



EXECUTIVE SUMMARY:

Report on the Research Agenda of the Massachusetts Gaming Commission

Prepared in collaboration with the UMASS Amherst
Social and Economic Impacts of Gambling in
Massachusetts (SEIGMA) Team

December 5, 2013

Background

Massachusetts Expanded Gaming Act

In November 2011, an [Act Establishing Expanded Gaming in the Commonwealth](#) was passed by the Legislature and signed by the Governor (Chapter 194 of the Acts of 2011). This new legislation permits casinos and slot parlors to be introduced to Massachusetts for the first time under the regulatory auspices of the newly created **Massachusetts Gaming Commission (MGC)**. Three casino licenses are available, with one allocated for the Greater Boston area, one for Western Massachusetts, and one for Southeastern Massachusetts. A single license for a slot parlor is also available, with no geographic restriction as to its location.

Massachusetts Gaming Commission

The mission of the Massachusetts Gaming Commission is to create a fair, transparent, and participatory process for implementing the expanded gaming law. In creating that process, the Commission will strive to ensure that its decision-making and regulatory systems engender the confidence of the public and participants, and that they provide the greatest possible economic development benefits and revenues to the people of the Commonwealth, reduce to the maximum extent possible the potentially negative or unintended consequences of the new legislation, and allow an appropriate return on investment for gaming providers that assures the operation of casino-resorts of the highest quality.

MGC Research Mandate

Section 71 of the Gaming Act requires the Massachusetts Gaming Commission to establish “**an annual research agenda**” to assist in understanding the social and economic effects of casino gambling in Massachusetts and to minimize the harmful impacts. With the further requirement that the Commission and its statutorily-mandated Gaming Policy Advisory Committee make annual, scientifically-based recommendations to the Legislature, the new law is unique in enshrining the role of research in enhancing responsible gambling and mitigating problem gambling in Massachusetts. Section 71 identifies three essential elements of this research agenda:

1. Understanding the social and economic effects of expanded gambling;
2. Implementing a baseline study of problem gambling and the existing prevention and treatment programs that address its harmful consequences; and
3. Obtaining scientific information relative to the neuroscience, psychology, sociology, epidemiology and etiology of gambling.

To oversee the research mandate, the Commission hired Mark Vander Linden as the Director of Research and Problem Gambling in June 2013. To additionally help guide the Commission and the Gaming Policy Advisory Committee on research matters, an informal Gaming Research Advisory Committee (GRAC) was convened at the direction of Chairman Steve Crosby and Director Vander Linden. The GRAC functions as an informal peer review committee to monitor research efforts currently under way as well as to make recommendations to advance the ongoing agenda.

Section 108 of Chapter 194 of the Acts of 2011 is a statutory requirement to submit a report of research activities conducted under Section 71 of chapter 23k of the General Laws not later than two years after the effective date of the Act (November 22, 2011). **This is the Executive Summary of the Report on the Research Agenda of the Massachusetts Gaming Commission that fulfills the statutory mandate.**

Funding

Section 58 of the Gaming Act requires the Massachusetts Gaming Commission to establish a **Public Health Trust Fund**, which will be used to support social service and public health programs dedicated to addressing problem gambling, including prevention, treatment and research. This includes the annual research agenda required under Section 71 of the Gaming Act. However, the Public Health Trust Fund cannot be established and endowed until fees are assessed to gaming licensees and funds collected from taxes on gross gaming revenues.

Although the Public Health Trust Fund is not yet in place, Section 71 requires the MGC to conduct a Baseline Study of problem gambling prevalence and available treatment services as well as ongoing research on the social and economic impacts of gambling in the Commonwealth. Since the Baseline Study necessitates collecting data ahead of the granting of licenses, the MGC elected to spend significant resources of its own, \$3.459 million, to fulfill this statutory requirement ahead of the establishment of the Public Health Trust Fund.

Utility of the Research Findings

The Massachusetts Gaming Commission is committed to fully understand the impacts of expanded gaming in the Commonwealth. The research findings will be essential in developing a strategy to minimize gambling-related harm and bring the greatest possible benefit to the people of the Commonwealth. These findings will:

- Inform how monies from the Public Health Trust Fund (Section 58) are expended;
- Assist in assessing community-level impacts and inform decisions about expenditures from the Community Mitigation Fund (Section 61);
- Improve problem gambling prevention;
- Advance the quality, effectiveness and efficacy of treatment of gambling disorders;
- Inform the ongoing MGC research agenda;
- Provide quantitative and qualitative assessments of a broad range of impacts of expanded gaming; and
- Provide all of the stakeholders in Massachusetts with a neutral database for strategic analysis and decision-making.

Research Team Selection Process

In November 2012, the MGC issued a Request for Response (RFR) for Research Services and received four responses. In March of 2013, the MGC selected UMass Amherst to carry out a comprehensive research agenda. The project, titled the Social and Economic Impacts of Gambling in Massachusetts will be referred to as SEIGMA throughout the rest of this Executive Summary.

The SEIGMA Research Team

The executive management of the SEIGMA team is comprised of experts in research methods and the gambling studies field. These experts include Dr. Rachel Volberg (Co-Principal Investigator), Associate Professor at the UMass School of Public Health and Health Sciences (SPHHS); Dr. Edward Stanek (Co-Principal Investigator), Professor and Chair of the UMass Department of Public Health; Dr. Robert Williams (Co-Principal Investigator), Research Coordinator at the Alberta Gambling Research Institute; and Daniel Hodge (Economic Impacts Lead), Director of Economic and Public Policy Research at the Donahue Institute.

