



MASSACHUSETTS GAMING COMMISSION MEETING

February 19, 2015

10:30 a.m.

Boston Convention and Exhibition Center

415 Summer Street, Room 102A/B

Boston, MA



Massachusetts Gaming Commission

101 Federal Street, 23rd Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com



U P D A T E D

NOTICE OF MEETING and AGENDA

February 19, 2015

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

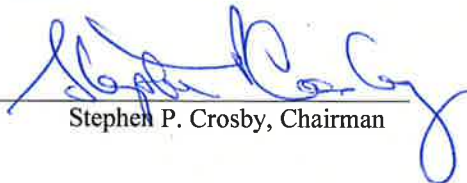
**Thursday, February 19, 2015
10:30 a.m.
Boston Convention and Exhibition Center
415 Summer Street, Room 102A/B
Boston, MA**

PUBLIC MEETING - #145

1. Call to order
2. Approval of Minutes
 - a. February 5, 2015
3. Administration – Rick Day, Executive Director
 - a. General Update
 - b. GTECH CMS Contract update – J. Glennon, CIO and D. Lennon, CFAO – POSSIBLE VOTE
4. Legal Division – Catherine Blue, General Counsel
 - a. Racing Matters
 - b. 205 CMR 14 – Supplemental Licensing Procedures - VOTE
5. Racing Division – Alex Lightbown, Chief Veterinarian/Operations Manager
 - a. Lasix Administration Regulation Review and Recommendation
 - b. 2013 Unclaimed Wagers Distribution – D. O'Donnell, Senior Financial Analyst - VOTE
6. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Gaming Commission Meeting” at www.massgaming.com and emailed to: regs@sec.state.ma.us, melissa.andrade@state.ma.us.

2/17/15
(date)


Stephen P. Crosby, Chairman

Date Posted to Website: February 17, 2015 at 2:00 p.m.



Massachusetts Gaming Commission



Meeting Minutes

Date/Time: February 5, 2015 – 10:30 a.m.

Place: Boston Convention and Exhibition Center
415 Summer Street, Room 107B
Boston, Massachusetts

Present: Commissioner Gayle Cameron
Commissioner James F. McHugh
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: Chairman Stephen P. Crosby

Call to Order

See transcript page 2

10:30 a.m. Commissioner McHugh called to order the 144th Commission Meeting.

Approval of the Minutes

See transcript pages 2-3

10:31 a.m. *Commissioner McHugh moved for the approval of the January 22, 2015 minutes. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Administration

See transcript pages 3-5

10:32 a.m. Director Day presented the Commission with an administrative update which included recent hires, the licensing management system and contract discussions with GTECH.

Ombudsman Report

See transcript pages 5-63

- 10:33 a.m. Ombudsman Ziemba provided a background for Wynn's presentation on their final environmental impact report and public outreach efforts.
- 10:36 a.m. Robert DeSalvio, President of Wynn MA, presented the Commission with an update on Wynn's supplemental final environmental impact report, design process and Charlestown outreach event.
- 10:50 a.m. Ombudsman Ziemba provided the Commission with an update on the Community Mitigation Funding applications.
- 10:54 a.m. Sheriff Michael Ashe and CFO William Christofori, Hampden County Sheriff's Office, presented on request for an expedited review of their mitigation fund application regarding the Western Massachusetts Correctional Alcohol Center.
- 11:30 a.m. Commission took a short recess.
- 11:37 a.m. Meeting resumed.

Workforce, Supplier and Diversity Development

See transcript pages 64-98

- 11:37 a.m. Director Griffin presented the Commission with an overview of the process, public comments and key points in the Wynn diversity plan.
- 11:44 a.m. Robert DeSalvio, President of Wynn MA, and Ulrico Izzaguirre, Vice President of Community Affairs, Wynn Resorts, presented on the Wynn Design and Construction Diversity Strategy Plan.
- 12:10 p.m. *Commissioner Stebbins moved that the Commission approve the Wynn diversity strategy for design and construction as presented, with subsequent details to be discussed and negotiated with respect to the design phase and MBE, WBE, and VBE participation, and report back at a future meeting.*

Commissioner McHugh moved to refine the motion to approve the plan as presented by Wynn with the condition that they reexamine the role of and goals for veteran business participation in the design phase. Amended motion seconded by Commissioner Cameron. Motion passed unanimously.

Legal Division

See transcript pages 99-114

- 12:16 p.m. Deputy General Counsel Grossman presented on draft regulation 205 CMR 136 – Sale and Distribution of Alcoholic Beverages at Gaming Establishments.
- 12:27 p.m. IEB Deputy Director Lillios presented on draft regulation 205 CMR 150 – Protection of Minors and Underage Youth.

Investigation and Enforcement Division

See transcript pages 115-212

- 12:33 p.m. Director Wells presented on the following regulations: 205 CMR 140 – Gross Gaming Revenue Tax Remittance and Reporting and 205 CMR 139 – Continuing Disclosure and Reporting Obligations of Gaming Licensees and Qualifiers.
- 12:38 p.m. *Commissioner Zuniga moved that the Commission approve and start the formal promulgation process for regulations 205 CMR 140 and 205 CMR 139. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*
- 12:40 p.m. Commission recessed for lunch.
- 1:17 p.m. Meeting resumed.
- 1:17 p.m. Director Wells presented an update on status of Region C applicants.
- 1:25 p.m. Attorney John Donnelly representing Mass Gaming and Entertainment, presented on opposition to RFA-1 application extension.
- 1:32 p.m. George Carney, Owner of the Raynham Park and partner with Mass Gaming and Entertainment, presented on his roots in the Brockton community and support from public officials for the Mass Gaming and Entertainment application.
- 1:36 p.m. David Stern, CEO of DJS Global Advisors, and Attorney Kevin Conroy of Foley Hoag, representing KG Urban, presented on their project and request for 60 day extension.
- 1:47 p.m. David Hanlon, CEO of Somerset on the Move, and Attorney Robert Allen representing Crossroads, presented on their project and request for 60 day extension.

- 2:00 p.m. Kathryn Wheaton, Trustee, The Seafan Trust dba Sun Moon Resort, presented on her request for extension to file application fee.
- 2:09 p.m. Commissioners deliberate Region C applications and application fee extension requests.
- 2:44 p.m. Kathryn Wheaton, Trustee, The Seafan Trust dba Sun Moon Resort, provided comments regarding the application timeline.
- 2:50 p.m. *Commissioner Cameron moved that the Commission hold fast to the deadline for the application fee and the application, authorize Director Wells to send out deficiency letters for those pieces of the application which are incomplete, and that the deadline for full submission is March 16, 2015. Motion seconded by Commission Zuniga. Motion passed unanimously.*

Other Business Not Reasonably Anticipated

See transcript page 212

- 2:51 p.m. *Having no further business, a motion to adjourn was made by Commissioner Cameron. Motion seconded by Commissioner Zuniga. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission February 5, 2015 Notice of Meeting.
2. Massachusetts Gaming Commission January 22, 2015 Draft Meeting Minutes.
3. Memorandum from Ombudsman Ziemba to MGC Commissioners, dated February 2, 2015 regarding 2015 Community Mitigation Fund with attachments.
4. Wynn Design & Construction Diversity Strategy Executive Summary with attachments.
5. 205 CMR 136 Sale and Distribution of Alcoholic Beverages at Gaming Establishments
6. 205 CMR 150 Protection of Minors & Underage Youth
7. 205 CMR 140 Gross Gaming Revenue Tax Remittance and Reporting
8. Letter from MA State Representatives Brady and Cronin to the MGC, dated February 4, 2015 regarding Region C.
9. Letter from Kevin Conroy to Chairman Crosby, dated February 4, 2015 regarding KG Urban with attached letter of support from New Bedford City Councilors.
10. Letter from Attorney John Donnelly to Director Wells, dated February 2, 2015 regarding RFA-1 Region C.
11. Letter from Director Wells to Attorney Kevin Conroy, dated January 23, 2015 regarding KG New Bedford Region C Scope of Licensing.

12. Letter from Attorney Kevin Conroy to Director Wells, dated January 9, 2015 regarding KG Urban.
13. Letter from Attorney Kevin Conroy to Director Wells, dated January 30, 2015 regarding KG New Bedford.
14. Letter from Attorney Kevin Conroy to Chairman Crosby, dated January 26, 2015 regarding KG Urban.
15. Letter from Kevin Considine to Director Wells, dated August 27, 2013 regarding KG New Bedford with enclosure.
16. Letter from Director Wells to David Hanlon, dated January 26, 2015 regarding Somerset on the Move.
17. Letter from David Hanlon to Lt. Brian Connors, dated January 29, 2015 regarding Somerset on the Move.
18. Letter from David Hanlon to Director Wells, no date, regarding Somerset on the Move.
19. Letter from David Hanlon to Director Wells, dated January 9, 2015 regarding Somerset on the Move with enclosure.
20. Letter from Director Wells to Kathryn Wheaton, dated January 26, 2015 regarding The Seafan Trust, dba Sun Moon Resort.
21. Letter from Kathryn Wheaton to Lt. Brian Connors, dated January 30, 2015 regarding The Seafan Trust dba Sun Moon Resort.
22. Letter from Kathryn Wheaton to MGC/Director Wells, dated January 9, 2015 regarding The Seafan Trust dba Sun Moon Resort with enclosure.
23. Letter from Mary Jane Nunes to the MGC, dated January 29, 2015 regarding David Nunes and Region C application.

/s/ Catherine Blue
Catherine Blue
Assistant Secretary



Dear Suffolk Downs Workers:

As you may be aware, on November 6, 2014, the Massachusetts Gaming Commission (“Commission”) approved a one-day “placeholder” license to the New England Horsemen’s Benevolent and Protective Association for thoroughbred racing at Suffolk Downs next year. By approving this one-day “placeholder license”, the NEHBPA will have more time to develop its proposal for thoroughbred racing at Suffolk Downs next year.

While this proposal is under consideration and is in development, the Commission continues to explore alternatives to help Suffolk Downs workers if the NEHBPA proposal is not successful. In this regard, attached please find a letter from Robert DeSalvio, President of Wynn MA, LLC (“Wynn”).

As part of the conditions placed on the Wynn gaming license in Everett, the Commission required Wynn to “offer a hiring preference to qualified Suffolk Downs workers in the event that Suffolk Downs closes upon the award of the License to Wynn.” The letter from Mr. DeSalvio provides a simple method for Suffolk Downs workers to express interest in any Wynn related opportunities, both now and after this facility begins operations.

If you are interested in this potential opportunity, we hope that you notify Wynn with the use of the stamped postcard that the Wynn team has included in its letter.

Best Regards,

A handwritten signature in black ink that reads "Stephen Crosby". The signature is written in a cursive, flowing style.

Stephen P. Crosby
Chairman
Massachusetts Gaming Commission



Massachusetts Gaming Commission



Dear Suffolk Downs Workers,

As President of our new resort in Everett, I want to introduce myself on behalf of the entire Wynn Resorts team. We recognize and appreciate the historical significance of Suffolk Downs to the Commonwealth and the employment opportunities that it has generated. As you may be aware, Wynn made a commitment during the Massachusetts Gaming Commission licensing process that we would offer a hiring preference to Suffolk Downs workers if the track, for whatever reason, should close. We want to honor that commitment.

We understand that a proposal to keep Suffolk Downs open next year is being developed and is under consideration. However, in order to be able to help provide opportunities as quickly as possible in the event of a permanent closure, we asked the Gaming Commission to forward this letter on our behalf so we can identify any Suffolk Downs worker who might be looking for employment opportunities. We firmly believe that Massachusetts will benefit from the thousands of jobs and \$1.6 billion investment that the Wynn Resort in Everett will generate. It is our hope that you and your family will also benefit from the opportunities this facility will bring to Massachusetts.

At the current time, our construction manager is actively seeking workers in a variety of roles. These jobs require differing skill sets and levels of training ranging from minimal prior experience, if any, to highly-skilled trades. We have developed, through partnerships with local community resources and the construction trades, specialized training programs to assist anyone who is interested in obtaining jobs during the construction phase.

In addition, we are in the process of developing training programs for permanent jobs at Wynn Resorts. We place enormous value on our workers and believe that our success is attributable to our workers. The most important decision we make at our properties is always "who should we hire?" We want someone who is genuinely interested in the fine art of making visits enjoyable for customers. At Wynn, the guest experience is everything, and if you have the ambition to make our guests happy, then we need and want you on our team. Please give some thought about what we look for and if you have the same guest service culture that we do. If you think the fit is there, please let me know and we will be very pleased to stay in touch.

If you are interested in learning more about our construction or permanent jobs and/or the training programs we are developing, we have enclosed a stamped, self-addressed postcard asking for your contact information so that we can provide you with the relevant information.

I hope to hear from you soon.

Best Regards,

A handwritten signature in black ink, appearing to read "R. DeSalvio", with a long, sweeping underline.

