") family that includes four new games, printed with fluorescent inks, and offers the chance to win a prize every week for life. He reported on the \$1 price point game "\$100 a Week for Life" with a top prize of \$100/WFL with a guaranteed minimum 20-year payout. Players will have the option to select the weekly annuity or the cash option of \$80,000 less applicable taxes and withholdings, and there are ten top prizes within this game. He next unveiled a \$2 price point game "\$200 a Week for Life" with a top prize of \$200/WFL and also offers a guaranteed minimum 20-year payout. Players will have the option to select the weekly annuity or the cash option of \$160,000 less applicable taxes and withholdings and there are ten top prizes within this game. Next in the February launch is the \$5 price point game "\$1,000 a Week for Life" with a top prize of \$1,000/WFL with a guaranteed minimum 20-year payout. Players will have the option to select the weekly annuity or the cash option of \$800,000 less applicable taxes and withholdings, and there are ten top prizes within this game. Rounding out this family of tickets is the \$10 price point game "\$2,500 a Week for Life" with a top prize of \$2,500/WFL that also offers a guaranteed minimum 20-year payout. Players will have the option to select the weekly annuity or the cash option of \$2 million less applicable taxes and withholdings. This game also includes ten top prizes.

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February 18 Instant Ticket Launch – Advertising

Product Manager Aiello next reported on the advertising to support this launch. He called the Commission's attention to the meeting materials and revealed the Point of Sale ("POS") 8.5" x 11" poster, spotlighting an overall concept and design that was done in-house by the Lottery's internal team. The poster showcases all four tickets with the tagline, "Win Each Week For Life" and utilizes the callouts "Over \$211,000,000 in Total Prizes" and "Over 12,000,000 Total Winners." Product Manager Aiello then played the :15 second video created by the internal production team that backs this launch.

Scan to Enter – Cash Celebration Promotion

Product Manager Aiello reported on the Scan to Enter – Cash Celebration Promotion that will run from February 3rd to March 14th. This is the Lottery's 4th Scan to Enter promotion where players can participate by scanning or manually entering three of the same eligible non-winning tickets from the eligible list for the first time through the MA Lottery app or website. Once three of the same eligible non-winning tickets are successfully scanned or entered, players will receive one entry into the promotion, which will instantly be reflected in their account. Product Manager Aiello noted that the six eligible games were selected to create additional awareness and support and to help clear out some of the existing inventory in the warehouse. He reported on the prizes to be awarded for this promotion shown on the digital asset utilizing the call out "Over \$125,000 in prizes. The prizes range from \$125 up to \$2,025. The 2025 theme was used not only for the prizes but also for the total number of prizes (25) within each tier. He described this as a great promotion that will begin on February 3rd.

Scan to Enter – Cash Celebration Agent Incentive

Product Manager Aiello stated that to compliment the Scan to Enter Player promotion, the Lottery is offering a Cash Celebration Agent Incentive. He referred to the flyer created in-house that utilizes the callout "Offering \$125,000 in Total Prizes!" He reported that every book of Instant Tickets from the eligible games that is activated between January 21st and March 14th earns the activating agent one entry into a drawing. Winning Agents will be randomly selected from the entries received. Agents are limited to one prize only. Prizes will be credited directly into the Agent's Lottery accounts. Prizes range from \$100 to \$5,000, there will be a total of 617 agent winners. He noted that there are about 6,800 to 6,900 active agents and will account for 10 percent of agents who will win a prize.

Mass Lottery Player Account Overview

Executive Director Bracken asked Director of Digital Operations Liz Giffen to provide an update on the Mass Lottery Player Account.

Director Giffen relayed that Mass Lottery Player accounts are available to players on the mobile app on Android and iOS as well as on the Mass Lottery website. She reported that calendar year 2024 ended with approximately 410,000 verified Mass Lottery Player Account Registrations with nearly 15,000 player registrations during the month of December. She noted that the spike in registrations was aided by several factors and initiatives including some of the ones that were reported on during this meeting.

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Ticket Scanner Usage Metric

Director Giffen called the Commission's attention to the meeting materials and reported on the ticket scanner usage and highlighted that 86 percent of players who have registered for a Mass Lottery Account have scanned at least one or multiple tickets on the app. She stated that the ticket scanner is the most sought after feature and brings players into the fold where they can then unlock features such as Scan to Enter promotions, Second Chance promotions, and to process mobile claims for eligible prizes.