The Executive Management Team collaborates with a larger group of researchers with backgrounds in economics and econometrics, gambling research, public health, statistical analysis, anthropology,

psychology, sociology, public policy, and hospitality and tourism. Several team members have direct experience in both researching and conducting socioeconomic analyses of gambling. The SEIGMA team also collaborates with data collection organizations in Chicago, Western Massachusetts and Washington, DC.

SEIGMA Team Members contribute variously to four different facets of the project:

- Social and Health Impacts Analysis
- Economic Impacts Analysis
- Problem Gambling Services Evaluation
- Data Management

This Executive Summary is a synopsis of the progress the SEIGMA team has made in these areas to fulfill the activities and deliverables specified in the SEIGMA Research Plan. To obtain more information about the project or a copy of the full report, please visit the SEIGMA website at:

<http://www.umass.edu/seigma/>

The SEIGMA Approach to Studying the Impacts of Expanded Gaming

Features of the SEIGMA Project

All of the elements in the MGC research agenda are addressed using a collaborative orientation, a state of the art analytical framework, a mixed methods research strategy, and a comprehensive approach that establishes the impacts of casino gambling at state, regional, and local levels. Data from both primary and secondary sources will be collected, including:

- General Population Surveys (primary)
- Online Panel Surveys (primary)
- Targeted Sample Surveys (primary)
- Focus Groups and Key Informant Interviews (primary)
- Venue Surveys (primary and secondary)
- Economic Impact Data (primary and secondary)
- Social Impact Data (primary and secondary)
- Problem Gambling Services Evaluation (primary and secondary)

Activities to Date

Social and Health Impacts Analysis

- Developed and pre-tested a questionnaire for the general population survey, online panel survey, and targeted population survey;
- Received Institutional Review Board (IRB) approval of the questionnaire and all survey materials;
- Translated the questionnaire into Spanish and converted both language versions to an online format, computerized telephone format, and paper and pencil format;
- Launched the General Population Survey on September 11, 2013;
- Launched the online survey on October 23, 2013;
- Created a matrix of social measures and health services utilization indicators for analysis; and
- Met on a regular basis with the Massachusetts Department of Public Health to discuss secondary data sharing efforts and collaboration.

Economic and Fiscal Impacts Analysis

- Created a detailed matrix of the range of measures that will be collected, tracked, monitored and presented over the course of this multi-year project;
- Coordinated data collection methods, shared database development, and documentation with the Social and Health Impacts Team; and
- Began collecting secondary data across all the measures presented in the data matrix, and organizing the data for integration into the project's data management center.

Problem Gambling Services Evaluation

- Created a study protocol and a questionnaire for treatment providers and obtained approval from the UMass Amherst IRB;
- Established a Memorandum of Understanding (MOU) between UMass and the Massachusetts Council on Compulsive Gambling (MCCG) to establish guidelines for sharing, reviewing, and analyzing helpline and online chat data; and
- Initiated review of de-identified data on helpline calls for analysis.

Data Management

- Established procedures for receiving, reviewing, preparing, and accessing data; and
- Created a public website (<http://www.umass.edu/seigma/>) to highlight research activities and related content of interest.

Next Steps

Social and Health Impacts Analysis

- Once the location of the slot parlor has been determined, launch the Baseline Targeted Population ABS Slot Parlor Community Survey;
- Once the location of the casinos has been determined, Baseline Targeted Population ABS Casino Community Surveys will begin;
- One year after all of the casino locations have opened, the Follow-up General Population ABS Survey, Online Panel Survey and the Follow-up Targeted Population ABS Surveys will begin; and
- Continue collecting and analyzing secondary data on social indices and health services utilization throughout the course of the study.

Economic and Fiscal Impacts Analysis

- Six months after the new slot parlor opens, begin collecting government data and gambling venue data from the slot parlor;
- Six months after each of the casinos has opened, begin collecting government data and venue data from casinos;
- Six months after each of the casinos has opened, conduct Gambling Employee Surveys, Patron Surveys, and License Plate Surveys.

Problem Gambling Services Evaluation

- In January 2014, begin the baseline evaluation of existing problem gambling treatment and prevention programs;
- Using the results of help-line calls analysis, report utilization trends of helpline and online-chat services and describe caller characteristics.

Data Management

- Hire a Web Designer, who will maintain the website and design future additions to it.

Recommendations for Future Research Activities

The current cross-sectional research agenda, while robust in many regards, can only provide a population-based “snapshot” of the dynamic processes of behavior change during a time of gaming expansion. A longitudinal cohort study that follows a group of people with a shared experience (exposure to expanded gaming) at intervals over time can provide detailed etiological information about how gambling and problem gambling develops, progresses, and remits. This information has significant value as it highlights risk and protective factors important in the development of prevention, treatment, and recovery support services.

On October 21, 2013 the MGC with the advice of the GRAC recommended to the Gaming Policy Advisory Committee that a longitudinal cohort study be added to the MGC Research Agenda. To capitalize on an opportunity to collect prospective baseline information in advance of expanded gaming in the Commonwealth, the MGC recommended that the cohort study be launched in the near future and well in advance of slot parlor operations. The Gaming Policy Advisory Committee voted unanimously to support this recommendation.