Robert J. DeSalvio
President, Wynn MA, LLC

MA CMS Pricing Options

	Contract Years	Initial Offer	Scenario A	Scenario B	Scenario C	Scenario D
Monthly Central System Fee per Month	Year 1 - Year 3 <i>Cost Y1-Y3</i>	187,700.00 6,757,200.00	63,818 2,297,448.00	63,818 2,297,448.00	93,850 3,378,600.00	93,850 3,378,600.00
Monthly Central System Fee per Month	Year 4 - Year 5 <i>Cost Y4-Y5</i>	187,700.00 4,504,800.00	311,582 7,477,968.00	375,000 9,000,000.00	335,000 8,040,000.00	395,723 9,497,349.75
Monthly Central System Fee per Month	Year 6 - Year 10 <i>Cost Y6-Y10</i>	187,700.00 11,262,000.00	278,108 16,686,484.76	239,227 14,353,647.30	223,593 13,415,580.00	187,700 11,262,000.00
Totals		\$ 22,524,000.00	\$ 26,461,900.76	\$ 25,651,095.30	\$ 24,834,180.00	\$ 24,137,949.75
Variance from Base			\$ 3,937,900.76	\$ 3,127,095.30	\$ 2,310,180.00	\$ 1,613,949.75
			17.5% <i>Reduction of 66% in Yrs 1, 2, 3</i> <i>Add back reduction in Yr 4 & 5</i> <i>Increase Yr 6-10 by 33%</i>	13.9% <i>Reduction of 66% in Yrs 1,2, 3</i> <i>Add back reduction in Yr 4 & 5 plu</i> <i>Increase Yr 6 -10 by 19%</i>	10.3% <i>Reduction of 50% in Yrs 1,2, 3</i> <i>Add back reduction in Yr 4 & 5</i> <i>Increase Yr 6-10 by 16%</i>	7.2% <i>Reduction of 50% in Yrs 1,2, 3</i> <i>Add back reduction in Yr 4 & 5</i> <i>plus premium</i> <i>Maintain bid fee Yr 5-10</i>

ADDENDUM A

This Addendum (“Addendum”), **including a mutually agreed upon fee schedule containing an early termination fee schedule**, is incorporated by reference into the underlying Commonwealth of Massachusetts- Standard Contract Form dated DATE, along with the Commonwealth Terms and Conditions (collectively, the “contract”) and is made and entered into by and between GTECH Corporation (“GTECH”) and the Massachusetts Gaming Commission (“Commission”) (collectively, the “parties”). If a conflict should arise between this Addendum and Commonwealth of Massachusetts- Standard Contract Form or Commonwealth Terms and Conditions, the terms and conditions set forth in the Commonwealth of Massachusetts- Standard Contract Form and Commonwealth Terms and Conditions shall take precedence. The order or precedence is as follows:

- the Commonwealth of Massachusetts- Standard Contract Form dated DATE
- the Commonwealth Terms and Conditions;
- this Addendum;
- GTECH’s response to the Request for Response for the Central Monitoring System MGC-CMS-2015 (the “RFR”),
- the RFR.

Intending to be legally bound hereby, GTECH and the Commission agree as follows:

A. Conflict of Interest

1. State employee status

The parties agree that the contract was not designed so as to confer “special state employee” status upon any individual employee of GTECH in accordance with G.L. c.268A. The parties have reviewed State Ethics Commission advisory opinion EC-COI-99-7 and concur that a review of the contract in light of the following 5 considerations does not appear to render any individual a state employee as such term is used in G.L. c.268A:

1. whether the individual's services are expressly or impliedly contracted for;
2. the type and size of the business entity;
3. the degree of specialized knowledge or expertise required of the service. For example, an individual who performs highly specialized services for a corporation which contracts with a public agency to provide those services may be deemed to be performing services directly to that agency;
4. the extent to which the individual personally performs services under the contract, or controls and directs the terms of the contract or the services provided thereunder; and
5. the extent to which the person has performed similar services to the public entity in the past.

2. Policies and protocols

In addition to the policies and protocols to be provided to the Commission in accordance with the terms of the contract including the Response to the RFR, for purposes of ensuring that no conflict of interest exists between GTECH and International Game Technology (“IGT”), within 30 days of execution of the contract GTECH will submit the following information, and proposed policies and protocols to the Commission, or its designee. The Central Monitoring System (“CMS”) shall not be implemented until the Commission, or its designee, has approved of the following policies and protocols:

- (a) Procedures ensuring appropriate access to the data which includes:
 - (1) Administration
 - (2) System Repairs protocol
 - (3) Operational procedures
 - (4) Information Management including:
 - i. Data query logs;
 - ii. Data sharing;
 - iii. Retention; and
 - (5) Audit Procedures;
- (b) The names of all individuals who will have access to data from the CMS. These individuals shall be subject to a background investigation and be approved by the Investigations and Enforcement Bureau prior to performing any services pursuant to the contract.
- (c) Information regarding database integrity and security.
- (d) Employee reporting lines for those individuals referenced in section 2 above.
- (e) The database architecture and database security schematic.

B. Finance

- 1. Termination for Convenience. In addition to the reasons set forth in Paragraph 4 of the Commonwealth Terms and Conditions, the Commission may specifically terminate the contract prior to the end of the 10 year term provided in the contract for the following reasons:
 - (a) If the Commission develops an in-house a central monitoring solution;
 - (b) If the Commission wants to take over operations of the GTECH product.

The Commission’s payment to GTECH by reason of such termination will be as set forth in the early termination fee schedule attached to this addendum which amount shall be reduced during each month after the start of the contract term in an amount equal to one twentieth (1/120) of the total.

- 2. Pricing. **To be determined-** GTECH will provide alternatives to the pricing outlined in *Appendix C Financial Proposal Sheet* that decreases the impact of the negative return on investment (“ROI”) in the first three years of operation as depicted on the ROI grid that was presented at the 1/8/15 public meeting (attached) by reallocating those costs at a later point in the contract period and addresses the larger number of machines after about 3 years into the contract.

C. Warranty and damages

As set forth in the minimum requirement checklist included as Figure B-1 of Appendix B of the Response to the RFR submitted in response to section 5.2.4 of the RFR, GTECH warrants, among other things, that:

1. The CMS shall have the capability to support up to 20,000 EGDs and Facilities (4) authorized by the Commission and be scalable for future enhancement or growth. The CMS, as delivered and installed, shall be capable of supporting a network of 20,000 EGDs and associated controllers during peak transaction performance.
2. the CMS will operate on a universally accepted gaming industry open protocol (e.g., Gaming Standards Association SAS, G2S, S2S) to facilitate the ability of the maximum number of EGD manufacturers to communicate with the CMS and shall be capable of controlling all brands and models of EGDs currently approved in a regulated jurisdiction.

In the event the CMS *degrades the operation of EGDs*, GTECH shall be responsible for damages calculated as an amount equal to the *expected taxes from lost gross gaming revenues*.

- (a) For purposes of this Addendum, *degrades the operation of EGDs* shall mean causing any EGD in operation in a gaming area of a gaming establishment to become inoperable for reasons other than those allowable in approved policies and protocols.
- (b) For purposes of this Addendum, *expected taxes from lost gross gaming revenues* shall mean, per affected gaming establishment, in the first year of CMS operation, the gross gaming revenue from the corresponding time period from the preceding month, and in subsequent years, the corresponding time period from the preceding year.

D. Materiality. All terms, conditions, and obligations set forth in this Addendum shall be deemed material for purposes of Paragraph 4 of the Commonwealth Terms and Conditions. Accordingly, failure to perform may be considered a breach and constitute grounds for suspension or termination of the contract by the Commission.

E. Waiver. Subject to Paragraph 12 of the Commonwealth Terms and Conditions, no provision of this Agreement may be modified, waived or discharged, unless such waiver, modification, or discharge is agreed to in writing and signed by GTECH and an officer specifically designated by the Commission. No waiver by any party hereto at any time of any breach by the other party hereto of, or in compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

F. Audit. GTECH shall permit the Commission to audit its compliance with the requirements of this Agreement at any time. The Commission shall bear all costs associated with such audits.

G. Entire Agreement. Subject to the terms outlined in the Commonwealth of Massachusetts Standard Contract Form and the Commonwealth Terms and Conditions, this Agreement

supersedes any and all agreements, either oral or in writing, between GTECH by the Commission.

- H. Validity. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
- I. Heading. The section headings of this Addendum are for convenience only and shall not control or affect the meaning or construction or limit the scope or intent of any of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed as part of the underlying contract.

GTECH Corporation

Massachusetts Gaming Commission

By:

By:

Signature

Signature

Print Name

Print Name

Print Title

Print Title

Date

Date

Racing Materials



January 30, 2015

Sterling Suffolk Racecourse, LLC
525 McClellan Highway
East Boston, MA 02128
Attn.: Chip Tuttle

Springfield Gaming and Redevelopment, LLC
301 Washington Street
Plainville, MA 02762
Attn.: Lance George

New England Horsemen's Benevolent
and Protective Association, Inc.
P.O. Box 388
Revere, MA 02151
Attn.: Anthony Spadea

Standardbred Breeders Association
P.O. Box 1682
Plainville, MA 02762
Attn: Raymond Campbell Jr.

Kevin M Considine, Esq
Considine & Furey LLP
One Beacon Street, 23rd Floor
Boston, MA 02108

Brockton Agricultural Society
P.O. Box 6
Brockton, MA 02303
Attn.: George Carney

Massachusetts Thoroughbred
Breeders Association
4 Thomas St.
Burlington, MA 01803
Attn: George Brown

Middleborough Agricultural Society
P.O. Box 6
Brockton, MA 02303
Attn.: George Carney

Dear Messrs. Tuttle, Spadea, Considine, Brown, George, Campbell, and Carney:

Pursuant to 205 CMR 149 the Massachusetts Gaming Commission, ("Commission") upon notice that a racing association has determined not to apply for the renewal of a license or determined to relinquish or transfer a license, may hold a public hearing to determine whether to take any action within its authority to protect the interests of the Commonwealth, employees or former employees of the racing association, horsemen and/or the intended beneficiaries of the race horse development fund, any other fund established pursuant to M.G.L. c. 23K, 128A or 128C and any other fund to which a racing association was required to contribute.

The Commission will hold a hearing on February 19, 2015 to hear from interested stakeholders on issues pertaining to thoroughbred and harness racing in the Commonwealth. Those issues include, but are not limited to, the request to transfer the one day license granted to the New England Horsemen's Benevolent and Protective Association; the request by the New England Horsemen's Benevolent and Protective Association to conduct simulcasting based upon a one day racing license; the request by the New England Horsemen's Benevolent and Protective Association for funds from the economic assistance fund; whether the Horse Racing Committee should review



Massachusetts Gaming Commission

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the allocation of funds from the Race Horse Development Fund between thoroughbred and standardbred racing; the allocation of funds to thoroughbred racing under the Race Horse Development Fund to multiple thoroughbred licensees; the payment of that portion of the race horse development fund allocated to authorized breeding programs; the payment of that portion of the race horse development fund allocated to fund health and pension benefits; whether the Commission may entertain an application from Sterling Suffolk Racecourse LLC to conduct live racing and any other issue that a stakeholder believes should be considered by the Commission.

Each interested stakeholder must notify the Commission and submit a written statement on the issues noted above as well as the stakeholder's plans for the 2015 racing season, not to exceed 10 pages, for inclusion in the Commission packet not later than February 12, 2015. Each stakeholder will have 20 minutes to present before the Commission on February 19. The Commission will post all of the correspondence received to date on the matters listed as well as any written statements on its website and will hold a 10 day comment period after the meeting on February 19 to receive public comment on the issues presented.

If you have any questions, please contact me at your earliest convenience.

Very truly yours,

A handwritten signature in blue ink that reads "Catherine Blue". The signature is written in a cursive, flowing style.

Catherine Blue
General Counsel

Cc: Rick Day
John Ziemba



Massachusetts Gaming Commission

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New England Horsemen's Benevolent and Protective Association, Inc.

President
Anthony Spadea

A National Organization

Acting Executive Director
Bruce P. Patten

Directors: Owners
Randy Andrews
Susan Clark
Shirley Dullea
Manfred Roos
Paul Umbrello



Directors: Trainers
Jay Bernardini
Matthew Clarke
Alan Lockhart
Kevin McCarthy
George Saccardo

P.O. Box 388
Revere, MA 02151
617-568-3333 or 800-225-3460 Ext. 7258
WWW.NewEnglandHBPA.com

December 11, 2014

Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission
84 State Street 10th floor
Boston, MA 02109

Re: Request for simulcasting authorization

Dear Dr. Durenberger:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby requesting that the Commission authorize simulcasting rights under the 2015 racing license previously awarded to the NEHBPA.

The NEHBPA has recently entered into a contract with an Advance Deposit Wagering (ADW) entity pending NEHBPA's obtaining simulcasting rights and contractual approval by the Commission. The ADW services contract is scheduled to begin on January 1, 2015, provided that said conditions are satisfied.

We are anticipating that the revenue generated for the NEHBPA under the ADW contract will provide much of the financial support required for the NEHBPA to continue its efforts to save live Thoroughbred racing, breeding and related agricultural entities in Massachusetts by changing the economic structure of the current live racing model.

As the Commission is aware, there are several ADW entities currently processing wagering by Massachusetts residents on Thoroughbred racing conducted in the United States and abroad. The Commission's approval of our request will allow the Thoroughbred horsemen to capture a small portion of the ADW proceeds derived from Thoroughbred racing. Otherwise, most of the ADW proceeds from Thoroughbred racing will be retained by investor owned racing/simulcasting entities that neither have an interest in nor are committed to saving live Thoroughbred racing, breeding and related agricultural entities in Massachusetts.

The NEHBPA will apply ADW proceeds (and any other funds that may become available) to support joint efforts with the Massachusetts Thoroughbred Breeders Association to save live Thoroughbred racing, breeding, related agricultural entities and more than 1,300 jobs in Massachusetts.

Section 1(b) in Chapter 311 of the Acts of 2014 provides the Commission with simulcasting approval authority applying discretion on the number of live racing days. We are requesting that the Commission authorize simulcasting rights under the NEHBPA's 2015 racing license by requiring that the days between January 1, 2015 and December 31, 2015 shall be any combination of live race days and dark days pursuant to MGL 128C.

Thank you for your consideration of this matter.

Sincerely,

Anthony Spadea, President



January 15, 2015

Mr. Anthony Spadea
President
New England Horsemen's Benevolent and Protective Association
P.O. Box 388
Revere, MA 02151

Re: Request for Authorization to Simulcast

Dear Mr. Spadea:

I reviewed your letter dated December 11, 2014 wherein you requested the Massachusetts Gaming Commission ("Commission") authorize simulcasting rights under the New England Horsemen's Benevolent and Protective Association's ("NEHPBA") 2015 one day running horse racing license.

M.G.L. c. 128A requires that a racing licensee must agree to a full racing schedule in order to be able to simulcast during periods outside of the race meet. The license granted to NEHPBA provides for only one day of live racing in 2015. As of this date, the NEHPBA has not filed a supplemental license application showing that it can conduct a racing schedule that complies with the simulcasting requirements of c. 128A. Since NEHPBA does not meet the requirements of c. 128A, the Commission does not have the authority to grant simulcasting rights under the current one day license. As evidenced by the recent legislation authorizing Suffolk Downs to conduct simulcasting for a limited period of time without conducting live racing, the authority to authorize such simulcasting rests with the legislature.

Should the NEHPBA file a supplemental application which meets the requirements of c. 128A, the Commission will revisit the NEHPBA's request for simulcasting authorization.

