



**MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #194**

June 23, 2016
10:00 a.m.

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA



Massachusetts Gaming Commission



NOTICE OF MEETING and AGENDA

June 23, 2016

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, June 23, 2016

10:00 a.m.

**Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA**

PUBLIC MEETING - #194

1. Call to order
2. Approval of Minutes
 - a. June 9, 2016
3. Administrative Update – Ed Bedrosian, Executive Director
 - a. General Update
 - b. PlayMyWay Launch Report
 - c. Social Gaming – 2 – J. Stempeck, Staff Attorney
 - i. MGM Representatives
 - ii. Plainridge Park Casino Representatives
4. Investigations and Enforcement Bureau – Karen Wells, Director
 - a. ATM Emergency Regulation 205 CMR 138 – B. Band, Gaming Agents Division Chief and T. Grossman, Deputy General Counsel – **VOTE**
5. Finance Division – Derek Lennon, Chief Financial and Accounting Officer
 - a. FY17 Massachusetts Gaming Commission Budget – **VOTE**
6. Legal Division – Catherine Blue, General Counsel
 - a. Antique Slot Machine Donation – **VOTE**
 - b. Mass Gaming & Entertainment License Decision – **VOTE**
 - c. Amended Small Business Impact Statement and Final Draft Approval for 205 CMR 3.00: Harness Horse Racing – **VOTE**
 - d. Amended Small Business Impact Statement and Final Draft Approval for 205 CMR 4.00: Rules of Horse Racing – **VOTE**

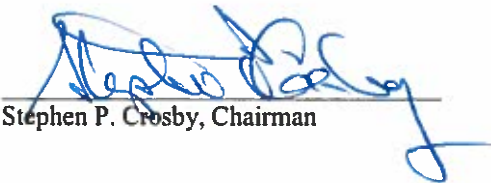


Massachusetts Gaming Commission

7. Ombudsman Report – John Ziemba
 - a. Construction Management Report – J. Delaney, Construction Project Oversight Manager
 - b. Gaming Policy Advisory Committee Appointments – VOTE
8. Racing Division – Alex Lightbown, Director of Racing/Chief Veterinarian
 - a. Suffolk Downs Request for Approval of Racing Officials – VOTE
 - b. Suffolk Downs Request for Reduced Take Out – VOTE
 - c. Brockton Fairgrounds Request for Race Horse Development Funds – VOTE
9. Workforce & Supplier Diversity – Jill Griffin, Director
 - a. Supplier Diversity Reporting Clarification – VOTE
10. 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 “Massachusetts Gaming Commission Meeting” at www.massgaming.com and emailed to: regs@sec.state.ma.us, melissa.andrade@state.ma.us.

6/21/16
DATE



Stephen P. Crosby, Chairman

Date Posted to Website: June 21, 2016 at 10:00 a.m.



Massachusetts Gaming Commission

101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com



Meeting Minutes

Date/Time: June 9, 2016 – 10:00 a.m.

Place: Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, Massachusetts

Present: Commissioner Gayle Cameron
Commissioner Lloyd Macdonald
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

Absent: Chairman Stephen P. Crosby

**Time entries are linked to
corresponding section in
Commission meeting video**

Call to Order

See transcript page 2

[10:01 a.m.](#) Commissioner Zuniga called to order the 193rd Commission meeting. He noted that Chairman Crosby is at a conference in Las Vegas.

Approval of Minutes

See transcript pages 2-3

[10:01 a.m.](#) *Commissioner Macdonald moved for the approval of the May 10, 2016, May 12, 2016, and May 26, 2016, Commission meeting minutes subject to any corrections, typographical errors, or other nonmaterial matters. Motion seconded by Commissioner Cameron. Motion amended to include when Commissioner Stebbins entered the meeting on May 26, 2016. Motion passed unanimously.*

Administrative Update

See transcript pages 3-9

[10:03 a.m.](#) Executive Director Edward Bedrosian, Jr. reported on the launch of Play My Way, a responsible gaming budgeting tool, at Plainridge Park Casino. He also reported that some MGC employees participated in a seven-month training program with the Massachusetts Aspiring Supervisors Program. He noted that the following

employees will receive a certificate of completion in the respective tracks: Aspiring Supervisor Track – Michelle Arango and Marianne Bratton-Davies; Manager Roundtable Track – Dan MacDonald, Maria Bottari, and Dean Ventola; and Program Manager Track – Agnes Beaulieu. He stated that he will present the certificates to the staff this afternoon.

Finance Division

See transcript pages 9-48

[10:10 a.m.](#) CFAO Derek Lennon presented on the FY17 initial budget recommendations which included the following: licensee assessment, Race Horse Development Fund projections, Office of the Attorney General costs, ten percent indirect cost, and comparison chart of FY16 to FY17. He also explained the headings that did not print out on the memo. CFAO Lennon also provided highlights of the following: payroll, fringe benefit costs, workers compensation, consulting costs, grant operations, overview of process which included meetings with department directors and licensees, gaming control appropriations, and racing division staffing and revenues.

Commissioner Zuniga raised the matter of the increase in the workforce development line item. Commissioner Stebbins noted that the Category 1 licensees are two years from opening and this is the time for making sure that workforce development strategies are in place.

CFAO Lennon noted that the budget will be posted for public comment.