Mobile Cashing Metrics

Director Giffen next reported on the metrics for the Mobile Cashing feature available to players to claim prizes between \$601 and \$5,000 and have the winnings directly deposited into their bank account. She reported that to date, 53,332 unique players have claimed an eligible prize on the mobile app resulting in 35 percent of those eligible scanned tickets between the \$601 and \$5,000 range being claimed directly on the mobile app. She stated that the Lottery remains eager to grow its player base and creating the best possible experience as the Lottery inches closer to iLottery.

Executive Director Bracken noted that the 53,332 players means that there were 53,332 less trips made to a Lottery office and people were able to claim their prize from home or wherever they were. He also noted that the 409,372 registered players are not only those who have downloaded the app, these are actual fully "Know Your Customer" ("KYC") verified people who have registered their accounts by supplying their full nine digit Social Security number. He stated that this is going to be very important when iLottery is launched in the summer of 2026 because no state has ever launched iLottery with a player base that has been verified to that degree. He explained that as of now, the Lottery has more than double what the next closest state that's launched iLottery has ever been at. The goal is to get that number over 500,000 by the time iLottery is launched and that would be something no state has ever done.

IV. Massachusetts Department of Public Health, Office of Problem Gambling Services Presentation

Deputy Treasurer Bork was pleased to welcome back Director Victor Ortiz from the Massachusetts Department of Public Health's ("DPH") Office of Problem Gambling Services ("OPGS") and invited him to share a presentation about their efforts this holiday season.

Director Ortiz thanked Deputy Treasurer Bork and the members of the Commission for inviting him back to report on the DPH's efforts this holiday season. He announced that this holiday campaign marks the department's 5th year and reflected back on the journey of where this work began and where it is today.

Director Ortiz stated that 5 years ago, the Lottery approached the DPH with a request to strengthen and enhance their Problem Gambling ("PG") Holiday campaign that he described as a national effort by all jurisdictions and lotteries with the goal of promoting and raising awareness that Lottery tickets are not appropriate gifts for children. He reported that based on the department's data, it is estimated that 46 percent of middle school students and high school students have gambled within the past year.

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Director Ortiz stated that he was pleased with the collaborative efforts between the DPH and the team at the Lottery that began 5 years ago, and he also extended his thanks to DPH Deputy Director Lorena Lama for leading this campaign.

Director Ortiz called the Commission's attention to the meeting materials and stated that when this effort first began, the team needed to determine the best way to deliver and maximize the impact of the campaign. The DPH's platform "Let's Get Real About Gambling" is a comprehensive communication platform that has two major strategies – General Audience and Priority Population. He explained that Priority Populations are groups that are disproportionately impacted by gambling and/or at high risk and campaigns would be created and geared towards those populations. He explained that General Audience is spreading the word and raising awareness about PG. The DPH felt strongly that the Holiday Campaign fit very well within this platform and used the strength of this platform to enhance the reach of this campaign.

Director Ortiz provided a recap of the DPH's Holiday Campaign from 2020 to 2024. He reported that when the campaign was first launched in 2020, the team aspired to determine the goal of maximizing the reach and the impact, and during that two-week period, social media was used and resulted in approximately 800,000 impressions. This gave the team the opportunity to apply the lessons learned and determine how to enhance this information to expand the campaign in 2021.

Director Ortiz reported on the 2021 campaign where it was expanded from two weeks to one month. The tactics within the campaign were enhanced from social media to include other mechanisms to get the word out. As a result, he reported on a significant jump where impressions increased from 800,000 to over 7 million. The team was ecstatic and motivated to make it even better in 2022.

Director Ortiz reported that in 2022, the tactics were expanded by increasing the language capacity from English and Spanish to include multiple languages. As a result, impressions increased from 7 million to over 8 million and 50,000 print subscribers were reached. This provided a three-year foundation of information to determine the lessons learned and how they could be improved.

Director Ortiz reported that these tactics were further expanded in 2023, and the language was increased to include both Portuguese and Haitian Creole. He stressed that the OPGS has a responsibility to reach as many people as possible, specifically communities and populations that are disproportionately impacted by gambling. He reported that within a four-year period, impressions nearly doubled and in 2023, the campaign delivered 15,776,573 impressions across all channels. This represented the highest level of impressions of this type of campaign in the country. No other effort in terms of the Holiday campaign has reached this level of impression. He extended thanks to the team who worked diligently to achieve these numbers and asked how this campaign could be made better and what can be done to increase this reach.

Director Ortiz delivered the results from the 2024 campaign. He highlighted that originally in 2020, the duration of this campaign was for just two weeks and since that time has been expanded to run for one month. In 2024, the campaign was extended to run for six weeks. The tactics were also expanded to include a significant investment in radio ads. A huge effort was put forth to get the word out and incorporate all the lessons learned. He was pleased to report that during the 2024 campaign there were over 27 million impressions reached. He emphasized that no other state in the country has done what the OPGS has done in a five-year period. He stated that he was proud of the results and of the teams who worked diligently to ensure that the message gets out to caregivers, parents, and loved ones that lottery products are not suitable as gifts during the holidays.