Very truly yours,

A handwritten signature in blue ink that reads "Catherine Blue". The signature is written in a cursive style.

Catherine Blue
General Counsel



Massachusetts Gaming Commission

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New England Horsemen's Benevolent and Protective Association, Inc.

President
Anthony Spadea

A National Organization

Acting Executive Director
Bruce P. Patten

Directors: Owners
Randy Andrews
Susan Clark
Shirley Dullea
Manfred Roos
Paul Umbrello



Directors: Trainers
Jay Bernardini
Matthew Clarke
Alan Lockhart
Kevin McCarthy
George Saccardo

P.O. Box 388
Revere, MA 02151
617-568-3333 or 800-225-3460 Ext. 7258
WWW.NewEnglandHBPA.com

December 11, 2014

Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission
84 State Street 10th floor
Boston, MA 02109

Re: Request for transfer of 2015 racing license

Dear Dr. Durenberger:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby requesting that the Commission transfer the NEHBPA's 2015 racing license and simulcasting authorization to the New England Horsemen's Agricultural and Racing Corporation (NEHARC).

NEHARC is a corporation dedicated to Thoroughbred breeding, live racing and associated agricultural entities in Massachusetts.

NEHARC's stated purpose:

To conduct, promote and enhance the sport of live thoroughbred horse racing in the Commonwealth of Massachusetts; to promote and enhance the breeding of thoroughbred horses in the Commonwealth of Massachusetts; to promote and enhance agricultural entities and activities that support thoroughbred horse breeding and racing in the Commonwealth of Massachusetts; to participate in activities that will aid or protect the general welfare of thoroughbred horse breeding, live racing and associated agricultural industries in the Commonwealth of Massachusetts and the interests of their respective employees; to educate the general public about the many benefits of thoroughbred horse breeding, live racing and associated agricultural industries in the Commonwealth of Massachusetts; and, in furtherance of such purposes, and whether or not in association with any other person, to do any and all things and engage in any and all business not prohibited by law and allowed to business corporations organized under the laws of the Commonwealth of Massachusetts.

NEHARC's officers:

Incorporator, President , Treasurer, Clerk, Director
Louis J. Raffetto, Jr.
26 Whitesands Way
Little Silver, NJ 07739

Director
David Cramer
30 Perry Lane
Weston, MA 02493

Director
Christopher J. Trakas
50 Meadowview Road
Milton, MA 02186

NEHARC's supplemental racing license application will be submitted under separate cover.

Thank you for your consideration of this matter.

Sincerely,

Anthony Spadea, President

Cc: Stephen P. Crosby, Chairman, Massachusetts Gaming Commission
Gayle Cameron, Commissioner, Massachusetts Gaming Commission
Rick Day, Executive Director, Massachusetts Gaming Commission

D

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

FORM MUST BE TYPED

Articles of Organization (General Laws Chapter 156D, Section 2.02; 950 CMR 113.16)

FORM MUST BE TYPED

ARTICLE I

The exact name of the corporation is:

New England Horsemen's Agricultural and Racing Corporation

ARTICLE II

Unless the articles of organization otherwise provide, all corporations formed pursuant to G.L. Chapter 156D have the purpose of engaging in any lawful business. Please specify if you want a more limited purpose:

See Schedule II attached hereto

ARTICLE III

State the total number of shares and par value, * if any, of each class of stock that the corporation is authorized to issue. All corporations must authorize stock. If only one class or series is authorized, it is not necessary to specify any particular designation.

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common	10,0000	N/A		

**G.L. Chapter 156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. Chapter 156D, Section 6.21, and the comments relative thereto.*

ARTICLE IV

Prior to the issuance of shares of any class or series, the articles of organization must set forth the preferences, limitations and relative rights of that class or series. The articles may also limit the type or specify the minimum amount of consideration for which shares of any class or series may be issued. Please set forth the preferences, limitations and relative rights of each class or series and, if desired, the required type and minimum amount of consideration to be received.

Not applicable

ARTICLE V

The restrictions, if any, imposed by the articles of organization upon the transfer of shares of any class or series of stock are:

See Schedule V attached hereto

ARTICLE VI

Other lawful provisions, and if there are no such provisions, this article may be left blank.

See Schedule VI attached hereto

Note: The preceding six (6) articles are considered to be permanent and may be changed only by filing appropriate articles of amendment.

ARTICLE VII

The effective date of organization of the corporation is the date and time the articles were received for filing if the articles are not rejected within the time prescribed by law. If a later effective date is desired, specify such date, which may not be later than the 90th day after the articles are received for filing:

Date of Filing

ARTICLE VIII

The information contained in this article is not a permanent part of the articles of organization.

- a. The street address of the initial registered office of the corporation in the commonwealth:
525 McClellan Highway, East Boston MA 02128
- b. The name of its initial registered agent at its registered office:
Frank J. Frisoli, Esq., 797 Cambridge Street, Cambridge MA 02141
- c. The names and street addresses of the individuals who will serve as the initial directors, president, treasurer and secretary of the corporation (an address need not be specified if the business address of the officer or director is the same as the principal office location):

President: Louis J. Raffetto, Jr., 26 Whitesands Way, Little Silver, NJ 07739

Treasurer: Louis J. Raffetto, Jr., 26 Whitesands Way, Little Silver, NJ 07739

Secretary: Louis J. Raffetto, Jr., 26 Whitesands Way, Little Silver, NJ 07739

Director(s): Louis J. Raffetto, Jr., 26 Whitesands Way, Little Silver, NJ 07739
David Cramer, 30 Perry Lane, Weston, MA 02493
Christopher J. Trakas, 50 Meadowview Road, Milton, MA 02186

- d. The fiscal year end of the corporation:
December
- e. A brief description of the type of business in which the corporation intends to engage:
Thoroughbred horse breeding and racing
- f. The street address of the principal office of the corporation:
525 McClellan Highway, East Boston, MA 02128
- g. The street address where the records of the corporation required to be kept in the commonwealth are located is:

525 McClellan Highway, East Boston, MA 02128, which is
(number, street, city or town, state, zip code)

- its principal office;
- an office of its transfer agent;
- an office of its secretary/assistant secretary;
- its registered office.

Signed this 11th day of December, 2014 by the incorporator(s):

Signature: _____

Name: Louis J. Raffetto, Jr.

Address: 26 Whitesands Way, Little Silver, NJ 07739

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

Articles of Organization
(General Laws Chapter 156D, Section 2.02; 950 CMR 113.16)

I hereby certify that upon examination of these articles of organization, duly submitted to me, it appears that the provisions of the General Laws relative to the organization of corporations have been complied with, and I hereby approve said articles; and the filing fee in the amount of \$_____ having been paid, said articles are deemed to have been filed with me this _____ day of _____, 20_____, at _____ a.m./p.m.
time

Effective date: _____
(must be within 90 days of date submitted)

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

Examiner

Filing fee: \$275 for up to 275,000 shares plus \$100 for each additional 100,000 shares or any fraction thereof.

Name approval

TO BE FILLED IN BY CORPORATION

C

Contact Information:

M

Frank J. Frisoli, Esq.

797 Cambridge Street

Cambridge, MA 02141

Telephone: 617 354-2220

Email: frank@frankfrisolilaw.com

Upon filing, a copy of this filing will be available at www.sec.state.ma.us/cor. If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

SCHEDULE II

ARTICLES OF ORGANIZATION
OF
NEW ENGLAND HORSEMEN'S AGRICULTURAL AND RACING CORPORATION
Purpose of Corporation

To conduct, promote and enhance the sport of live thoroughbred horse racing in the Commonwealth of Massachusetts; to promote and enhance the breeding of thoroughbred horses in the Commonwealth of Massachusetts; to promote and enhance agricultural entities and activities that support thoroughbred horse breeding and racing in the Commonwealth of Massachusetts; to participate in activities that will aid or protect the general welfare of thoroughbred horse breeding, live racing and associated agricultural industries in the Commonwealth of Massachusetts and the interests of their respective employees; to educate the general public about the many benefits of thoroughbred horse breeding, live racing and associated agricultural industries in the Commonwealth of Massachusetts; and, in furtherance of such purposes, and whether or not in association with any other person, to do any and all things and engage in any and all business not prohibited by law and allowed to business corporations organized under the laws of the Commonwealth of Massachusetts.

SCHEDULE V

ARTICLES OF ORGANIZATION OF NEW ENGLAND HORSEMEN'S AGRICULTURAL AND RACING CORPORATION Restrictions

Any stockholder, including the heirs, assigns, executors or administrators of a deceased stockholder, desiring to sell or transfer the stock owned by the stockholder shall first offer it to the corporation through the board of directors, in the following manner. No stockholder may pledge his, her or its stock without prior notice to the board of directors, which notice shall be deemed to be an offer to sell, to which the provisions of this section 6 apply.

(a) A stockholder shall notify the board of directors of his, her or its desire to sell or transfer by notice in writing, which notice shall contain the price at which, and the other terms on which, the stockholder is willing to sell or transfer and the name of one arbitrator. The directors shall, within thirty (30) days thereafter, either accept the offer or, by notice to the offering stockholder in writing, name a second arbitrator, and these two shall name a third arbitrator. It shall then be the duty of the arbitrators to ascertain the value of the stock, and if any arbitrator shall neglect or refuse to appear at any meeting called by the arbitrators, those present may act in the absence of such arbitrator.

(b) After acceptance of the offer or, if later, the date of the report of the arbitrator as to the value of the stock, the directors shall have thirty (30) days within which to purchase the stock at the offering price or, in the event of arbitration, at the price determined by the arbitrators, and otherwise on the other terms set forth in the stockholder's notice to the board of directors, but if, at the expiration of said thirty (30) days, the directors shall not have exercised the right to so purchase, the owner of the stock shall be at liberty to dispose of the same, within sixty (60) after the expiration of said thirty (30) day period, on terms no more generous to the transferee than those set forth in his, her or its notice to the board of directors. Should the owner fail to do so, any subsequent attempt to dispose of the shares shall be subject to these restrictions on transfer.

(c) No shares of stock shall be sold or transferred on the books of the corporation until these provisions have been complied with, but the board of directors may, in any particular instance, waive the requirements.

SCHEDULE VI

ARTICLES OF ORGANIZATION OF NEW ENGLAND HORSEMEN'S AGRICULTURAL AND RACING CORPORATION Other Lawful Provisions

1. The board of directors of the corporation shall consist of one or more individuals. The number of directors shall be specified in and fixed in accordance with the bylaws, and unless otherwise provided in the bylaws, shall not be dependent on the number of shareholders.

2. Action required or permitted by the Massachusetts Business Corporation Act to be taken at a shareholders' meeting may be taken without a meeting if the action, evidenced by one or more written consents, is taken (a) by all shareholders entitled to vote on the action, or (b) by shareholders having not less than the minimum number of votes necessary to take the action at a meeting at which all shareholders entitled to vote on the action are present and voting.

3. If any provision of the Massachusetts Business Corporation Act requires the affirmative vote of more than a majority of the shares in any voting group on a matter unless a lesser proportion of shares is provided for in the articles of organization, favorable action on the matter may be taken by the affirmative vote of not less than a majority of all the shares in the voting group eligible to vote on the matter.

4. The board of directors of the corporation may make, amend or repeal the bylaws in whole or in part, except with respect to any provision of the bylaws that, by virtue of an express provision of the Massachusetts Business Corporation Act, these articles of organization or the bylaws, requires action by the shareholders.

5. No director shall be personally liable to the corporation for monetary damages for breach of fiduciary duty as a director notwithstanding any provision of law imposing such liability; provided, however, that this provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its shareholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for improper distributions under the Massachusetts Business Corporation Act, or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any director for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.



January 15, 2015

Mr. Anthony Spadea
President
New England Horsemen's Benevolent and Protective Association
P.O. Box 388
Revere, MA 02151

Re: Request for Transfer of 2015 Racing License

Dear Mr. Spadea:

I reviewed your December 11, 2014 letter requesting that the Massachusetts Gaming Commission ("Commission") consider and approve the transfer of the one day running horse racing license granted to the New England Horsemen's Benevolent and Protective Association ("NEHPBA") on November 6, 2014 to the New England Horsemen's Agricultural and Racing Corporation ("NEHARC").

The first step in the process of bringing this before the Commission is a review by the Commission's Investigation and Enforcement Bureau ("IEB") of the suitability of NEHARC and the backgrounds of the principals involved in the NEHARC. I forwarded the information provided with your December 11, 2014 letter to the IEB.

Please reach out to Det. Lt. Brian Connors at Brian.Connors@state.ma.us to provide him with your email and phone contact information in order to coordinate the background investigation process. Once the IEB review is complete, it will generate a short report with its recommendation on the proposed transfer. That recommendation will be provided to the Commission, who will review it at a future public meeting and vote on whether or not to approve the transfer.

In order for the IEB to conclude its review, it is very important that all information requested by the IEB be provided in a complete and timely manner and that the principals of NEHARC cooperate fully with the IEB.

If you have any questions, please let me know. You should be hearing from the IEB shortly.

Very truly yours,

Catherine Blue
General Counsel



Massachusetts Gaming Commission

101 Federal Street, 23rd Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com

New England Horsemen's Benevolent and Protective Association, Inc.

President
Anthony Spadea

A National Organization

Acting Executive Director
Bruce P. Patten

Directors: Owners
Randy Andrews
Susan Clark
Shirley Dullea
Manfred Roos
Paul Umbrello



Directors: Trainers
Jay Bernardini
Matthew Clarke
Alan Lockhart
Kevin McCarthy
George Saccardo

P.O. Box 388
Revere, MA 02151
617-568-3333 or 800-225-3460 Ext. 7258
WWW.NewEnglandHBPA.com

January 26, 2015

Atty. Danielle Holmes, Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, MA 02110

Re: Economic assistance pursuant to MGL c.128A s. 5(h)(4)

Dear Atty. Holmes:

I am writing as a follow up to our telephone conversation, earlier this month, concerning additional information required to complete our January 7, 2015 request for economic assistance pursuant to MGL c.128A s. 5(h)(4) and 205 CMR 10.00. As you requested, the following information is presented in a format consistent with 205 CMR 10.00

205 CMR 10.02: Eligibility

The NEHBPA is a non-profit organization representing 900 members consisting of trainers and owners of Thoroughbred racehorses are stabled and race at Suffolk Downs, East Boston, MA.