Legal Division

See transcript pages 49-51

[10:57 a.m.](#) General Counsel Catherine Blue requested that the Commission approve the small business impact statement, pertaining to regulation 205 CMR 6.46 – Pentafecta Pool, for filing. She noted that this is the first step in the regulation promulgation process.

[10:58 a.m.](#) *Commissioner Stebbins moved that the Commission approve the small business impact statement for 205 CMR 6 Pari-mutuel Rules for Thoroughbred Racing, essentially 6.46 the pentafecta pools, and begin the formal promulgation process. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Workforce, Supplier and Diversity Development

See transcript pages 51-72

[10:58 a.m.](#) Director Jill Griffin noted that our licensees are working closely with unions and contractors to ensure that their diversity goals are met. She reported that she attended an MGM open house for women interested in the construction trades. She also reported that Wynn held a meeting with more than 100 food vendors interested in servicing three shifts of construction workers on-site. She stated that this was a creative idea to provide opportunities to local small businesses during the construction of the casino site.

Director Griffin reported on the collaboration with SkillWorks (workforce funders collaborative) and community colleges (Bunker Hill and Roxbury) to conduct a culinary and hospitality workplace needs assessment for the greater Boston region. The report will address occupational skill gaps and recommended strategies. She stated that the initial report could be available in July and completed by the Fall.

Director Griffin presented on changes in reporting guidelines for supplier diversity during the design and construction of Category 1 gaming establishments. She noted that it would be a change from the existing state policy. She reported on recommendations which included gaming licensee retroactive reporting on diversity spend, notation in quarterly report regarding pre and post-certification status, and maintaining clear records evidencing when the company commenced work on a project and date of certification. She noted that all records would be subject to audit by the Commission. Director Griffin described her due diligence performed regarding the reporting change and provided an example relating to MGM and a veteran-owned business. General Counsel Blue suggested that the policy be posted for public comment and brought back before the Commission for a vote.

Racing Division

See transcript pages 72-93

[11:26 a.m.](#) Dr. Alexandra Lightbown, Director of Racing, presented on the request from Suffolk Downs for purse account money from the Race Horse Development Fund (“RHDF”). She stated that they are requesting \$2.4 million for six days of racing.

Dr. Lightbown reported that the Brockton group (Middleboro Agricultural Society) submitted a supplemental application. She stated that if they ask for the full \$5 million, there will be enough money in the fund to cover both meets and the different horsemen’s groups. She noted that the Horse Racing Committee will be meeting to determine the split of the RHDF. Dr. Lightbown recommended that the Commission approve the request for \$2.4 million for purses.

[11:29 a.m.](#) Chip Tuttle, Chief Operating Officer at Suffolk Downs, stated that he is staging the races four weeks apart so that the Mass Breeders will have the opportunity to run their stakes races at our venue. He also stated that they have steeplechase races scheduled.

[11:36 a.m.](#) *Commissioner Cameron moved that the Commission approve the request made by Suffolk Downs for payment of \$2.4 million out of the Race Horse Development Fund for the purpose of funding purses at a six-day race meet proposed by Suffolk Downs and described in the memo by Dr. Lightbown in the Commission packet. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

[11:37 a.m.](#) Dr. Lightbown presented on Suffolk Downs request for \$325,000 for the horseman’s association (New England Horsemen’s Benevolent and Protective Association) of which \$225,000 is for operational expenses and \$100,000 is for a feasibility study. She noted that in previous years the Commission did not approve the \$100,000 because it was not for operational costs.

Commissioner Zuniga inquired about the line item for \$140,000. Dr. Lightbown responded that the money is for bookkeeping and consulting costs. General

Counsel Blue stated that those costs, and costs for staffing and insurance, fit into the operating expenses allowed under the statute. She stated that the number and kinds of costs are the same that the Commission approved last year.

11:40 a.m. *Commissioner Cameron moved that the Commission approve the additional payment of \$225,000 to Suffolk Downs out of the Race Horse Development Fund for the benefit of the NEHBPA (New England Horsemen's Benevolent and Protective Association) for administrative and operation expenses as described in Dr. Lightbown's memo. Motion seconded by Commissioner Stebbins. Motion passed unanimously.*

11:41 a.m. General Counsel Blue stated that the feasibility study matter came before the Commission last year. It was discussed and determined that it was not an appropriate expense. She stated that there have been subsequent meetings between staff and the horsemen's group and it was explained to them as well. She noted that the RHDF is designed for purses (80%), breeders program (16%), and health and welfare benefits (4%). She stated that the study they are proposing is a capital expense and it doesn't fit into any categories of the fund.