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Director Ortiz discussed the strategy that will continue to raise awareness and enhance the platform in regard to PG. He revealed that one of the impressive facts regarding the data was not only was there substantial improvement in impressions, but a significant increase in the engagement of resources. The challenge is to continue to think about how to get the word out and so continuing forward, the campaign will take on new initiatives. Because of the great foundation that's been built, the team is exploring the possibility of taking aspects of this message to launch this campaign during certain periods throughout the year. This message would be geared particularly towards young people and will continue to build off of that foundation. He noted that this initiative is in the early stages of development and he looked forward to sharing the results of this strategy.

Director Ortiz thanked the Deputy Treasurer Bork and the Commission for their support as well as Lottery team members, including Executive Director Bracken and Chief of iLottery Officer Christian Teja for diligently working together and raising awareness about PG. He also thanked the team at the Department of Public Health for the phenomenal work they've done.

Executive Director Bracken thanked Director Ortiz for his presentation and added that this partnership has grown year-over-year. He acknowledged the recent discussions regarding the partnership and additional collaborations and stated that the Lottery appreciates all of the work being done. He mentioned the importance of the helpline which is continuing to be more and more vital with the increase of gambling not only throughout the Commonwealth, but as the Lottery begins to expand their operations online and was looking forward to continuing the partnership.

General Counsel Suleyken Walker shared her appreciation to Director Ortiz and asked that in addition to the increasing impressions, which she described as amazing, whether there is any data that is collected regarding trends in PG. Director Ortiz explained that for the first time ever in this country, the OPGS is creating the first system of surveillance that would track trends, behaviors and impacts over the year that focuses on youth and adults. He elaborated that for the last ten years, data has consistently been tracked, and an estimated 46 percent of middle school and high school students have gambled in the last year and that data can be connected to other behavioral issues such as mental health and substance abuse. It shows a picture of what that looks like and it can be monitored over time. He stated that it's a critical component in the Commonwealth and that data needs to be reliable and dependable to determine what the true impacts are.

V. Matters Requiring Approval of the Massachusetts State Lottery Commission

VOTE (1): For the reasons set forth in the attached memorandum dated January 21, 2025, the Executive Director is authorized to enter into a three-year contract for the purchase of corrugated boxes with of the following vendors:

Specialty Packaging LLC
47 Leggett Street
East Hartford, CT 06108

Rand Whitney Container LLC
1 Rand-Whitney Way
Worcester, MA 01607

Lancaster Packaging, Inc.
560 Main Street, Ste 2
Hudson, MA 01749

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This award is made pursuant to a competitive bid process (Bid # 25-14).

The maximum aggregate obligation for these services during this three (3) year period will not exceed five hundred thousand dollars (\$500,000.00).

Commissioner Meghan Liddy made a motion for the Executive Director to enter into the above mentioned three-year contracts and Comptroller William McNamara seconded the motion.

Executive Director Bracken explained that the corrugated boxes are the boxes used to ship supplies out to Lottery agents.

Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

VOTE (2): For the reasons set forth in the attached memorandum dated January 21, 2025, the Executive Director is authorized to enter into a three-year contract for the purchase of electronic digital messaging signs with:

Pro-Lite, Inc.
3505 Cadillac Ave., Bldg. D
Costa Mesa, CA 92626

This award is made pursuant to a competitive bid process (RFR LOT #2507).

The maximum aggregate obligation for these services during this three-year contract will not exceed one million, five hundred thousand dollars (\$1,500,000.00).

General Counsel Suleyken Walker made a motion to enter into the three-year contract and Commissioner Meghan Liddy seconded the motion.

Executive Director Bracken explained that this vote is for the jackpot signs placed at agent locations and displays what the current jackpot number is for both Mega Millions and Powerball. He stated that there hasn't been an influx of these in a while and supplies are nearly depleted. This would be for a three-year contract for a total obligation of \$1.5 million which will hopefully be sufficient for the next three years and allow the Lottery to have some on hand for year four.

Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

VOTE (3): For the reasons set forth in the attached memorandum dated January 21, 2025, the Executive Director is authorized to extend the Commission's contract for janitorial services with:

Facilities Management & Maintenance, Inc.
25 Beach St 3R
Dorchester, MA 02325

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This original award was made pursuant to statewide contract FAC114: Janitorial Services, Environmentally Preferable through a competitive bid process (RFQ LOT #2203).