NEHBPA's financial resource is the Thoroughbred purse account funded by wagering proceeds allocated pursuant to MGL c. 128A and c. 128C. Since Sterling Suffolk Raceway, LLC (SSR) decided to discontinue live Thoroughbred racing in October 2014 and subsequently chose to discontinue financial obligations for payment of funds earned by NEHBPA under our 2014 purse contract with SSR, NEHBPA is encountering an unforeseen financial hardship.

These circumstances when combined with stalled negotiations between SSR and NEHBPA for lease of the Suffolk Downs racetrack and temporary simulcasting (without a live racing obligation) awarded to SSR by legislative action creates additional unforeseen results that release SSR from its obligation to share 2015 simulcasting revenue with the NEHBPA.

Since the NEHBPA is blocked from receiving its share of SSR simulcasting revenue, which traditionally begins in January each year, the NEHBPA is currently left without a revenue source in 2015.

NEHBPA hereby requests the maximum amount of money available under Chapter 128A. Since the application requires documentation of employment, we offer copies of our 2014 Assistance Fund Budget and 2014 Benefit Trust Budget (attached).

205 CMR 10.03: Criteria

2015 annual income has been terminated for each of our three corporations. Our accounts are listed below along with their traditional annual income:

- Benefit Trust (medical & life insurance) \$180,000
- Assistance Fund (Old Age assistance program & backstretch benevolence) \$72,500
- Administrative Operating Account \$267,400

205 CMR 10.04: How to Apply

The following information is submitted according to 205 CMR 10.04:

- (a) Date of application:
 - January 7, 2015
- (b) Name and job title of applicant.
 - New England Horsemen's Benevolent and Protective Association, Inc.
- (c) A narrative describing the hardship due to illness or unforeseen tragedy, and the financial impact of those events.
 - Please see Eligibility statement (above)
- (d) A statement that lists available resources or a statement stating that no assets are available.
 - No resources available beginning January 1, 2015 for any of our accounts (Administrative Operating Account, Assistance Fund and Benefit Trust)
 - Estimated assets (account balances) for each corporation on January 31, 2015:
 - i. Benefit Trust \$33,167 [February disbursements estimated at \$12,662]
 - ii. Assistance Fund \$21,435 [February disbursements estimated at \$3,150]
 - iii. Administrative Operating Account \$8,789 [February disbursements estimated at \$9,515]
- (e) Amount of requested assistance.
 - Maximum funding available (\$20,000)
- (f) Statement of how the money will be spent, to whom, for what purpose, and how much.
 - Additional funding for medical premiums and administrative expenses to operate the following programs:
 - i. \$8,442 - Additional funding for Benefit Trust medical premiums
 - ii. \$4,958 - Administrative expenses for Tufts health insurance and MEDEX premium supplements
 - iii. \$6,600 - Administrative expenses for Old Age Assistance program and benevolence (backstretch workers)
- (g) A statement certifying that the money will be spent only for the items included.
 - The money received shall be allocated and spent as delineated in item (f) above.

Thank you for your assistance and continued concern in this matter.

Sincerely,

Bruce P. Patten, Acting Executive Director

Cc: Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission

2014 Budget - Assistance Fund													
Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<u>Purse Account Contributions</u>													
Fixed Contribution	8,750	9,375	0	8,750	9,375	9,375	8,750	9,375	0	8,750	0	0	72,500
Race Cancellation Contributions	0	0	0	0	0	500	500	1,000	1,000	1,000	0	0	4,000
<u>Interest Earned</u>													
	1	2	1	2	1	2	1	2	1	2	1	2	18
Totals	8,751	9,377	1	8,752	9,376	9,877	9,251	10,377	1,001	9,752	1	2	76,518
Expense	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<u>Benevolence</u>													
Stable Employees	50	50	100	100	100	200	200	200	200	100	100	100	1,500
Trainers	0	0	0	0	0	0	50	50	100	100	100	0	400
<u>Old Age Assistance</u>													
Monthly Retiree Assistance	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	41,400
<u>Recognition & Events</u>													
Groom Of The Week	0	0	0	0	50	100	100	100	100	100	50	0	600
Barn Of The Month	0	0	0	0	50	50	50	50	50	50	0	0	300
Backstretch Recognition Events	0	0	0	0	0	0	0	0	0	0	1,000	0	1,000
<u>Charitable Donations</u>													
Donations	100	100	100	100	100	100	100	100	100	100	100	100	1,200
<u>Scholarship Program</u>													
Student Awards	0	0	0	0	0	0	0	0	6,000	0	0	0	6,000
<u>Race Cancellation Reimbursements</u>													
Trainer Reimbursements	0	0	0	0	0	500	500	1,000	1,000	1,000	0	0	4,000
<u>Office</u>													
Office Supplies	0	0	50	50	50	50	50	50	50	50	0	0	400
Postage	0	0	0	0	0	0	0	0	0	0	0	0	0
Printing	0	0	0	150	0	0	0	0	150	0	0	0	300
Bank Check & Fees	20	20	20	20	20	20	20	20	20	20	20	20	240
<u>Contract Services</u>													
Auditor	0	0	0	0	0	0	0	3,000	0	0	0	0	3,000
NEHBPA Administrative Reimbursement	0	0	3,447	0	0	4,131	0	0	4,473	0	0	3,789	15,840
Totals	3,620	3,620	7,167	3,870	3,820	8,601	4,520	8,020	15,693	4,970	4,820	7,459	76,180

2014 Budget - Benefit Trust													
Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<u>Participant Premium Payments</u>													
Tufts Health Plan	8,397	7,009	7,009	7,360	7,360	7,361	7,360	7,360	7,943	7,943	7,943	7,943	90,986
<u>Purse Revenue</u>													
Purse Account Contributions	0	0	0	0	0	15,000	15,000	15,000	15,000	15,000	15,000	30,000	120,000
<u>Starter Fees</u>													
Actual Starters	0	0	0	0	9,142	11,101	11,754	11,101	653	0	0	0	43,751
<u>Interest Income</u>													
	4	4	4	4	4	4	4	4	4	4	4	4	48
Totals	8,401	7,013	7,013	7,364	16,506	33,466	34,118	33,465	23,600	22,947	22,947	37,947	254,785
Expenses													
<u>Contract Services</u>													
Auditor	0	0	0	0	0	0	3,000	0	0	0	0	0	3,000
Consultant	0	0	250	0	0	250	0	0	250	0	0	250	1,000
NEHBPA Admin. Reimbursement Fee	0	0	4,086	0	0	4,902	0	0	5,310	0	0	4,494	18,792
<u>Life Insurance Premiums</u>													
Boston Mutual Life Insurance	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	1,316	15,788
<u>Medicare Insurance Supplements</u>													
MEDEX Supplements	600	600	600	600	600	600	600	600	600	600	600	600	7,200
<u>Medical Devices</u>													
Eyeglasses (Trainers)	0	0	0	100	100	100	100	100	100	0	0	0	600
<u>Medical Insurance Premiums</u>													
Tufts Health Plan	16,700	13,691	13,691	14,452	14,452	14,452	14,452	14,452	15,716	15,716	15,716	15,716	179,204
<u>Office</u>													
Office Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
Postage	0	0	0	0	0	0	0	0	0	0	0	0	0
Printing	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Check & Fees	100	0	0	0	0	0	100	0	0	0	0	0	200
Totals	18,716	15,607	19,943	16,468	16,468	21,620	19,568	16,468	23,291	17,631	17,631	22,375	225,784



January 21, 2015

Kevin M. Considine
Considine & Furey, LLP
Counselors At Law
One Beacon Street, 23rd Floor
Boston, MA 02108

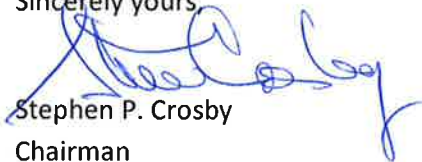
Dear Mr. Considine:

The other Commissioners and I are in receipt of your letter of January 14th, Re: Massachusetts Thoroughbred Breeders Association and distributions from the Race Horse Development Fund.

Our Counsel is now considering your request, and will bring your request before the Commission for official consideration soon. I'm sure you will be in touch with us to track our decision making process, but do stay alert to our Commission Meeting agenda, so you are sure to see when the issue will be discussed by the Commission.

Thank you for your continuing involvement in these important issues.

Sincerely yours,



Stephen P. Crosby
Chairman

CC: Massachusetts Gaming Commissioners James McHugh, Gayle Cameron, Bruce Stebbins,
Enrique Zuniga
Catherine Blue, General Counsel
Danielle Holmes, Attorney



Massachusetts Gaming Commission

101 Federal Street, 23rd Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com

CONSIDINE & FUREY, LLP

COUNSELORS AT LAW

ONE BEACON STREET, 23rd FLOOR
BOSTON, MA 02108

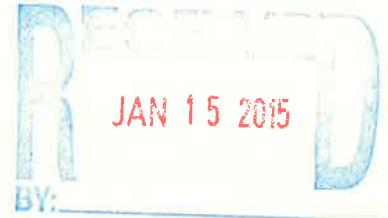
Kevin M. Considine, Esq.
kconsidine@considinefurey.com

Telephone (617) 723-7200
Telecopier (617) 723-5700
www.considinefurey.com

January 14, 2015

VIA FEDEX

Stephen Crosby, Chairman and Commissioners
Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, MA 02110



Re: *Massachusetts Thoroughbred Breeders Association, Inc.*

Dear Chairman Crosby and Commissioners:

I write on behalf of the Massachusetts Thoroughbred Breeders Association, Inc. (the "Breeders Association"). As you know, the Legislature established a thoroughbred breeding program pursuant to G.L. c. 128, §2(g) to promote, develop, and encourage the breeding of thoroughbred horses in the Commonwealth; and designated the Breeders Association as the entity to administer the program. (A copy of the enabling statute is attached as Exhibit "A".) In "An Act Establishing Expanded Gaming in the Commonwealth," the Legislature also established the Gaming Licensing Fund with the Commission as Trustee, and earmarked five percent of the gaming licensing fees to the Race Horse Development Fund (the "Fund"). We understand that the licensing fees total \$195,000,000, and that the Fund's Share (at 5%) equals \$9,750,000. (See St. 2011, c. 194, Section 93 attached as Exhibit "B.")

From the \$9,750,000 deposited in this Fund, the Breeders Association is entitled to \$1,170,000 in accordance with G.L. c. 23K, §60, (b) and (c)(ii), a copy of which is attached as Exhibit "C."

Please accept this letter as a formal request that the Commission make the distribution of \$1,170,000 to the Breeders Association so that it may continue to promote, develop, and encourage its thoroughbred horse breeding program in accordance with the statutory directives.

Very truly yours,

Kevin M. Considine

KMC:hp

cc: Gayle Cameron (w/enclosures)
James F. McHugh (w/enclosures)
Enrique Zuniga (w/enclosures)
Bruce Stebbins (w/enclosures)
George F. Brown (w/enclosures)
Andrew S. Hunt (w/enclosures)

EXHIBIT “A”

Chapter 112. AN ACT AUTHORIZING THE TOWN OF NORTH READING TO IMPLEMENT AN INCREASE IN AN EXISTING INTERBASIN TRANSFER OF WATER FOR THE PURPOSE OF MUNICIPAL WATER SUPPLY.

Be it enacted, etc., as follows:

The town of North Reading may, with the approval of the water resources commission, implement an increase in the existing transfer of water from the Merrimack river basin to the Ipswich river basin.

Approved July 8, 1991.

Chapter 113. AN ACT AUTHORIZING THE TOWN OF HUDSON TO CONVEY CERTAIN PARCELS OF LAND USED FOR WATER SUPPLY PURPOSES.

Be it enacted, etc., as follows:

SECTION 1. The town of Hudson is hereby authorized to sell, transfer and convey two parcels of land located in said town and presently used for water supply purposes to a purchaser selected in accordance with the provisions of chapter thirty B of the General Laws. Parcel one is shown as Lot 1 on a plan entitled "Plan of Land, Hudson and Berlin, Mass." dated Sept. 22, 1967 prepared by Veo & Wheeler, Inc. of Hudson, Mass.

Parcel two is shown as Lot B-2 on a plan entitled "Subdivision Plan of Land in Hudson, Mass." dated August 21, 1981 prepared by Whitman & Howard Inc., Engineers & Architects of Wellesley, Mass. Said plan is on file with the town of Hudson.

SECTION 2. This act shall take effect upon its passage.

Approved July 8, 1991.

Chapter 114. AN ACT FURTHER REGULATING THE CONDUCT OF HORSE RACING.

Be it enacted, etc., as follows:

SECTION 1. Section 2 of chapter 128 of the General Laws, as appearing in the 1990 Official Edition, is hereby amended by striking out subsection (g) and inserting in place thereof the following subsection:-

(g) Promote, develop and encourage through the Massachusetts Thoroughbred Breeding Program, the breeding of thoroughbred horses in the commonwealth by offering cash prizes to breeders of such horses in the following manner: the Massachusetts Thoroughbred Breeders Association, Inc. shall from time to time in consultation with the chairman of the racing commission and the program manager for the equine division in the department of agriculture set the percentages for bonuses to be awarded to the breeder of a Massachusetts bred thoroughbred horse, of the purse monies won by said thoroughbred horse in any pari-mutuel running horse race if said horse finishes first, second or third; the percentage for a cash prize to the owner of the stallion, at the time of service to the dam of such purse winner; provided, however, that (i) the stallion stood the breeding season of February through June in the commonwealth, (ii) the horse finishes first, second or third, and (iii) said stallion is registered with the department of food and agriculture; the percentage for a cash prize for the purse monies won by said thoroughbred horse in any unrestricted pari-mutuel running horse race to the owner of a Massachusetts bred horse if said horse finishes first, second, or third.

The Massachusetts Thoroughbred Breeders Association, Inc. is further authorized to pay cash purses for stakes races to be limited to Massachusetts bred thoroughbred race horses from the Massachusetts thoroughbred breeding program at licensed pari-mutuel race meetings authorized by the state racing commission. Such races may be betting or non-betting races and may or may not be scheduled races by the licensee conducting the racing meeting. Purse monies paid by the association under this section may be in such amounts as the association shall determine and may be the sole cash purse for such races or may be supplemental to the cash purses established by the licensee; provided, however, that no person, partnership, corporation or group of persons may receive more than five thousand dollars as a cash prize breeder's award from the association for an individual horse race within the commonwealth. For the purposes of this section a horse race shall mean a thoroughbred race of any kind held within the commonwealth except at fairs.