11:46 a.m. *Commissioner Cameron moved that the Commission deny the request by the NEHBPA (New England Horsemen's Benevolent and Protective Association) for payment from the Race Horse Development Fund in the amount of \$100,000 to cover the costs of a feasibility study for the creation of an equine park. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Other Business Not Reasonably Anticipated

See transcript page 93

11:47 a.m. *Having no further business, a motion to adjourn was made by Commissioner Cameron. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated June 9, 2016
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated May 10, 2016
3. Massachusetts Gaming Commission, Draft Meeting Minutes dated May 12, 2016
4. Massachusetts Gaming Commission, Draft Meeting Minutes dated May 26, 2016
5. Massachusetts Gaming Commission, Memorandum dated June 9, 2016, regarding Fiscal Year 2017 (FY17) Initial Budget Recommendations, with attachments
6. Small Business Impact Statement, 205 CMR 6.00: Pari-Mutuel Rules for Thoroughbred Racing, Harness Racing, and Greyhound Racing (Pentafecta Pools)
7. Massachusetts Gaming Commission, Memorandum dated June 6, 2016, regarding Supplier Diversity Certification and Retroactive Reporting, with attachment
8. Massachusetts Gaming Commission, Memorandum dated June 6, 2016, regarding Suffolk Downs Request for Race Horse Development Funds, with attachments

/s/ Catherine Blue
Catherine Blue, Assistant Secretary

No Documents

No Documents



PLAYSTUDIOS

Massachusetts Gaming Commission

June 23, 2016

Our Background

- Founded in 2011 Paul Mathews and Andrew Pascal
- Strategic Investors include MGM Resorts and Activision/Blizzard
- 180 employees in CA, TX, NV and Hong Kong
- Six game applications live today
- 1.5 million Daily Active Players and 5m Monthly Active Players
- 7th Largest Social Casino operator by Revenue
- Founder of International Social Games Association

Our Mission

- To produce high quality games, and provide access to real world rewards to create the most compelling social casino experience available anywhere.
- If we do this, we'll build lasting value for our stakeholders.

Our Brands



Our Rewards

- **Our Audience** is highly engaged in the game experience
- **Our REWARDS Partners** are iconic brands representing the best available experiences in hospitality, leisure, and entertainment- with more rewards added every day
- **Our REWARDS Platform** is a scalable technology platform that unites real-time inventory management, rewards provisioning, in-game merchandising, loyalty program integration, and reporting and analytics
- **REWARDS delivers substantial benefits to our Partners** in the form of impressions, engagement, customer trips generated, and incremental revenues.



129

26%



281,699

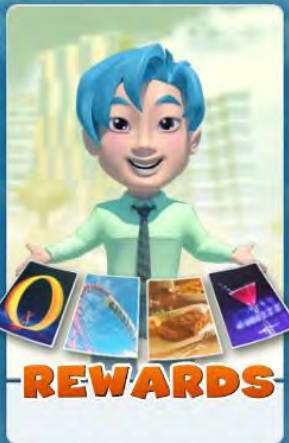


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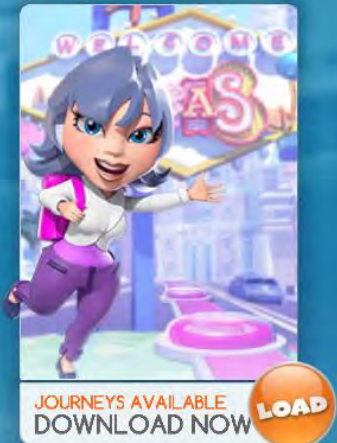
BUY



JACKPOTS
NOW AVAILABLE
GAMES

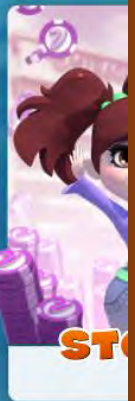


REWARDS





JOURNEYS AVAILABLE
DOWNLOAD NOW

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STOPS

DAILY DEALS Up To **1325% Bonus** Or More



Buy Chips

BONUS
03:52:21

Back

GAMES

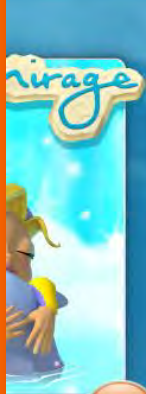
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DAILY DEALS Up To 1325% Bonus Or More



Buy Chips

MORE FREE CHIPS!
Development Build

Back 289 654,587,830 19,412,910 374,238,233 BUY

SCORE	K	Character 1	Character 2	K	SHAQ 9	MY STRIP
SHAQ 9	K	A	J	J		Character 3
SHAQ 9	Character 2	SHAQ 9	Character 1	Q		SPIN 600K

Bet MAX to Win More!

Development Build



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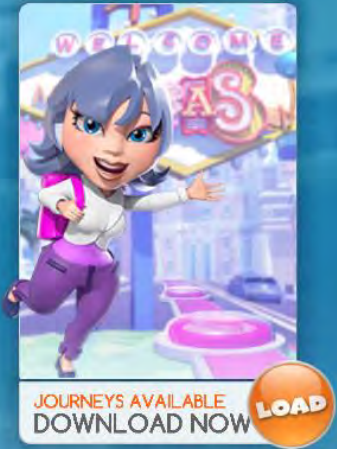
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JACKPOTS
NOW AVAILABLE
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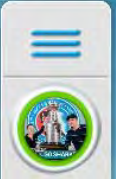


JOURNEYS AVAILABLE
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STOPS



DAILY DEALS Up To **1325% Bonus**
Or More



Buy Chips

BONUS
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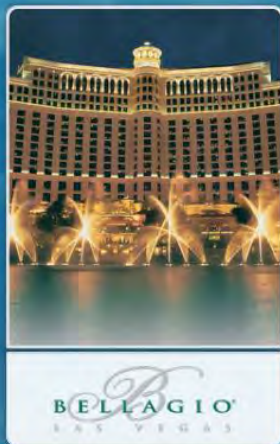
REWARDS

