

205 CMR 130.00: CONSERVATORS

Section

- 130.01: Scope
- 130.02: Appointment
- 130.03: Qualifications of the Conservator
- 130.04: Insurance
- 130.05: Terms, Conditions, and Duties of Conservator
- 130.06: Termination of the Conservatorship

130.01: Scope

205 CMR 130.01 shall govern the appointment and duties of a conservator.

130.02: Appointment

(1) Upon revocation or suspension of a gaming license or upon the failure or refusal to renew a gaming license, the commission may appoint a conservator to temporarily manage and operate the business of the gaming licensee relating to the gaming establishment.

(2) Prior to appointment, a candidate must submit to the commission a Multi-jurisdictional Personal History Disclosure form in accordance with 205 CMR 111.03: *Multi-jurisdictional Personal History Disclosure Form* and a Massachusetts Supplement Form in accordance with 205 CMR 111.04: *Massachusetts Supplemental Form*. An investigation shall be undertaken and a recommendation made by the bureau in accordance with 205 CMR 115.03: *Phase I Investigation and Recommendations by the Bureau*. All costs incurred by the commission and the bureau for conducting an investigation into any conservator or potential conservator shall be paid from the revenues of the gaming establishment.

(3) The appointment shall be made by vote of the commission by a written instrument which outlines all terms and conditions of the appointment as provided in 205 CMR 130.00 and M.G.L. c. 23K, § 34.

(4) Upon appointment, the person shall be designated a temporary key gaming employee and deemed licensed as such in accordance with M.G.L. c. 23K, § 30.

130.03: Qualifications of the Conservator

(1) A conservator shall be an individual of similar or greater experience in the field of gaming management to the person they are succeeding.

(2) If the conservator is replacing a gaming licensee they shall have experience operating a gaming establishment of similar caliber in another jurisdiction.

(3) At the time of the appointment, the conservator shall be in good standing in all jurisdictions in which the conservator operates, or has operated, a gaming establishment.

130.04: Insurance

The former or suspended gaming licensee shall purchase liability insurance, in an amount determined by the commission at the time of the appointment of a conservator, to protect a conservator from liability for any acts or omissions of the conservator during the conservator's appointment which are reasonably related to and within the scope of the conservator's duties. A copy of the policy shall be filed with the commission.

130.05: Terms, Conditions, and Duties of Conservator

(1) A conservator shall, before assuming, managerial or operational duties, execute and file a bond for the faithful performance of its duties payable to the commission with such surety and in such form and amount as the commission shall approve at the time of appointment.

130.05: continued

- (2) The terms of compensation shall be fixed by the commission at the time of appointment of the conservator. The terms shall include a requirement that the conservator submit itemized billings for expenses to the commission on a monthly basis, which billings shall be considered by the commission for reasonableness. Payment of compensation and expenses shall be made from the revenues of the gaming establishment.
- (3) The conservator shall file reports with the commission regarding the management and operation of the gaming establishment in the form and at such intervals as the commission may prescribe at the time of appointment.
- (4) The conservator shall take possession immediately of all books and records relating to the gaming establishment.
- (5) The conservator shall be responsible for ensuring that all taxes relating to the gaming establishment are paid in a timely fashion.
- (6) The conservator shall abide by all licensing provisions, including compliance with host community, surrounding community, and impacted live entertainment venue mitigation agreements, applicable to the former or suspended gaming licensee upon appointment.
- (7) The conservator may, by approval of the commission, appoint any consultants needed to assist in the operation of the gaming establishment; provided, however, that the commission may require any such consultant to submit the completed forms, undergo the investigation, and receive an appointment as a designated temporary key gaming employee in accordance with 205 CMR 130.02(2) through (4) or to undergo such other investigation into the background, integrity, honesty, character, reputation, financial stability, criminal history and responsibility of the consultant as the commission may require. All costs incurred by the commission and the bureau for conducting an investigation into any such consultant or potential consultant shall be paid from the revenues of the gaming establishment.

130.06: Termination of the Conservatorship

The conservatorship shall serve at the pleasure of the commission and shall continue until terminated by the commission:

- (1) upon the award of a new gaming license pursuant to 205 CMR 131.02; or
- (2) upon the voluntary resignation of the conservator in which case the commission shall appoint a new conservator in accordance with 205 CMR 130.00; or
- (3) upon a non-reviewable finding by the commission to appoint a replacement in accordance with this 205 CMR 130.00.

REGULATORY AUTHORITY

205 CMR 130.00: M.G.L. c. 23K, §§ 4(19), 4(37), 5, 12, 30(i), and 34.