No person shall be eligible for the prizes provided herein unless the following standards are met:

(1) The foal of a thoroughbred mare that drops said foal in the commonwealth and is bred back to the Massachusetts registered stallion shall be Massachusetts bred; or

(2) The foal of a thoroughbred mare who resides in the commonwealth from the fifteenth day of October of the year prior to foaling, and continues such residence until foaling and foals in the commonwealth shall be Massachusetts bred.

(3) In either the case of subparagraph (1) or (2) each thoroughbred foal dropped in the commonwealth shall be registered with the Jockey Club and the department of food and agriculture.

(4) Prior to the first day of September of each year, each person standing a thoroughbred stallion in the commonwealth at either private or public service shall file with the department of food and agriculture: (a) a list of all thoroughbred mares bred to such stallion in that year; and (b) a verified statement representing that said stallion stood the entire breeding season in the commonwealth.

The Massachusetts Thoroughbred Breeders Association, Inc. is hereby further authorized to expend up to eight percent of the amount received each fiscal year for said program for advertising, marketing, promotion, and administration of the thoroughbred breeding program in the commonwealth.

The state auditor shall annually audit the books of the Massachusetts Thoroughbred Breeders Association, Inc., to insure compliance with this section.

SECTION 2. Chapter 494 of the acts of 1978 is hereby amended by striking out section 13, as most recently amended by section 3 of chapter 428 of the acts of 1990, and inserting in place thereof the following section:-

Section 13. Notwithstanding the provisions of clause (5) of the first paragraph of section two and of clauses (a) to (g), inclusive, of the third paragraph of section three of chapter one hundred and twenty-eight A of the General Laws during the calendar years nineteen hundred and ninety-two through nineteen hundred and ninety-five, licenses to conduct racing meetings shall only be issued under the following conditions:-

(a) no license shall be issued for more than an aggregate of two hundred and seventy-five days in any one year at all running horse racing meetings combined, not including running horse racing meetings held in connection with state or county fairs; provided, however, that up to two hundred days may be awarded in Suffolk county only; provided, further, that up to seventy-five days may be awarded in Norfolk county only.

(b) no license shall be issued for more than an aggregate of one hundred and twenty-five racing days in any one year at all harness horse racing meetings combined, including harness horse racing meetings at state or county fairs.

(c) no license shall be issued for more than an aggregate of one thousand one hundred and ninety racing days in one year at all dog racing meetings combined, excluding dog racing meetings conducted at a racetrack owned and operated by a state or county fair in Essex county; provided, however, that two hundred and ten such days may be awarded only for racing in Hampden county during the period between the fifteenth of April and the twenty-first day of October, and five hundred and twenty of the remaining such days may be awarded only in Bristol county; provided, further, that the remaining four hundred and sixty days may be awarded only in Suffolk county; provided, further, that up to sixty additional days may, in the discretion of the commission, be awarded only in Suffolk county; provided, further, that in addition to the total number of racing days provided above the commission may issue a license for an additional sixty days of racing in

EXHIBIT “B”

proposed tribal gaming development. The governing body in the host community shall coordinate with the tribe to schedule a vote for approval of the proposed gaming establishment upon receipt of a request from the tribe. The governing body of the host community shall call for the election to be held not less than 60 days but not more than 90 days from the date the request was received.

(d) A compact negotiated and agreed to by the governor and tribe shall be submitted to the general court for approval. The compact shall include a statement of the financial investment rights of any individual or entity which has made an investment to the tribe, its affiliates or predecessor applicants of the tribe for the purpose of securing a gaming license for that tribe under its name or any subsidiary or affiliate since 2005.

(e) Notwithstanding any general or special law or rule or regulation to the contrary, if a mutually agreed-upon compact has not been negotiated by the governor and Indian tribe or if such compact has not been approved by the general court before July 31, 2012, the commission shall issue a request for applications for a category 1 license in Region C pursuant to chapter 23K of the General Laws not later than October 31, 2012; provided, however, that if, at any time on or after August 1, 2012, the commission determines that the tribe will not have land taken into trust by the United States Secretary of the Interior, the commission shall consider bids for a category 1 license in Region C under said chapter 23K.

SECTION 92. Notwithstanding section 2 of chapter 128A of the General Laws and sections 1, 2 and 2A of chapter 128C of the General Laws or any other general or special law, rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and the greyhound meeting licensee located in Suffolk county licensed to conduct live racing pursuant to said chapter 128A and simulcast wagering pursuant to said chapter 128C in calendar year 2009, shall remain licensed as greyhound racing meeting licensees until July 31, 2014; provided, however, that the days between January 1 and December 31 of each year shall be dark days pursuant to said chapter 128C and the licensees shall continue to be precluded from conducting live racing during that period and as provided in chapter 388 of the acts of 2008; provided further, that all simulcasts shall comply with the Interstate Horse Racing Act of 1978, 15 U.S.C. Sec. 3001 et seq. or other applicable federal law; provided further, that all simulcasts from states which have racing associations that do not require approval in compliance with the Interstate Horse Racing Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during the month of August, shall require the approval of the New England Horsemen's Benevolent & Protective Association prior to being simulcast to a racing meeting licensee within the commonwealth; and provided further, that if the association agrees to approve the simulcast for 1 racing meeting licensee, it shall approve the simulcast for all otherwise eligible racing meeting licensees.

SECTION 93. (a) There shall be established and set up on the books of the commonwealth a Gaming Licensing Fund which shall receive all category 1 or category 2 licensing fees, with the exception of initial application fees, collected from applicants in receipt of a category 1 or category 2 license under chapter 23K of the General Laws. The fund shall expire on December 31, 2015. The commission shall be the trustee of the fund and shall transfer monies in the fund as follows;

- (1) 10 per cent to the Community Mitigation Fund established in section 61 of chapter 23K of the General Laws;
- (2) 14.5 per cent to the Transportation Infrastructure and Development Fund established in section 62 of chapter 23K of the General Laws;
- (3) 11 per cent to the Local Capital Projects Fund established in section 2EEEE of chapter 29 of the General Laws;
- (4) 13 per cent to the Manufacturing Fund established in section 98;
- (5) 17 per cent to the Community College Fund established in section 99;

- (6) 1.5 per cent to the Massachusetts Tourism Fund established in section 35J of chapter 10 of the General Laws;
- (7) 23 per cent to the Healthcare Payment Reform Fund established in section 100;
- (8) 5 per cent shall be remitted to the comptroller for deposit into the Local Aid Stabilization Fund established in section 2CCCC of chapter 29 of the General Laws; and
- (9) 5 per cent shall be remitted to the Race Horse Development Fund established in section 60 of chapter 23K of the General Laws.

(b) Upon receipt by the Massachusetts gaming commission of license fees from licensees, interim transfers and payments shall be made on a pro rata basis from the Gaming Licensing Fund as provided in clauses (1) and (2) of subsection (a); provided, however, that no transfer or payment under said clauses (1) and (2) of said subsection (a) shall occur until the fund reimburses \$20,000,000 to the Commonwealth Stabilization Fund as required by subsection (c) of section 94.

SECTION 94. (a) Within 30 days after the effective date of this act, the comptroller shall transfer \$15,000,000 from the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General Laws to the Massachusetts gaming commission for the start-up and operational costs of implementing chapter 23K of the General Laws.


(b) Within 10 days after the effective date of this act, the comptroller shall transfer \$5,000,000, from the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General Laws to the General Fund.

(c) Upon receipt by the Massachusetts gaming commission of sufficient license fees from licensees under chapter 23K of the General Laws, the commission shall transfer \$20,000,000 to the Commonwealth Stabilization Fund established in section 2H of chapter 29 of the General Laws.

SECTION 95. Notwithstanding any general or special law to the contrary, in the second fiscal year in which a deposit is made into the Gaming Local Aid Fund under subclause (e) of clause (2) of section 59 of chapter 23K the General Laws, the commission shall transfer from the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 3.125 per cent of the gross gaming revenue received from a category 1 establishment. In the third fiscal year in which a deposit is made into the Gaming Local Aid Fund under said subclause (e) of said clause (2) of said section 59 of said chapter 23K, the commission shall transfer from the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 6.25 per cent of the gross gaming revenue received from a category 1 establishment. In the fourth fiscal year in which a deposit is made into the Gaming Local Aid Fund under said subclause (e) of said clause (2) of said section 59 of said chapter 23K, the commissioner shall transfer from Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 9.375 per cent of the gross gaming revenue received from a category 1 establishment. In the fifth fiscal year in which a deposit is made into the Gaming Local Aid Fund under said subclause (e) of said clause (2) of said section 59 of said chapter 23K and in all subsequent fiscal years, the commission shall transfer from the Gaming Local Aid Fund into the Local Aid Stabilization Fund an amount equal to 12.5 per cent of the gross gaming revenue received from a category 1 establishment.

SECTION 96. The governing body of a host community which has accepted chapter 43D of the General Laws shall file a proposal with the interagency permitting board to designate the site proposed for a category 1 establishment as a priority development site. In a community which has not accepted said chapter 43D, the planning board shall designate a local permitting ombudsman, who shall be a planning board member of the host community or a

EXHIBIT “C”



THE 189TH GENERAL COURT OF
THE COMMONWEALTH OF MASSACHUSETTS

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CHAPTER 23K	THE MASSACHUSETTS GAMING COMMISSION <i>se fee or tax; penalties.</i>	PREV NEXT
Section 60	Race Horse Development Fund	PREV NEXT

Section 60. (a) There shall be established and set up on the books of the commonwealth a Race Horse Development Fund to be administered by the commission. The fund shall consist of monies deposited under subsection (c) of section 55. The commission shall make distributions from the Race Horse Development Fund to each licensee under chapter 128A.

(b) There shall be a horse racing committee consisting of 5 members, 1 of whom shall be the governor or the governor's designee who shall serve as chair, 1 of whom shall be the treasurer and receiver general or the treasurer's designee, 1 of whom shall be the chair of the commission or the chair's designee, 1 of whom shall be appointed by the New England Horsemen's Benevolent & Protective Association and the Massachusetts Thoroughbred Breeding Program and 1 of whom shall be appointed by the Harness Horseman's Association of New England and the Massachusetts Standardbred Breeding Program. The horse racing committee shall make recommendations on how the funds received in subsection (a) shall be distributed between thoroughbred and standardbred racing facilities to support the thoroughbred and standardbred horse racing industries under this section. In making its recommendations, the committee shall consider certain criteria including, but not limited to: (i) the average purses awarded at thoroughbred and standardbred racing facilities; (ii) the total employment numbers, both direct and indirect, attributable to each horse racing industry; (iii) the relative needs of each horse racing industry for increased purses; (iv) the amount of the live racing handle generated by each horse racing industry; and (v) the number of breeding and training farms of each industry that are located in the commonwealth. The committee shall submit distribution recommendations to the clerks of the senate and house of representatives not later than 30 days before submitting the recommendations to the commission for final approval. The commission shall only change the distribution percentage upon a recommendation by the committee.

(c) Funds received from the Race Horse Development Fund shall be distributed between thoroughbred and standardbred accounts, as approved by the commission, as follows:

(i) 80 per cent of the funds approved by the commission shall be deposited weekly into a separate, interest-bearing purse account to be established by and for the benefit of the horsemen; provided, however, that the earned interest on the account shall be credited to the purse account; and provided further, that licensees shall combine these funds with revenues from existing purse agreements to fund purses for live races consistent with those agreements with the advice and consent of the horsemen;

(ii) 16 per cent of the funds approved by the commission shall be deposited as follows: (A) for a thoroughbred track, into the Massachusetts Thoroughbred Breeding Program authorized by the commission; or (B) for a standardbred track, into the Massachusetts Standardbred Breeding Program authorized by the commission;

(iii) 4 per cent shall be used to fund health and pension benefits for the members of the horsemen's organizations representing the owners and trainers at a horse racing facility for the benefit of the organization's members, their families, employees and others under the rule and eligibility requirements of the organization, as approved by the commission; provided, however, that this amount shall be deposited within 5 business days of the end of each month into a separate account to be established by each respective horsemen's organization at a banking institution of its choice; and provided further, that of this amount, the commission shall determine how much shall be paid annually by the horsemen's organization to the thoroughbred jockeys or standardbred drivers organization at the horse racing facility for health insurance, life insurance or other benefits to active and disabled thoroughbred jockeys or standardbred drivers under the rules and eligibility requirements of that organization.

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2015 JAN 23 PM 12:57

MASSACHUSETTS GAMING
COMMISSION

January 15, 2015

Stephen Crosby, Chair
Gayle Cameron, Commissioner
Jennifer Durenberger, Director of Racing
101 Federal Street, 23rd Floor
Boston, MA 02110

Dear Chairman Crosby, Commissioner Cameron and Director Durenberger:

Last November, the Commission approved the New England HBPA's application for a one-day "placeholder" license to conduct a racing meeting in Suffolk County in 2015, giving the NEHBPA an opportunity to try to develop plans for the 2015 racing season while it explores its long-term plan to find another location for racing in the Commonwealth. With our encouragement, the NEHBPA suggested that it could hold such a meeting at Suffolk Downs, which is owned by Sterling Suffolk Racecourse, LLC (SSR).

I write today to update you on the various discussions that SSR has had with the NEHBPA about its potential lease of Suffolk Downs. I hope this report will be helpful to the Commission as it further considers and evaluates the status of the NEHBPA's 2015 racing application. I write also to update you on SSR's plans for 2015.

We sympathize with the plight of the NEHBPA and have made a good faith effort to work with the organization, as we did from 2007-2014 while preserving live racing and the jobs associated with it while operating at a substantial annual loss. Unfortunately, despite weeks of discussion, SSR has not been able to reach a lease agreement with the NEHBPA. More significantly, based on the information we have received to date, we have no reasonable expectation that we will be able to reach one. One of the principal stumbling blocks has been the NEHBPA's lack of a viable plan to fund lease payments and other expenses for its meet.