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GET 2XP 5,310



730



Sorting By: Partners

Development Build

Home

REWARDS

5 GET 2XP 5,310



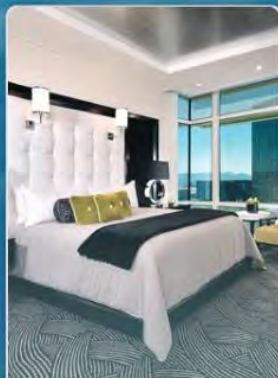
730



CATEGORY
SHOWS



CATEGORY
RESTAURANTS



CATEGORY
ROOMS



CATEGORY
NIGHTLIFE



Sorting By: Categories

Development Build

Home

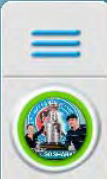
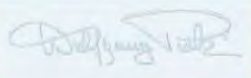
REWARDS

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Sorting By: Partners

Back

REWARDS

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\$50 Off Vegas Dream

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\$85 - Vegas Nights
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Sorting By: Partners/Maverick Helicopters

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REWARDS

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26%



281,699

\$85 - Vegas Nights Flight

Maverick Las Vegas, Maverick Helicopters, Las Vegas



First Name

Last Name

Email Address

- Please use your name as shown on your ID.
- Confirmation will be sent to this e-mail
- This info will be permanently associated with this account.
- You must be 21 or older to participate.

Confirm for 50,000





Program Update

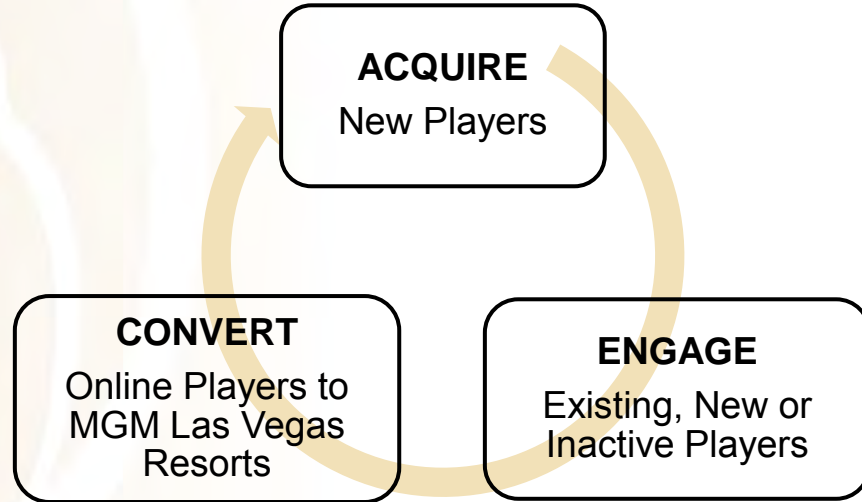
Disclaimer

This presentation is informational only. MGM Springfield has not determined whether or in what manner it will participate in the PlayStudio MyVegas loyalty reward program offered by MGM Resort International's partner MyVegas. If MGM Springfield determines that it would like to be involved with that loyalty program, it will coordinate with the Massachusetts Gaming Commission to ensure it is implemented with MGC guidance and approval.

MGM Resorts Objectives

- **Acquire new customers**
- **Reactivate dormant customers**
- **Engage existing customers**
- **Result is that 42.2% of customers from this program are New or Re-Activated customers**
- **Optimize the use of inventory to stimulate business during off-peak periods**
- **Increase share-of-wallet**
- **Position MGM as a progressive forward-thinking company**
- **Establish initial momentum with interactive initiatives**


Marketing Cycle



Requirements

- **Must join M life to redeem rewards.**
- **Must be 21 years old to Join M life and redeem rewards.**

MGM Resorts International - Rewards Offered



7 LEFT TODAY

Mandalay Bay

One Lunch Buffet Pass

11,500




10 LEFT TODAY

The Mirage

Two LOVE Tickets

85,250



4 LEFT TODAY

Bellagio

Exclusive Rate - \$129/nt

3,000



10 LEFT TODAY

MGM Grand LV

Weekend Comp Room

227,500




7 LEFT TODAY

Excalibur

Companion Ticket

4,000



M-LIFE

Bellagio

Choose Fountain Songs

1,000,000

MGC Public Hearing

Social Casino

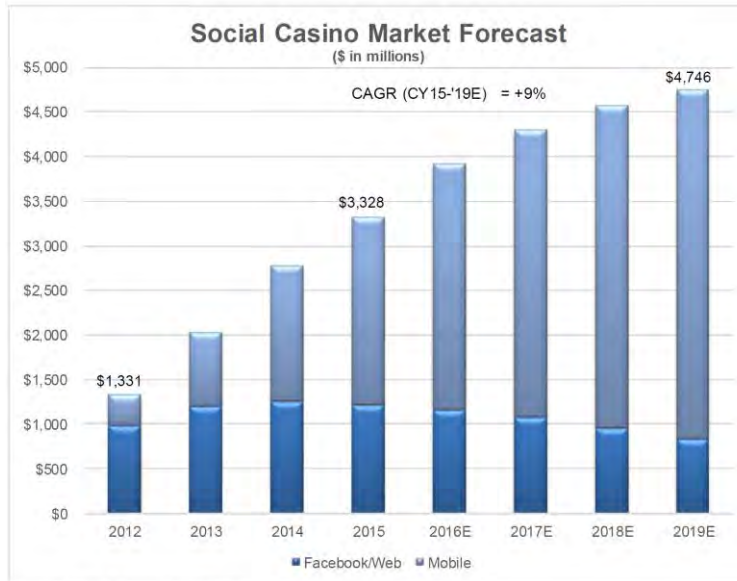
June 23, 2016



PENN NATIONAL
GAMING, INC.