The maximum obligation for these services during the period of March 1, 2025 through July 31, 2026, shall not exceed one million, two hundred thousand dollars (\$1,200,000.00).

Commissioner Meghan Liddy made a motion to extend the contract and General Counsel Suleyken Walker seconded the motion.

Executive Director Bracken stated that this vote is for janitorial services at the Lottery Headquarters in Dorchester as well as at the regional office locations for the upcoming year.

Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

VOTE (4): For the reasons set forth in the attached memorandum dated January 27, 2025, the Massachusetts State Lottery Commission increases the maximum obligation by six million, eight hundred thousand dollars (\$6,800,000.00) for its contract for network communications services with:

Verizon Business Network Services Inc.
One Verizon Way
Basking Ridge, NJ 07920

This original award was made pursuant to a competitive bid process (RFR LOT # 1502).

The maximum obligation for these services during the period of May 1, 2024, through April 30, 2025, shall not exceed fifteen million dollars (\$15,000,000.00).

Comptroller William McNamara made a motion to increase the maximum obligation and Commissioner Nina Liang seconded the motion.

Executive Director Bracken explained that the Verizon bill is the Lottery's third largest operating cost. He stated that the Lottery went out to bid for new communication services and that vote will be coming forward in the coming months for the cost for Verizon to bring services to all of the Lottery's agents. In addition, updated routers will need to be ordered for all the agent locations. The Lottery has been in discussions with its partners regarding these routers and would like to order them as soon as possible to avoid shipping delays. This vote is for \$6.8 million for routers from Verizon and subbed out from Encore Networks.

Commissioner Liddy asked if this was a one-time purchase that came about due to the replacement of the equipment. Executive Director Bracken explained that it's more due to the fact that the routers are old. Unlike a home router which needs to be replaced approximately every 3 years, these are industrial routers and so they will last a little longer. The Lottery will need to switch its network due to the bandwidth coming in and the routers of ten years ago are not as fast as the routers of today. This is a one-time purchase that will allow all of the routers to be switched out and still have some additional ones on hand. He stated that there will be additional purchases of these routers in the next couple of years but at a much smaller quantity.

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Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

VOTE (5): That the Massachusetts State Lottery Commission hereby ratifies and adopts the Decision and Recommendation of Paul Kominers, Esq. (hearing officer sitting by designation) in re: Appeal of Lok Gurung.

Commissioner Nina Liang made a motion to ratify and adopt the Decision and Recommendation and General Counsel Suleyken Walker seconded the motion.

Hearing Officer Paul Kominers stated that Mr. Lok Gurung is a long-time Lottery license holder in Somerville and Cambridge. Mr. Gurung received and had acknowledged receiving the manual for sales agents that instructs, among other things, not to purchase high tier winning tickets from customers. In 2021, Mr. Gurung attempted to cash five tickets worth \$1,000 or more a piece. The security investigator with the Lottery interviewed Mr. Gurung and during that interview, he admitted that he had purchased the tickets from other individuals for \$700 each. The Lottery denied his claims and he appealed.

Hearing Officer Kominers reminded the Commission that Lottery rules and regulations forbid players from purchasing lottery claims. He stated that this is enough to resolve this matter and deny these claims without even looking at Mister Gurung's role as a licensed sales agent. The sales agent's role forbids them from purchasing these kinds of claims from their customers. Mr. Gurung claims to have forgotten this rule.

Hearing Officer Kominers stated that Mr. Gurung argued that he was acting in good faith when he attempted to cash these tickets. However, in a claim appeal, the question is not whether the claimant was acting in good or bad faith, it's whether purchasing a high tier winning ticket is permissible, which it absolutely is not. There is no real question that he had sufficient notice. He was provided with a copy of the manual for sales agents, and he acknowledged receipt of it. Hearing Officer Kominers stated that for all these reasons he recommends that the Commission affirm the Lottery's denial of these claims.

Deputy Treasurer Bork invited Mr. Gurung to address the Commission. Mr. Gurung thanked the Commission and stated that he agreed with Hearing Officer Kominers in regard to receiving the manual but stated that he signed the manual in 2013. He claimed that within that time, he had forgotten what he signed because it was ten years ago. He acknowledged that he did cash the tickets but argued that if he knew that was against Lottery regulations, he wouldn't have done that and risked his license. He further argued that the Lottery is always running new campaigns and new promotions and hasn't provided any guidance other than the manual from 2013, and he claimed that there was no further training offered. He stated that in addition, his license expires every year but he has never received another manual and therefore, he had forgotten about this rule. Mr. Gurung further argued his point repeating that he hasn't had any additional training since 2013 and he mentioned instances of when he had helped the Lottery throughout the years and was surprised that he wasn't rewarded. He reiterated that the Lottery hasn't offered any additional training within that ten-year period since he first signed the manual.