In our discussions, questions have arisen as to whether the Commission is prepared to advance funds that are statutorily designated for "purses for live races" (i.e., monies from the Race Horse Development Fund created by the Gaming Act) to the NEHBPA for non-purse uses, including its potential lease payments and other obligations and expenses of the NEHBPA's, such as racing consultants and administrative costs. SSR is not aware of any provision in Chapter 23K that allows these potential uses, nor one that makes the NEHBPA the exclusive recipient of the thoroughbred portion of this funding. As a result, even if we felt we could bridge the substantial gap that currently exists in our

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Made in Massachusetts

discussions to reach a lease agreement, we are highly concerned about entering one with an entity with no apparent ability to meet the obligations contemplated in these discussions.

Turning to SSR's own plans, we are very thankful that the Legislature considered the fate of our employees and enacted Chapter 436 of the Acts of 2014, providing a short-term extension of our 2014 racing license and simulcast authorization.

In light of our diminished expectations of reaching a lease agreement with the NEHBPA, and because we wish to preserve as many jobs at our facility and in the Massachusetts horse racing industry as possible, we are planning to utilize the authorization granted in Chapter 436 to apply directly for a license for a racing meeting in 2015 to facilitate the continuity of thoroughbred racing while the NEHBPA's plans remain in flux. If granted this license, we would plan to request funding from the Race Horse Development Fund for purses. This would allow Suffolk Downs to continue to provide employment for our workforce, provide the Massachusetts Thoroughbred Breeders Association with a venue for its races and provide the Commonwealth a short term solution to the end of thoroughbred racing and related employment while longer term plans can be devised at another location. It would also provide the opportunity for a higher quality, more competitive race meet of shorter duration than we have been able to offer in recent years – one that would presumably attract more interest from fans and bettors locally and nationally.

Sincerely,



Chip Tuttle

Chief Operating Officer

cc: The Honorable Stanley Rosenberg, President of the Senate

The Honorable Robert DeLeo, Speaker of the House

Senator Anthony Petrucci

Representative Roselee Vincent

Representative Brian Dempsey

Mayor Martin J. Walsh

Mayor Daniel Rizzo

Racing Briefs

New England Horsemen's Benevolent and Protective Association, Inc.

President
Anthony Spadea

A National Organization

Acting Executive Director
Bruce P. Patten

Directors: Owners
Randy Andrews
Susan Clark
Shirley Dullea
Manfred Roos
Paul Umbrello



Directors: Trainers
Jay Bernardini
Matthew Clarke
Alan Lockhart
Kevin McCarthy
George Saccardo

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February 11, 2015

Attorney Catherine Blue, General Counsel, Massachusetts Gaming Commission
101 Federal Street 23rd Floor
Boston, MA 02110

Re: Request enforcement of licensees' obligations to pay 2015 simulcasting premiums

Dear Attorney Blue:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby requesting that the Gaming Commission take action, as authorized under MGL 23K § 7 (a) to: (a) enforce payment of simulcast premiums, earned in 2015, with respect to any interstate running horse simulcasts received, as required under MGL c128C § 2, and account wagering proceeds, earned in 2015, as required under MGL c128A § 5C; and (b) assure that the appropriate share of 2015 simulcasting premiums and account wagering proceeds received by a running horse racing meeting licensee shall be paid into the purse account of the horsemen, as per MGL c128C § 2.

Either the NEHBPA or its pending successor racing licensee, the New England Horsemen's Agricultural and Racing Corporation will establish a purse account during the month of February to receive premiums with respect to any running horse simulcasts and to receive proceeds with respect to any running horse account wagering conducted in Massachusetts.

As you are aware, MGL c128C § 4 requires: "If a new running horse racing meeting licensee should replace the existing running horse meeting licensee during any point in a calendar year and a new contract is not agreed upon between the new running horse meeting licensee and the horseman's association before the start of the next racing season, then the last signed, executed and completed contract between the previous running horse racing meeting licensee and the horseman's association shall remain in effect for the racing season only or until a new contract is agreed upon."

Since the NEHBPA is the only recognized representative of running horse owners and trainers in the Commonwealth and the NEHBPA is the horseman's association representing the horse owners and trainers in the last signed, executed and completed contract between the previous running horse racing meeting licensee and the horseman's association, c128C § 4 establishes a 2015 contract between the NEHBPA and the new running horse meeting licensee(s).

Your immediate consideration and support for our request is of utmost importance to the horsemen, their efforts to preserve live Thoroughbred racing and associated jobs in the Commonwealth and the enormous positive financial, environmental and social impacts that live Thoroughbred racing provides for Massachusetts residents.

Due to current circumstances, we would like to discuss this matter with the Commission at the meeting on February 19th. Thank you for your consideration of this very important matter.

Sincerely,

Anthony Spadea, President

Cc: Stephen Crosby, Chairman, Massachusetts Gaming Commission
Gail Cameron, Commissioner, Massachusetts Gaming Commission
Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission

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February 11, 2015

Attorney Catherine Blue, General Counsel, Massachusetts Gaming Commission
101 Federal Street 23rd Floor
Boston, MA 02110

Re: Comment on HRC review of RHDF funding allocation between Standardbreds & Thoroughbreds

Dear Attorney Blue:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby offering comment on review of the RHDF funding allocation to health and pension benefits by the HRC.

Once the Commission approves the HRC recommendation for allocations of RHDF between Standardbred and Thoroughbred racing, c23K § 60 (C)(iii) requires that 4% of the funds allocated to each breed shall be deposited within 5 business days of the end of each month into a separate account to be established by each respective horsemen's organization at a banking institution of its choice. There is neither a mission nor an authorization assigned to the HRC or the Gaming Commission within c23K regarding review of the 4% amount of the total allocated to a breed prior to the deposit of the full 4% into the account established by each respective horsemen's organization.

The Commission has a statutory authorization to approve the rules and eligibility requirements of the horsemen's organization regarding health and pension benefits for its members.

The Commission is obligated to determine how much shall be paid annually by the horsemen's organization to the thoroughbred jockeys (or drivers) organization for health insurance, life insurance or other benefits to active and disabled thoroughbred jockeys (or drivers) under the rules and eligibility requirements of that organization.

The NEHBPA suggests that the HRC review (a) the rules and eligibility requirements of the horsemen's organization regarding health and pension benefits for its members and (b) determine how much shall be paid annually by the horsemen's organization to the thoroughbred jockeys (or drivers) organization for health insurance, life insurance or other benefits to active and disabled thoroughbred

jockeys (or drivers) under the rules and eligibility requirements of that organization; and submit recommendations to the Commission for action.

Thank you for the opportunity to comment on this matter.

Sincerely,

Anthony Spadea, President

Cc: Stephen Crosby, Chairman, Massachusetts Gaming Commission
Gail Cameron, Commissioner, Massachusetts Gaming Commission
Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission

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February 11, 2015

Attorney Catherine Blue, General Counsel, Massachusetts Gaming Commission
101 Federal Street 23rd Floor
Boston, MA 02110

Re: Comment on HRC review of RHDF funding for multiple Thoroughbred licensees

Dear Attorney Blue:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby offering comment on review of the Race Horse Development Fund (RHDF) funding for multiple Thoroughbred licensees by the HRC.

The legislature answered this question in c23K § 60. Section 60 (b) establishes the horse racing committee and charges the committee to make recommendations on how the funds received in subsection (a) shall be distributed between thoroughbred and standardbred racing facilities to support the thoroughbred and standardbred horse racing industries. In addition, the committee is ultimately required to submit distribution recommendations to the commission for final approval. The current distribution of funds approved by the commission is 75% to the thoroughbred racing facilities and 25% to the standardbred racing facilities.

The Commission is the final approval authority for distribution of funds between thoroughbred and standardbred racing facilities and Section 60 (c) requires that approved distribution of funds received from the Race Horse Development Fund shall be distributed to thoroughbred (and standardbred) purse account, as follows:

80 per cent of the thoroughbred funds approved by the commission are required to be deposited weekly into a separate, interest-bearing purse account to be established by and for the benefit of the horsemen. Licensees are required to combine these funds with revenues from existing purse agreements to fund purses for live races consistent with those agreements with the advice and consent of the horsemen.

The separate interest-bearing purse account to be established by the horsemen, the purse agreements negotiated between the licensee and the horsemen and the advice and consent of the horsemen are all conducted through the actions of the recognized organization that represents the horsemen. Whenever

multiple thoroughbred licensees existed in Massachusetts, the New England HBPA (NEHBPA) was the recognized organization that represented all thoroughbred horsemen. Whether it is the NEHBPA or another similar organization, the most likely scenario is that one such organization will represent all thoroughbred horsemen in Massachusetts.

The legislative recognition contained in Section 60, regarding establishment of a purse account, purse agreement negotiations with licensees and advice and consent made on behalf of the horsemen, is to assure fair treatment of horsemen and to give them some control over the issues that impact their businesses. Licensees and horsemen live every day with management and nuances of purse accounts and purse agreements. Each of the multiple thoroughbred licensees will need to negotiate a purse agreement with the NEHBPA and each will need to establish a purse account for the horsemen.

Since the Section 60 purse account is established by and for the benefit of the horsemen, the recognized organization that represents the horsemen should be determining the appropriate thoroughbred allocations to thoroughbred licensees for distribution to horsemen. The horsemen's representative is required by its organizational documents to treat all its horsemen fairly and equitably. In the event that horsemen determine that their representative organization is not performing properly, they have the exclusive option to replace their representative.

The statute specifically requires the funds be deposited weekly into a separate interest bearing account to be established **by** and for the benefit of horsemen. This language evidences the statutory intent that the local horsemen's group establish and control the purse account. The local horsemen's group, the NEHBPA is the entity that should determine the allocation and use of such funds in an equitable manner to fund purses for all races conducted by all licensees.

Sincerely,

Anthony Spadea, President

Cc: Stephen Crosby, Chairman, Massachusetts Gaming Commission
Gail Cameron, Commissioner, Massachusetts Gaming Commission
Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission

New England Horsemen's Benevolent and Protective Association, Inc.

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February 11, 2015

Attorney Catherine Blue, General Counsel, Massachusetts Gaming Commission
101 Federal Street 23rd Floor
Boston, MA 02110

Re: Comment on NEHBPA racing license transfer to NEHARC

Dear Attorney Blue:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby offering comment on the NEHBPA's request to transfer its 2015 placeholder racing license to the New England Horsemen's Agricultural and Racing Corporation (NEHARC), as per our letter of request for transfer dated December 11, 2014.

We received your letter dated January 15, 2015 informing us that the information on the private corporation (NEHARC) has been forwarded to the Commission's Investigation and Enforcement Bureau for review of the suitability of NEHARC and the backgrounds of the principals involved in the NEHARC. In response to your letter, Mr. Raffetto, Jr., President of NEHARC, immediately initiated communication with Det. Lt. Brian Connors at the Commission's Investigation and Enforcement Bureau, as you requested.

NEHBPA representatives and Louis J. Raffetto, Jr., will attend the public hearing scheduled for February 19th to present and answer questions from the Gaming Commission.

Thank you for the opportunity to comment on this matter.

Sincerely,

Anthony Spadea, President

Cc: Stephen Crosby, Chairman, Massachusetts Gaming Commission
Gail Cameron, Commissioner, Massachusetts Gaming Commission
Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission

New England Horsemen's Benevolent and Protective Association, Inc.

President
Anthony Spadea

A National Organization

Acting Executive Director
Bruce P. Patten

Directors: Owners
Randy Andrews
Susan Clark
Shirley Dullea
Manfred Roos
Paul Umbrello



Directors: Trainers
Jay Bernardini
Matthew Clarke
Alan Lockhart
Kevin McCarthy
George Saccardo

P.O. Box 388
Revere, MA 02151
617-568-3333 or 800-225-3460 Ext. 7258
WWW.NewEnglandHBPA.com

February 11, 2015

Attorney Catherine Blue, General Counsel, Massachusetts Gaming Commission
101 Federal Street 23rd Floor
Boston, MA 02110

Re: Comment on Sterling Suffolk Racecourse LLC request for race days in 2015

Dear Attorney Blue:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby offering comment on the Sterling Suffolk Racecourse LLC request for race days in 2015.

The NEHBPA encourages live Thoroughbred racing in Massachusetts, which must be conducted under safe racing conditions.

Since the NEHBPA is the only recognized representative of running horse owners and trainers in the Commonwealth and the NEHBPA is the horseman's association representing the horse owners and trainers in the last signed, executed and completed contract between the previous running horse racing meeting licensee and the horseman's association, c128C § 4 establishes a 2015 contract between the NEHBPA and the new running horse meeting licensee(s).

Thank you for the opportunity to comment on this matter.

Sincerely,

Anthony Spadea, President

Cc: Stephen Crosby, Chairman, Massachusetts Gaming Commission
Gail Cameron, Commissioner, Massachusetts Gaming Commission
Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission

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February 11, 2015

Attorney Catherine Blue, General Counsel, Massachusetts Gaming Commission
101 Federal Street 23rd Floor
Boston, MA 02110

Re: 2015 racing season plan

Dear Attorney Blue:

On behalf of the New England HBPA Board of directors and the owners and trainers of thoroughbred horses racing in Massachusetts, we are hereby responding to your letter of January 30, 2015 requesting a statement on our plans for the 2015 racing season.

As you are aware NEHBPA applied for a 2015 placeholder racing license and was awarded the license by the MGC. Subsequently and with the cooperation of Sterling Suffolk Racecourse LLC (SSR), the NEHBPA filed a supplemental license, fully intending to conduct 65 days of live racing in 2015. The supplemental license filing was, shortly thereafter, retracted by NEHBPA when we came to the conclusion that negotiations with SSR became increasingly more complex.

As you are aware, the NEHBPA currently has a pending request to transfer its 2015 placeholder license to the New England Horsemen's Agricultural and Racing Corporation (NEHARC). While the Gaming Commission is processing the license transfer, SSR, NEHBPA and NEHARC are negotiating an arrangement to lease the Suffolk Downs racetrack or an agreement to operate the racing facilities that would permit either the NEHBPA or the NEHARC (if the license is transferred) to conduct less than 65 days of racing at Suffolk Downs.

The issues under negotiation are complex and the number of live race days is difficult to project, at this point, since a portion of the financial component is dependent on legislative action and subsequent action by the Gaming Commission. SSR and the NEHBPA have recently stepped up the intensity of the negotiations with the objective of reaching a positive outcome for both parties. It clear that the parties are at a critical juncture and that negotiations are rapidly approaching conclusion.