Social Casino Background

- Free, play for fun, social games with casino themes
- Patrons can purchase credits for additional play. No prizes or cash awarded.
- Similar model to other social games e.g. Candy Crush, Angry Birds
- Not illegal gambling – per all recent court cases



Source: Eilers & Krejci Gaming, LLC



Title: Candy Crush Saga
Publisher: King
Category: Puzzle / Match-3
CY15 revenues: \$682m
Demographic: Male & Female
Age: 30-40



Title: Slotomania
Publisher: Playtika
Category: Slots/Casino
CY15 revenues: \$204m
Demographic: Female
Age: 40-50



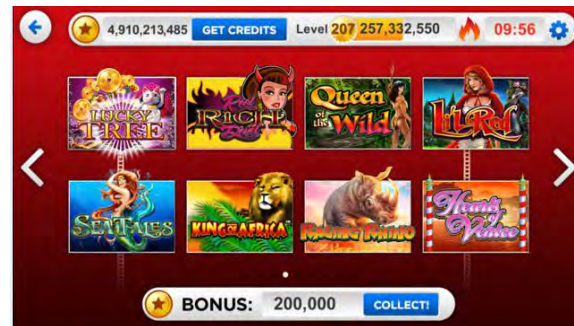
Penn National Social Gaming Initiatives

- Survey (June 2015) - Nearly 50 % of existing customers already play
- Opportunity to engage existing customers
- Great tool to build loyalty and retention with land based customers
- Potential to develop new land customers via iGaming / social products
- Protect Penn's land based business from other social gaming sites
- Generate additional revenues from \$ 4BN+ market
- Build databases in readiness for real money iGaming (e.g. PA, NJ etc)
- Rolling out two products – hollywoodcasino.com and hollywoodslots



Hollywoodcasino.com

- Social casino platform where customers can play online slots and video poker for free
- A Penn National site developed and hosted by our partner Scientific Games
- Branded Hollywoodcasino.com available via web, IOS or Android platforms
- Nothing of value is awarded and a player account cannot be exchanged
- Patrons can purchase virtual credits and game unlocks
- Some games are the same slot product from the casino floor
- Primarily marketed via land based channels such as:
 - Email
 - Direct mail
 - Posters and digital signage
 - Web sites and Facebook pages



HollywoodCasino.com on Property Marketing



HollywoodCasino.com External Marketing



HollywoodCasino.com

Responsible Practices

- At registration, customer certifies they are over 21 and not SEP (tick box only)
- Clear guidance that games may not reflect land based experience

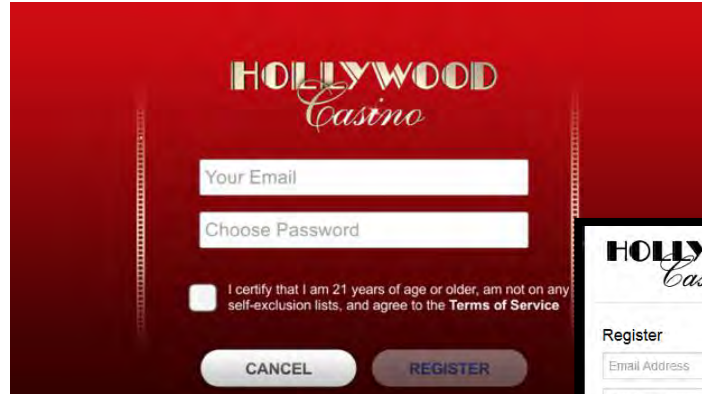
“Play Free Slot-Style Social Casino Games at HollywoodCasino.com. Enjoy playing Free Online Slots for Fun Online and in our Hollywood Casino Slots App. Enjoy playing the same slot machine games at Hollywood Casino. These games are intended for use only by those 21 or older, and only for amusement purposes. No actual money or anything of value can be won playing these games. Practice or success at social casino gaming does not imply future success at real-money gambling. Gambling Problem? Call 1-800-522-4700 “



HollywoodCasino.com

Registration

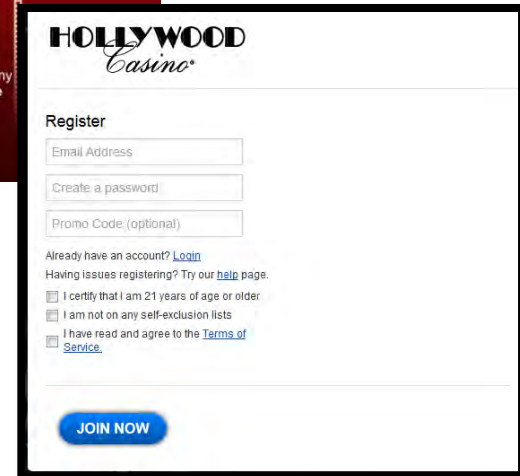
- There are two ways to register for the games
 - On an Apple or Android mobile device
 - Via a computer
- Customer enters an email, creates a password and attests they are over 21, not on a self exclusion list and agrees to the Terms of Service