Deputy Treasurer Bork thanked Mr. Gurung of presenting today and being forthcoming with the Commission on why he attempted to cash these tickets.

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Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; Commissioner Nina Liang: yes; General Counsel Suleyken Walker: yes; and Deputy Treasurer Bork: yes. The Motion carried.

VOTE (6): That the Massachusetts State Lottery Commission hereby ratifies and adopts the Decision and Recommendation of Paul Kominers, Esq. (hearing officer sitting by designation) in re: Appeal of Mark Palmer.

Commissioner Nina Liang made a motion to ratify and adopt the Decision and Recommendation and Comptroller William McNamara seconded the motion.

Hearing Officer Kominers reported that Mr. Mark Palmer won \$1,600 in Keno. Within two weeks of winning, he scanned the ticket twice on his account with the Lottery's RTC app (which allows users to redeem tickets by scanning them). Mr. Palmer then lost track of the ticket in the midst of ongoing and complex medical issues. Ultimately, the ticket expired about three weeks before Mr. Palmer traveled to a Lottery office to cash it.

Hearing Officer Kominers noted that the ticket states that it expires within one year and that language appears under the words "how to claim a prize" in capitalized font that is sufficient as a reasonable notice that a winning ticket must be cashed within one year. He stated that courts have repeatedly upheld such rules as enforceable. Mr. Palmer had an opportunity to claim his prize early on using the RTC app and it's not clear why he didn't.

Hearing Officer Kominers stated that it is unclear if the Lottery would be able to even grant the kind of exception that Mr. Palmer is asking for. He understood that this result may seem inequitable to Mr. Palmer, but denying this claim was consistent with the Lottery's rules and regulations and he recommended affirming the denial of the claim.

Deputy Treasurer Bork invited Mr. Palmer to address the Commission. Mr. Palmer explained that he won the ticket in 2023, but since 2022, he has had four major back operations. He stated this caused driving restrictions and being housebound for almost a year with limited movement. He stated that he did not have an opportunity to cash the ticket and was not aware that the ticket could be cashed online through the Lottery's online app. He acknowledged looking into the app but even now he could not understand how to use it to cash the ticket. He described the features as not forthcoming and so he did not try to cash the ticket through the app. He stated that his last operation was in April, and he went past the one-year claim rule. He then called the Lottery office and explained his situation, and was told that he could file an appeal. He reasoned that he won the money fair and square and although he understands the one-year claim rule, he didn't have any way to get to a Lottery office. He noted that he did go to a local store but was told that they couldn't cash it. He was hoping that the Commission would grant him the opportunity to cash the ticket.

General Counsel Polin stated that from the Lottery's perspective it is appreciated that Mr. Palmer, as a Lottery player, is pursuing his remedies here for appeal but agrees with the Hearing Officer's decision and the application of the clear expiration rules, especially in this case. He stated it is a Keno ticket and expires one year after the drawing date. He asked that the Commission ratify this decision.

Executive Director Bracken explained that when using the mobile ticket app, after a player scans their ticket, they're prompted to claim it on the RTC ticket app, in addition, claims for prizes up to

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and including \$50,000 can be submitted by mail through the US Postal Service and this is clearly cited on the Lottery's website. They do not have to come to an office location. Mr. Palmer stated that he was unaware of that.

General Counsel Walker asked if there is an actual regulation that imposes the one-year period. General Counsel Polin cited 961 CMR § 2.38 which states that online tickets must be claimed within one year of the drawing date.

Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

VI. Other Business – Reserved for Matters the Chair did not Reasonably Anticipate at the Time of Posting

After asking if there was any other business to discuss, Deputy Treasurer Bork sought a motion to adjourn the meeting. Comptroller William McNamara moved to adjourn and Commissioner Meghan Liddy seconded the motion.

Deputy Treasurer Bork, recognizing there was no further discussion, moved the motion to a roll call vote. Commissioner Meghan Liddy: yes; Comptroller William McNamara: yes; General Counsel Suleyken Walker: yes; Commissioner Nina Liang: yes; and Deputy Treasurer Bork: yes. The Motion carried.

The Commission meeting adjourned at 11:31 a.m.

List of Documents and Exhibits Used:

- MSLC January 2025 Commission Meeting Book
- MSLC Meeting Executive Director's Report, January 2025
- Massachusetts Department of Public Health, Office of Problem Gambling services: Holiday Campaign, January 28, 2025