Thank you for the opportunity to comment on this matter.

Sincerely,

Anthony Spadea, President

Cc: Stephen Crosby, Chairman, Massachusetts Gaming Commission
Gail Cameron, Commissioner, Massachusetts Gaming Commission
Dr. Jennifer Durenberger, Director of Racing, Massachusetts Gaming Commission



PENN NATIONAL
GAMING, INC.

February 12, 2015

Chairman Stephen Crosby
Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, MA 02110

Dear Chairman Crosby,

We'd like to thank the Commission for the opportunity to offer our thoughts and comments regarding issues pertaining to thoroughbred and harness racing in the Commonwealth.

Plainridge Park Casino is just over six weeks away from the start of its 2015 live harness racing season. We are working towards several front and backside improvements for our guests and horsemen as well as moving rapidly to open the Plainridge Park Casino in June of this year -- a catalyst which will benefit the entire racing industry in the state.

Plainridge Park Casino is thankful to have been awarded the sole slots only license by the Commission last year. Pursuant to the gaming statutes we have increased live racing dates from 80 in 2014 to 105 this year rising to 125 in 2017.

Plainridge Park Casino is also supportive of efforts by the Commission and key stakeholders to explore ways to ensure thoroughbred racing continues in the Commonwealth. However, Plainridge Park respectfully requests that if legislative or regulatory changes are considered regarding uses of the Race Horse Development Fund, that Plainridge Park Casino be treated in an equitable manner along with all other permit holders.

Thank you in advance for your consideration. We'd be happy to participate in the ongoing discussion of this important matter to the Commonwealth.

Sincerely,

Christopher McErlean
Vice President – Racing

Copy to: J. Finamore
E. Schippers
L. George
F. Donaghue
C. Sottosanti

February 11, 2015

MA Gaming Commission
101 Federal Street
23rd Floor
Boston, MA 02110

Re: MGC Hearing 2/19/15
Stakeholders Hearing

Dear Chairman Crosby, Commissioner Cameron, Commissioner Stebbins, Commissioner Zuniga, Commissioner McHugh, Director Durenberger, and General Counsel Blue:

As counsel to the Harness Horseman's Association of New England (HHANE), I would like to raise the following objections and concerns regarding the issues raised in General Counsel Catherine Blue's letter and public notice of January 30, 2015.

The request by the New England Horseman's Benevolent and Protective Association (NEHBPA) to use Race Horse Development Fund (RHDF) monies for such things such as "leases," is clearly beyond the scope of the stated goals & purposes of the Fund, and as such is beyond the scope of authority granted to the Commission under M.G.L. Chapter 23K, Section 60 and 205 CMR 149.02.

In addition, the distribution decided by the Horse Racing Committee was based upon what had been basically an equal amount of race days between Thoroughbreds and Standardbreds. There is now a significant change proposed by Sterling Suffolk Racecourse, LLC (SSR) and the New England Horseman's Benevolent and Protective Association (NEHBPA) in the number of racing days proposed. Penn National's Plainridge Park Casino *must* race 105 days this year, and the thoroughbreds are only requesting a total of 25 - 50

race days. This is a ***material change in circumstance*** which requires a new review by the Horse Racing Committee and a new recommendation by the Committee to the MA Gaming Commission (MGC) before any consideration of any proposal or request made by any group for funds from the RHDF.

In addition, HHANE believes that the authority granted to the MGC under M.G.L. c. 23K, M.G.L. c. 128A, 205 CMR 149, and Chapter 436 of the Acts of 2014 does not extend to the request by Sterling Suffolk Racecourse, LLC (SSR) to stand in the shoes of the New England Horseman's Benevolent and Protective Association (NEHBPA) in requesting funds from the Horse Race Development Fund (HRDF) for purses. SSR is not a Horse Racing Association as defined in 205 CMR 149, & is therefore ineligible to receive distributions from the HRDF.

HHANE also argues that:

205 CMR 149.03 (1) Notice requirements have not been met.

205 CMR 149.03 (2)(a), subsections 1 through 4, inclusive, do not permit any distributions, transfers, or payments to SSR of any kind or for any purpose, since it is not a Horse Racing Association. In addition, pursuant to 205 CMR 149.03 (2)(a)(3), the regulation permits only the consideration of the transfer of the license of the horse racing association to a different horse racing association, which SSR is not.

Under 205 CMR 149.03 (2)(a)(4), HHANE submits that none of the actions within the authority of the MGC contemplated in subsections (a) through (d) include SSR as the "intended beneficiaries of the HRDF," and accordingly, the MGC does not have the statutory or regulatory authority to consider the merits of the request of SSR to request funding from the RHDF for purses.

In addition, HHANE requests that the MGC direct the Horse Racing Committee to reopen the allocation of funds from the HRDF between the Harness Racing Association and the Horse Racing Association due to the likelihood that the harness horse track located at Penn National's Plainridge Park Casino will be the only live racing facility open in 2015. The existing split of HRDF funds was based upon the assumption that there would be live thoroughbred racing during 2015. It is unequitable given the current situation and should be revisited by the Horse Racing Committee and reallocated to better reflect the contributions of the harness horsemen.

I would also like to request that the MGC add me to the distribution list as an interested party going forward.

Thank you for your consideration, and HHANE looks forward to working with the MGC on issues of mutual concern.

Martin G. Corry
Corry Associates LLC
Six Beacon Street
Suite 720
Boston, MA 02108



Standardbred Owners of Massachusetts, Inc.

PO Box 1682
Plainville, MA
02762

508-528-1877
info@sominc.net



Massachusetts Sire Stakes

Edward Nowak
James Hardy
Nancy Longobardi

President
Vice President
Secretary/Treasurer

Raymond Campbell *Director*
Henry Zola *Director*
Bonnie Rush *Director*
Paul Vacca *Director*

February 11, 2015

Catherine Blue, General Counsel
Massachusetts Gaming Commission
101 Federal St., 23rd Floor
Boston, MA 02110

Dear Attorney Blue,

Standardbred Owners of Massachusetts, Inc., representing the standardbred breeders would like to thank you for the opportunity to comment on the issues you have outlined in your letter dated January 30, 2015.

We are pleased to report that this year standardbred mares bred and registered in our program increased 20% over last year. We fully expect this trend to continue and grow for the next several years due to the current development at Plainridge Park. The Horse Racing Committee was given certain criteria to consider for the allocation of funds from the Race Horse Development Fund. As the current dynamic of the entire racing industry evolves and the criteria is impacted, it would be reasonable for the Race Horse Committee to review the allocation of funds between thoroughbred and standardbred racing.

As the authorized standardbred breeding program administrator, the Standardbred Owners of Massachusetts, Inc., will be requesting the allocated funding for this years breeders stakes races scheduled for this autumn. We are excited to be a part of the first step to a successful standardbred breeding program for years to come.

Sincerely,

Ed Nowak

Ed Nowak
President

From: MGC Website [<mailto:website@massgaming.com>]
Sent: Wednesday, February 18, 2015 1:36 PM
To: MGCcomments (MGC)
Subject: Contact the Commissioner Form Submission

Name

Paul Umbrello

Email

crrstable@verizon.net

Subject

IMPORTANT Public Hearing Tommorrow

Questions or Comments

I want to send the board an article (link below) as a reminder when the NEHBPA attends tomorrow's public hearing to address "Racing Matters". I would like for the MGC Board to take into account what the horseman plan to present in conjunction from an article on Sept 2014 and the comments made in the article.

Some of the comments from the article reference how the Gaming Commission will "Hopefully demonstrate there are things we can do and we are going to try and do them to help the horseman", "It's possible to have a free standing race track", "Backers of Thoroughbred racing can get creative and think about new structures", "Buckets of money, that can be used through the commissions administrative authority or through Legislatures support, which can be redirected to underpin the finance of a new horseracing venture", "Jobs is the important factor and the notion that horse racing is a tradition in the Commonwealth"

The important piece here is not just about horseracing and the purses but the thousands of jobs at stake and the preservation of the open space and agricultural farm land that will be lost. Even though Wynn was awarded the Casino license we still have hope and an opportunity to save jobs and the \$116 million plus dollars contributed as a result, back into the commonwealth

Thank you for your time and consideration in this very important matter
Paul Umbrello

<http://wwlp.com/2014/09/25/crosby-urges-horseracing-applicants-to-get-creative/>



Crosby urges horseracing applicants to “get creative”

By Gintautas Dumcius

Published: September 25, 2014, 7:12 pm



Photo: Thinkstock

BOSTON, SEPT. 25, 2014.....Facing criticism for their role in potentially extinguishing the live thoroughbred racing industry, state gambling commissioners stressed Thursday that the deadline for applications is Oct. 1, and they would welcome “placeholder” applications.

The commission’s decision earlier this month to award the Boston-area gaming license to Wynn Resorts over Mohegan Sun’s proposal for a casino at the Suffolk Downs racetrack prompted Suffolk Downs to announce its plans to close and redevelop its East Boston property. The track plans to close Oct. 4.

Asked if horseracing can stay alive in Massachusetts, commission chair Stephen Crosby said

Thursday, "It's been clear for years that there's been interest in the Legislature to do that, so I think there's a fighting chance."

Crosby said the challenge for those seeking to salvage the industry is the tight timeline, with the Oct. 1 statutory deadline approaching soon after the commission's Sept. 16 vote to hand over the license to Wynn.

"Number one, we've said we'll be very flexible," Crosby said. "Yes, get us something on October 1, get us an expression of interest, we will be very flexible in letting you come back after the dust settles and you've had a chance to put together a plan, we'll be very flexible in letting you come back and amend that."

Crosby said the commission is also hoping to convene a strategy meeting with horseracing stakeholders.

Suffolk Downs officials had hoped to keep racing alive at the track in connection with an expanded gambling operation, and track officials over the years have noted that horseracing has not attracted patrons as it had in previous years.

Plainridge Racecourse, which operates harness racing and has received a license to install slot machines, is not interested in switching to thoroughbred racing.

"It's a challenge but yeah, I do think that it's theoretically possible to have a free-standing thoroughbred racetrack," Crosby said. "Whether we can get there or not is a big question but it's possible."

Suffolk Downs officials last week lashed out at the commission for its vote, with Chip Tuttle, the racetrack's chief operating officer, calling the commission's hopes to save the industry "empty posturing." Tuttle said over a thousand jobs would be lost due to Suffolk Downs losing out on the license.

"I'm totally sympathetic to where Chip and the whole industry is coming from," Crosby said on Thursday. "The Suffolk Downs folks, they've been at this for a long time. It's a totally difficult, challenging, depressing circumstance. I understand that. Hopefully we are able to demonstrate there are things we can do and we're going to try to do them."

Paul Brooker, a Suffolk Downs worker who attended the commission's Thursday meeting, likened the commission to someone who shot an individual and then called an ambulance for them.

"What they did here, is they killed racing," said Brooker, a 79-year-old East Boston resident who works at the track as a blacksmith, making horseshoes.

“I don’t know what’s going to happen,” he said. “I hate to see it end.”

Penn National Gaming, which is hoping to open the slot parlor at Plainridge next June, has been in touch with Suffolk Downs officials about job opportunities across the country.

“We’re open to any sort of conversation at this point,” Lance George, general manager of the Plainridge Park Casino, told commission members.

“It’s a natural fit so I’m glad that connection’s being made,” Crosby responded.

Penn National, which operates 12 racetracks nationwide, recently opened a harness track in Dayton, Ohio, and a thoroughbred track in Youngstown, Ohio.

“Thoroughbred horseracing has occurred all over Massachusetts,” Crosby told reporters after the discussion on horseracing. “There’s the Brockton Fair, there’s the Northampton Fair, there’s fairgrounds all over the place, where there are tracks that can accommodate a thoroughbred race. So that’s one of the issues. And plus, you can create a new thoroughbred track. So there are plenty of options out there. How good, which is the better, I don’t have any idea but there are options out there.”

Crosby said he didn’t believe there would be much competition between a racetrack and a resort casino. “The question is whether a racetrack can survive economically on just the economics of the racetrack, without the support of slots and table games, which is the model that’s been happening around the country,” he said. “That’s a challenging model. You don’t find very many racetracks that are standalone. You do find some but you don’t find a lot.”

Crosby said backers of thoroughbred racing can “get creative and think about new structures.” Crosby added that there are a variety of “buckets of money” that come from a “convoluted” financial structure based on simulcasting and horseracing that can be used, through the commission’s administrative authority or through the Legislature’s support, which can be redirected to underpin the financing of a new horseracing venture.

Asked why the commission, which regulates the racing industry, is focused on also saving the industry, Gaming Commission spokeswoman Elaine Driscoll said, “The commission does regulate racing as well as expanded gaming. Jobs is an important factor and also the notion that horse racing is a longstanding tradition here in the Commonwealth.”

Jennifer Durenberger, the commission’s director of racing, suggested the possibility of emergency legislation to change the Oct. 1 deadline, but Crosby said emergency legislation in five days is a “long shot at best.”

Separately, the gaming commission’s general counsel, Catherine Blue, told the commission that several agency employees had asked about seeing Suffolk Downs on their own time as it winds

down its racing schedule. Its last day of racing is set for Oct. 4.

Under current rules, agency employees cannot go unless they're visiting on a business matter.

The commissioners agreed with Blue's suggestion that the employees could go to the track on their own time as long as they didn't wager on races and checked in with the State Police while at the track.

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205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 14.00 SUPPLEMENTAL LICENSURE PROCEDURES

14.01: Supplemental Procedures for Licensure Pursuant to M.G.L. c. 128A, § 2.

(1) Any person desiring to hold or conduct a horse racing meeting within the commonwealth shall make an application to the commission for a license so to do in accordance with M.G.L. c. 128A, § 2. The commission may waive the deadlines for filing of and action on any such application in the event that there is no horse racing association then licensed in the commonwealth or any such association previously licensed has submitted written notice of intent pursuant to 205 CMR 149.03 (1), has failed to timely notify the commission pursuant thereto or has caused or suffered any event described in 205 CMR 149.03 (a)-(f) to have occurred.

(2) The commission may deem an application for a license submitted pursuant to M.G.L. c. 128A, § 2 complete as of the date first filed, notwithstanding the fact that the applicant provided additional or supplemental information in support of that application at a later time, provided all such additional or supplemental information has been provided to the commission no later than 90 days before the proposed commencement of a meeting requested in the application.