The desktop registration form is displayed on a red background. It features the Hollywood Casino logo at the top. Below the logo are two input fields: "Your Email" and "Choose Password". A checkbox is located below the password field, with the text "I certify that I am 21 years of age or older, am not on any self-exclusion lists, and agree to the Terms of Service". At the bottom of the form are two buttons: "CANCEL" and "REGISTER".

Desktop

Mobile



The mobile registration form is displayed on a white background. It features the Hollywood Casino logo at the top. Below the logo is a "Register" section with three input fields: "Email Address", "Create a password", and "Promo Code, (optional)". Below these fields are links for "Already have an account? Login" and "Having issues registering? Try our help page." There are three checkboxes with associated text: "I certify that I am 21 years of age or older", "I am not on any self-exclusion lists", and "I have read and agree to the Terms of Service". At the bottom of the form is a blue "JOIN NOW" button.



HollywoodCasino.com

Impact on Land Based Behavior

Reviewed 70k customers who are iGaming and compared to customer database

Compared Quarterly results on a YoY basis

Normalized against players who are not iGaming

- 1,029 customers signed up for Marquee Rewards that drove \$221k theoretical win and 3k gaming visits
- Visits increased 8% and 24%, respectively, over the same time period* compared to land based with email, 16% and w/o email, -9%
- Reactivated 3,300 customers



Hollywood Slots

- A customized social casino platform developed by Open Wager in San Francisco
- Includes many social features (friends, sharing wins, gifting and chat)
- Platform is more engaging (quests, tournaments and goals)
- Games are generally not from the casino floor
- Nothing of value is awarded and a player account cannot be exchanged
- Exactly same registration process as hollywoodcasino.com
- Currently launched via external marketing channels (Facebook marketing)



Marquee Rewards® Vision

- Players will be able to link and unlink their Marquee Rewards card to their HollywoodCasino.com and Hollywood slots accounts.
- After a player links their Marquee Rewards account, they can earn tier points based on their purchases (not on the outcome of the social play).
- Self-excluded patrons will not be able to link their accounts to HollywoodCasino.com/ Hollywood slots account. If a previously linked player subsequently self-excludes, their account will be unlinked.



Questions ?





PENN NATIONAL
GAMING, INC.

June 17, 2016

Mr. Edward Bedrosian
Executive Director
Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Dear Executive Director Bedrosian:

As a follow-up to our several meetings and phone conversations regarding our social gaming products, I want to provide you with an update on the latest developments concerning the social “play for fun” gaming initiatives of Penn Interactive Ventures, LLC (PIV) and their relationship to Plainridge Park Casino. PIV is a wholly-owned subsidiary of Penn National Gaming, Inc.

As you may be aware, on July 14, 2015, Penn sent a letter to the MGC introducing our first social gaming product, Hollywoodcasino.com (that letter is enclosed for your convenience). Since that time, we have also launched a similar mobile application called Hollywood Slots. These social gaming platforms are designed so that patrons may use free “credits”, which are offered daily, to play online casino-style games with the ability for the patron to buy additional credits should they so choose. These non-gaming products are set up so that the player cannot receive any money, rewards or prizes with any value based on the outcome of the games in the platform. Just like other ubiquitous social games such as Angry Birds or Candy Crush, the games are not gambling games (and all recent court decisions on social games support this conclusion).

As the next step in the evolution of these products, Penn plans to integrate its social gaming platforms with its *Marquee Rewards* customer loyalty program. This feature will allow (but in no circumstances require) players to link their HollywoodCasino.com or Hollywood Slots online accounts with their *Marquee Rewards* player loyalty account. After a player links their *Marquee Rewards* account to their social gaming account, the player may then receive Marquee Rewards benefits which may include: (i) the ability to earn, based on online purchasing activity, additional Tier Points in the *Marquee Rewards* program (Tier Points determine a patron’s card status level such as Celebrity, Producer, Executive Producer or Icon tiers but have no cash value); (ii) exclusive online content, promotions or bonus credits available only to persons who link to their Marquee Rewards account; and (iii) the potential for online players who link their accounts to receive special offers redeemable at a Penn casino property merely for being a linked member. Importantly, these benefits will not be increased, decreased, or otherwise affected by the

outcome of any game in the online platforms. These benefits are similar to other well established reward programs in other industries whereby a person buys gas, groceries, or other items (in this case online credits) and then receives offers redeemable for products, discounts or other free coupons for their purchase.

Notably, Penn's Marquee Rewards customer loyalty program has system controls in place through individual property casino management systems and the Penn Universal Management Application (PUMA) that ensure Marquee Rewards members are at least twenty-one (21) years of age and are not on a state exclusion list. In addition, only players who link their HollywoodCasino.com and Hollywood Slots accounts with their active Marquee Rewards accounts may receive the above described rewards. Current plans will require online players who do not already have a Marquee Rewards account to first go to one of our licensed casino properties to sign-up before they could link online play to their card. This is a strong compliance checkpoint (above and beyond the voluntary action we have taken by requesting an attestation of age and state exclusion status on our social gaming site).

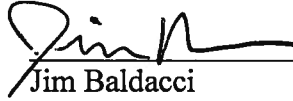
Penn's research and analysis shows that social and online gaming represent emerging growth platforms that complement our growing regional gaming portfolio. We estimate that approximately 40% of our database members participate in some form of social/online gaming today, and we believe our entry into these markets provide an important growth opportunity for the company. In addition to the business opportunities that social gaming alone provides, we also believe a strong presence in the online social gaming market will allow us to effectively promote our licensed casinos to online social gamers. We want to use this space to promote our bricks and mortar casino facilities to a new generation of adults over twenty-one who have grown up in the internet age and who have accepted video and social online games as a favored form of entertainment. The ability of players to link their online accounts with their actual casino play account through Marquee Rewards is expected to be a valuable tool to further engage our patrons and generate visits to our casinos and provides an opportunity to introduce casino entertainment to a new generation of young adults. Initial results from our first several months of operations show that our social games are having a positive impact on our licensed casino facilities. We note that PIV is a separate operating company from Penn's individual licensed casino properties and PIV will frequently market its products independently from and without the involvement of Penn's land-based properties.

Finally, while our online casino style games are not gambling, Penn believes it is nonetheless important to include certain responsible play information in the platform. In keeping with this belief, to sign up as an online player, the patron has to certify that they are over 21 years of age and not on any exclusion list. Each online site will also include a link to Penn's responsible gaming website.

We plan to begin integrating the PIV social gaming platforms with Penn's *Marquee Rewards*

customer loyalty program by the end of June. If you have any questions or if you would like to discuss further, feel free to contact me at 610-401-2946.

Sincerely,



Jim Baldacci
Deputy Chief Compliance Officer

cc: Lance George
Frank Donaghue

205 CMR: MASSACHUSETTS GAMING COMMISSION
205 CMR 138.00: UNIFORM STANDARDS OF ACCOUNTING PROCEDURES AND
INTERNAL CONTROLS

138.40: Procedure for Acceptance of Checks. Cash Equivalents. Wire Transfers, and
Credit/Debit Cards: Issuance of Counter Checks

A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include policies and procedures relative to the acceptance of checks and cash equivalents presented by patrons, and the issuance of counter checks to patrons for gaming purposes. These policies and procedures shall include, but not be limited to:

(8) Procedures to ensure that any credit card or automated teller machine operating in the gaming establishment does not allow a patron to obtain cash from a government-issued electronic benefits transfer card ~~or to process a credit card cash advance transaction~~ and that it is otherwise in conformance with 205 CMR 138.47;

(9) Procedures to ensure that debit card cash transactions are not permitted to be initiated within 15 feet of the gaming area;

(10) Procedures to ensure that no gaming chips, plaques, tokens, and other forms of gaming value may be purchased with a credit card. Provided, patrons may be permitted to pay gaming tournament entry fees with a credit card; and

138.47: Automated Teller Machines (ATM)

(1) Use and operation of an Automated Teller Machine (ATM) or electronic branch, as defined by M.G.L. c. 167B, § 1, within a gaming establishment is governed by M.G.L. c. 167B and 209 CMR: *Division of Banks and Loan Agencies*.

(2) No ATM or electronic branch, as defined by M.G.L. c. 167B, § 1, shall be located closer than 15 feet from the gaming area in a gaming establishment.

(3) ~~No ATM or electronic branch shall initiate or process a cash advance transaction on a credit card.~~ A system of internal controls submitted by a gaming licensee in accordance with 205 CMR 138.02 shall include procedures that identify reasonable measures to be implemented that are tailored to inhibit the initiation and processing of any transaction allowing for the use of a card or card equivalent issued by a financial institution to obtain cash from a line of credit (e.g., credit card cash advance) in the gaming establishment by either an ATM or any other means. Such reasonable measures shall include, but not be limited to:

- a) The conspicuous placement of signage on an ATM indicating that use of credit cards is prohibited;
- b) Ensuring that an ATM does not offer to a user any transaction option that is designed to enable the patron to obtain cash from a line of credit (i.e.- no option to press a “credit card” or “cash advance” button); and
- c) Ensuring that no transaction in which a card or card equivalent issued by a financial institution is being used to obtain cash from a line of credit is, in whole or part, initiated or processed at the cage or elsewhere in the gaming establishment, by any employee or anyone else.

(4) No data relative to an individual patron that is collected by an ATM or electronic branch may be sold, transmitted, or otherwise used for marketing purposes by a gaming licensee or provider of such device.

DRAFT

June 21, 2016

Via Electronic Mail

Bruce Band
Assistant Director of Investigations and Enforcement Bureau
Gaming Agents Division Chief
Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, Massachusetts 02110

Dear Mr. Band:

Thank you for the opportunity to discuss proposed clarifications to the Massachusetts Gaming Commission (“Commission”) Regulations regarding the use of a card or card equivalent issued by a financial institution to obtain cash from a line of credit (“credit card cash advance”) at ATMs within Massachusetts gaming establishments. The licensees have consulted with their ATM vendors and have identified administrative controls that are designed to inhibit credit card cash advances at ATMs within the gaming establishment. The licensees appreciate the opportunity we have had to work with Commission staff to craft amendments to the Commission’s regulations which would assure that these transactions are instituted and completed in accordance with the Commission’s policy objectives.