(3) The commission may, at an applicant's request, hold the certified checks or bank drafts required as part of an application of a license pursuant to M.G.L. c. 128A, § 2 in escrow until 30 days after the award of a license.

(4) A harness racing association or horse racing association awarded a license pursuant to M.G.L. c. 128A must provide the commission with the bond required pursuant to M.G.L. c. 128A, § 3(o) within 30 days of the award of the license.

REGULATORY AUTHORITY

205 CMR 14.00: M.G.L. c. 23K, §§ 2, 4(37), 4(38), 5, 7, 60; c. 128A, §§ 1, 2, 3, 9, 9B.



TO: Stephen Crosby, Chairman
Gayle Cameron, Commissioner
James McHugh, Commissioner
Bruce Stebbins, Commissioner
Enrique Zuniga, Commissioner

FROM: Alexandra Lightbown, DVM, Chief Veterinarian and
Operations Manager

CC:

DATE: February 12, 2015

RE: Furosemide Administration Program

One of the Association of Racing Commissioners International (ARCI) Model Rules is the third party furosemide administration rule. Furosemide is the only medication allowed on race day. The rule requires that a veterinarian not employed by the owner or trainer of a racehorse be the one who administers furosemide. This eliminates allegations that private veterinarians are administering more than just furosemide on race day. A drawback to this is a significant loss of revenue for the private veterinarians, who may then decide not to work at the tracks, leading to insufficient veterinary care for the horses. With the economic climate and uncertainty at Suffolk Downs and Plainridge Racecourse, Director Durenberger felt a modified third party administration program (“commission controlled furosemide administration”) would meet the goals of the Model Rule without taking income away from the private veterinarians.

We modeled our program after a successful one run by Dr. Lynn Hovda, Chief Commission Veterinarian in Minnesota and Chair of the Regulatory Veterinarians Committee of ARCI. I traveled to Minnesota in 2013 to see the program in action. We wrote up Standard Operating Procedures and included versions of them in our Guides for Trainers and Veterinarians at both tracks. This information was widely disseminated in a variety of ways. The procedures included having a Massachusetts Gaming Commission Veterinary Assistant accompany the private veterinarians as they administered furosemide, filling out paperwork detailing the time of administration, identifying the horse, and obtaining signatures of the trainer and veterinarian. The program was instituted starting with the 2014 race meets.

In August, in response to a letter from the Harness Horseman’s Association of New England alleging that Suffolk horsemen were not being held to the same administration time limits as the Plainridge horsemen, Director Durenberger discussed the programs with the Suffolk Stewards



Massachusetts Gaming Commission

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and myself. 205CMR 4.52(6)(b)1. reads: “Furosemide shall be administered by single intravenous injection no less than four hours prior to post time for the race which the horse is entered”. This was not a new rule, but the new program provided a record of the administration time. Director Durenberger made it clear to us that going forward, any horse receiving furosemide closer than four hours before post time was to be scratched. In response to the Director’s discussion, I conveyed the same information to the horsemen, private veterinarians, and Massachusetts Gaming Commission personnel. After that, all furosemide at Suffolk Downs was administered no less than four hours before the post time.

Director Durenberger also conducted a review of records for the period prior to August 23, 2014 and found about 171 violations of the four hour rule at Suffolk Downs and seven at Plainridge Racecourse. She informed Sergeant Timothy Babbin and Detective Lieutenant Brian Connors of the late furosemide administrations on October 1, 2014. Sergeant Babbin proceeded with a full investigation. The late treatments were administered by all three veterinarians at Suffolk and the lone veterinarian at Plainridge.

At Suffolk Downs, the late treatments involved 65 trainers, 114 owners and 97 races. Sergeant Babbin found no pattern with any of these. He stated that there were some winners in this group, but a much larger group of non-winners. He also found no pattern with the MGC personnel involved. None of the horses tested were over our limits for furosemide. He commented that the majority of the violations were within several minutes of the four hour limit, and pointed out that races are often delayed, so administration may have been before the four hour limit. Sergeant Babbin goes on to say, “While this in no way condones a violation of the Rules and Regulations of 205CMR4.52 (6)(b), it does reveal a widely held belief that there was some flexibility in the adherence to the time component of the regulation.” After his investigation was complete, he was of the opinion that there were no criminal violations in regards to the late administration of furosemide at either track.

Going forward, Sergeant Babbin suggested several administrative remedies, which he said “might include the following:

- Mandatory participation in a comprehensive training (online or in person) for all veterinarians, stewards, trainers, owners, and veterinary assistants as to MGC protocols and practices outlined in 205CMR4.52 (6)(b) prior to any employment at a racecourse within the Commonwealth.
- Obtain a signed document from each employee indicating an understanding of the rules, regulations and policies surrounding the administration of furosemide.
- A strict adherence to the policy through thorough clear and concise training and including progressive discipline for violations of 205CMR4.52(6)(b).





- A comprehensive monthly review by the Director of Racing (or his/her) designee to insure compliance with 205CMR4.52(6)(b).”

Moving forward, there are several issues to consider. We do have a protest regulation, 205 CMR 4.11 (7) (d) 1., which, in short, states that a protest against a horse that started in a race shall be made within 72 hours of the race. Obviously, we are beyond the 72 hours. The case could be made that the other owners and trainers in the affected races did not know of the late administrations, and they should be given notice and the chance to protest. However, it is not clear that before August 23, 2014, the Stewards would have scratched the horses if they had been made aware of the late furosemide administration. Past practice had allowed some leeway. Thus, we can't assume the horses would have been deemed ineligible to race.

The protest regulation does have an instance where the 72 hour limitation does not apply, 205 CMR 4.11(7)(d) 3., which reads in part "...the time limitation on the filing of protests shall not apply in any case in which fraud or willful misconduct is alleged provided that the stewards are satisfied that the allegations are bona fide and verifiable". Sergeant Babbins' investigation indicates there was no fraud or willful misconduct.

At this point, it makes sense to evaluate how the four hour furosemide administration regulation should be enforced. As part of the ARCI Model Rules we have adopted, if someone administers extra furosemide to a horse, races, and the horse tests over our threshold, they receive a warning or fine, but they get to keep any purse money they won. This is in contrast to a trainer who ships down from Maine, gets stuck in a traffic jam due to a traffic accident, arrives five minutes late for furosemide and is not allowed to race.. Could we give them a warning or fine, and allow them to race? We are forming a group of industry stakeholders and Gaming Commission employees to explore this issue, and will have recommendations before Plainridge opens in April.

Further actions for consideration include:

- Review and update the Standard Operating Procedures for furosemide administration.
- Arrange a meeting with the Judges/Stewards and members of the MGC legal staff to discuss enforcement issues.



Massachusetts Gaming Commission

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The Commonwealth of Massachusetts
Massachusetts Gaming Commission

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CHAIRMAN

STEPHEN P. CROSBY

COMMISSIONERS

GAYLE CAMERON

JAMES F. MCHUGH

BRUCE W. STEBBINS

ENRIQUE ZUNIGA

MEMORANDUM

TO:	Massachusetts Gaming Commission / State Racing Division
FROM:	Rick Day, Executive Director
SUBJECT:	2013 Unclaimed Tickets to Purse Accounts – Horse Tracks
DATE:	February 11, 2015

In accordance with General Laws of Massachusetts, Chapter 128A, Section 5A, (Recovery of winnings upon wagers; actions; unclaimed winnings; disposition; notice of limitation), unclaimed winnings on wagers are payable to the Commonwealth within ninety days after December 31 of the year following the year in which the wager was made. Accordingly, the Commission has collected 2013, as follows:

Sterling Suffolk Downs	\$293,054.65
Plainridge Racecourse	\$138,036.61

Under Chapter 139, Section 10 (live) and Section 20 (simulcasts), “subject to rules and regulations established by the Commission, the Commission shall deposit unclaimed wagers into the purse accounts of the racing meeting licensee that generated those unclaimed tickets”.

After receipt and confirmation that all funds have been received and cleared, with your authorization, we will make payment to the tracks to be applied to their purse accounts.



The Commonwealth of Massachusetts
Massachusetts Gaming Commission

84 State Street, Suite 720
Boston, Massachusetts 02109

CHAIRMAN

STEPHEN P. CROSBY

COMMISSIONERS

GAYLE CAMERON

JAMES F. MCHUGH

BRUCE W. STEBBINS

ENRIQUE ZUNIGA

TEL: (617)979-8400

FAX: (617)725-0528

www.mass.gov/gaming

MEMORANDUM

TO:	Massachusetts Gaming Commission / State Racing Division
FROM:	Rick Day, Executive Director
SUBJECT:	2013 Unclaimed Tickets to Stabilization Fund – Dog Tracks
DATE:	February 11, 2015

In accordance with General Laws of Massachusetts, Chapter 128A, Section 5A, (Recovery of winnings upon wagers; actions; unclaimed winnings; disposition; notice of limitation), unclaimed winnings on wagers are payable to the Commonwealth within ninety days after December 31 of the year following the year in which the wager was made. Accordingly, the Commission has collected 2013, as follows:

Wonderland Greyhound Park	\$19,080.81
Raynham/Taunton Greyhound	\$157,119.84

Pursuant to Chapter 86 of the Acts of 2010 Section 14, subsection 18, amounts from unclaimed tickets ...by greyhound meeting licensee/s shall be dedicated to the Racing Stabilization Fund.

After receipt and confirmation that all funds have been received and cleared, with your authorization and per your instruction, distribution will occur.



The Commonwealth of Massachusetts
Massachusetts Gaming Commission

*84 State Street, Suite 720
Boston, Massachusetts 02109*

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CHAIRMAN

STEPHEN P. CROSBY

COMMISSIONERS

GAYLE CAMERON

JAMES F. MCHUGH

BRUCE W. STEBBINS

ENRIQUE ZUNIGA

February 11, 2015

Mr. David Lanzilli
Wonderland Greyhound Park
111 Waldemar Avenue
East Boston, Massachusetts 02128

RE: Recovery of Unclaimed Winnings (2013 OUT's)
\$19,080.81

Dear Mr. Lanzilli:

In accordance with General Laws of Massachusetts, Chapter 128A, Section 5A, (Recovery of winnings upon wagers; actions; unclaimed winnings; disposition; notice of limitation) unclaimed winnings on wagers are payable to the Commonwealth within ninety days after December 31 of the year following the year in which the wager was made. We have reviewed Wonderland Greyhound Park's outstanding ticket accounts for calendar year 2013 and determined \$19,080.81 is payable before April 1, 2015. Please make payment to the Commonwealth of Massachusetts.

Sincerely,

Rick Day
Executive Director

Cc: Commissioners



The Commonwealth of Massachusetts
Massachusetts Gaming Commission

*84 State Street, Suite 720
Boston, Massachusetts 02109*

TEL: (617)979-8400
FAX: (617)725-0528
www.mass.gov/gaming

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BRUCE W. STEBBINS

ENRIQUE ZUNIGA

February 11, 2015

Mr. David Lanzilli
Sterling Suffolk Racecourse, LLC
111 Waldemar Avenue
East Boston, Massachusetts 02128

RE: Recovery of Unclaimed Winnings (2013 OUT's)
\$293,054.65

Dear Mr. Lanzilli:

In accordance with General Laws of Massachusetts, Chapter 128A, Section 5A, (Recovery of winnings upon wagers; actions; unclaimed winnings; disposition; notice of limitation) unclaimed winnings on wagers are payable to the Commonwealth within ninety days after December 31 of the year following the year in which the wager was made. We have reviewed Sterling Suffolk Racecourse's outstanding ticket accounts for calendar year 2013 and determined \$293,054.65 is payable before April 1, 2015. Please make payment to the Commonwealth of Massachusetts.

Under Chapter 139, Section 10 (live) and Section 20 (simulcasts), "subject to rules and regulations established by the commission, the commission shall deposit unclaimed wagers into the purse accounts of the racing meeting licensee that generated those unclaimed tickets". Accordingly, this money will be returned to you and must be applied to purses Sterling Suffolk Racecourse.

Sincerely,

Rick Day
Executive Director

Cc: Commissioners



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February 11, 2015

Mr. Joseph Capucci
Taunton Dog Track / Massasoit Greyhound Association
P. O. Box 172
Raynham, Massachusetts 02767

RE: Recovery of Unclaimed Winnings (2013 OUT's)
\$157,119.84

Dear Mr. Capucci:

In accordance with General Laws of Massachusetts, Chapter 128A, Section 5A, (Recovery of winnings upon wagers; actions; unclaimed winnings; disposition; notice of limitation) unclaimed winnings on wagers are payable to the Commonwealth within ninety days after December 31 of the year following the year in which the wager was made. We have reviewed Taunton Dog Track / Massasoit Greyhound Association's outstanding ticket accounts for calendar year 2013 and determined \$157,119.84 is payable before April 1, 2015. Please make payment to the Commonwealth of Massachusetts.

Sincerely,

Rick Day
Executive Director

Cc: Commissioners



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Massachusetts Gaming Commission

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FAX: (617)725-0528

www.mass.gov/gaming

February 11, 2015

Mr. Stephen O'Toole
General Manager
Plainville Racecourse
301 Washington Street
Plainville, Massachusetts 02762

RE: Recovery of Unclaimed Winnings (2013 OUT's)
\$138,036.61

Dear Mr. O'Toole:

In accordance with General Laws of Massachusetts, Chapter 128A, Section 5A, (Recovery of winnings upon wagers; actions; unclaimed winnings; disposition; notice of limitation) unclaimed winnings on wagers are payable to the Commonwealth within ninety days after December 31 of the year following the year in which the wager was made. We have reviewed Plainville Racecourse's outstanding ticket accounts for calendar 2013 and determined \$138,036.61 is payable before April 1, 2015. Please make payment to the Commonwealth of Massachusetts.

Under Chapter 139, Section 10 (live) and Section 20 (simulcasts), "subject to rules and regulations established by the commission, the commission shall deposit unclaimed wagers into the purse accounts of the racing meeting licensee that generated those unclaimed tickets". Accordingly, this money will be returned to you and must be applied to purses at Plainville Racecourse.

Sincerely,

Rick Day
Executive Director

Cc: Commissioners