Massachusetts ATM platform

Everi Inc. is a provider of ATM and other cash access services to the gaming industry, including ATM services in Massachusetts for Penn National Gaming at Plainridge Park Casino (Plainridge”). MGM and Wynn are considering utilizing Everi for ATM services when their resorts open.

The ATM application that Everi has allows for customization of screens flows and the availability of certain transactions types. To comply with Massachusetts’ regulatory requirements with respect to ATMs, Everi has implemented a specific version of its ATM application at Plainridge that restricts credit card cash advances.

By way of example, the attached Exhibit I is a screenshot of the available transactions Plainridge patrons have access to on the Everi ATMs. “Credit Card” and “Cash Advance” buttons are ***not available*** to patrons on the ATMs at Plainridge. Data available to Everi shows that the removal of this option largely eliminates what would otherwise be the approximately 5% to 10% of overall ATM transactions which patrons would otherwise transact using a credit card product.

Limitations of current ATM platform

Notwithstanding Everi's measures, if a cardholder inserts a credit card, enters a PIN # and then selects "Checking" or "Savings", the cardholder's financial institution could approve this ATM cash withdrawal transaction and cash would be dispensed. Neither the licensees nor the ATM vendor, in this case Everi, has any control over whether the financial institution approves or denies the transaction. Nor is there any existing technology to entirely block the type of credit card transactions described above from being used at ATMs.

Blocking credit cards from being used at ATMs altogether would require the development of a credit Bank Identification Number (BIN) blocking solution, which currently does not exist. The first six digits of a bankcard number are known as a Bank Identification Number (BIN). These numbers identify the institution that issued the card and the particular type of card it is, whether it is a debit card or credit card. Financial institutions around the world are issuing credit cards with new BIN's on a daily basis. In addition, there is not a "master list" of BINs, so maintaining a real-time list is not possible at this time. In essence, ATMs within Massachusetts gaming establishments would need to incorporate a technology that blocks all credit card BINs and the database of credit card BINs would need to be updated with the same frequency with which BINs are issued. Given the pace at which cards are issued and the varied and hybrid card products offered by financial institutions, this is highly impracticable.

Commission Staff Proposed Regulatory Clarification

The licensees have reviewed the Commission Staff's proposed changes to 205 CMR 138.01 which seek to clarify the internal controls to address this issue. Among other things, the regulation would explicitly require that a licensee's system of internal controls include "procedures that identify reasonable measures to be implemented that are tailored to inhibit the initiation and processing of any transaction allowing for the use of a card or card equivalent issued by a financial institution to obtain cash from a line of credit (e.g., credit card cash advance) in the gaming establishment by either an ATM or any other means." These measures include but are not limited to: (i) ATM signage explaining that use of a credit card is prohibited; (ii) eliminating the option for a patron to press a "credit card" or "cash advance" button; and (iii) ensuring that credit card cash advances cannot be processed at the cage or anywhere else in the gaming establishment.

The licensees agree that the proposed clarifications to the regulations achieve Massachusetts' policy objectives and will include the following elements in their internal controls for our Massachusetts properties. First, signage will be placed at ATMs indicating that the use of a credit card for a credit card cash advance is prohibited. Second, in the ATM application, a screen will be added for the purpose of advising patrons about the restrictions on use of credit cards for a credit card cash advance under Massachusetts law to dissuade any patrons from trying to do so. This screen would be added in the idle loop, which includes a message to patrons that credit cards are prohibited from use on the ATM for a credit card cash advance (Exhibit 2). Third, there will be no buttons or selection options would allow a patron to affirmatively choose "credit" or "cash advance" at an ATM within the gaming establishment. Finally, the licensees

will implement administrative policies and procedures for acceptance of credit/debit cards and any related employee training intended to preclude credit card cash advances from being made at the cage or anywhere else in the gaming establishment.

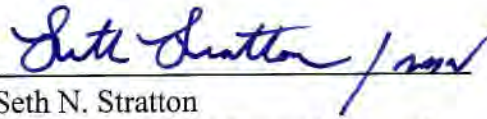
The proposed clarifications address the original policy intent of the regulation while acknowledging the current state of ATM platform technology and providing appropriate flexibility within the internal controls for the licensees to adapt to ATM technology as it evolves.

Thank you for your attention to this important issue.

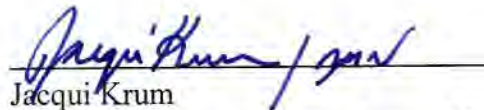
Sincerely,



Lance George
Vice President and General Manager
Plainridge Park Casino
301 Washington Street
Plainville, MA 02762



Seth N. Stratton
Vice President & General Counsel
MGM Springfield
One Monarch Place, Suite 910
Springfield, MA 01144



Jacquie Krum
Senior Vice President and General Counsel
Wynn Resorts
101 Station Landing, Suite 2200
Medford, MA 02155

Exhibit 1

(Currently in place at Plainridge)

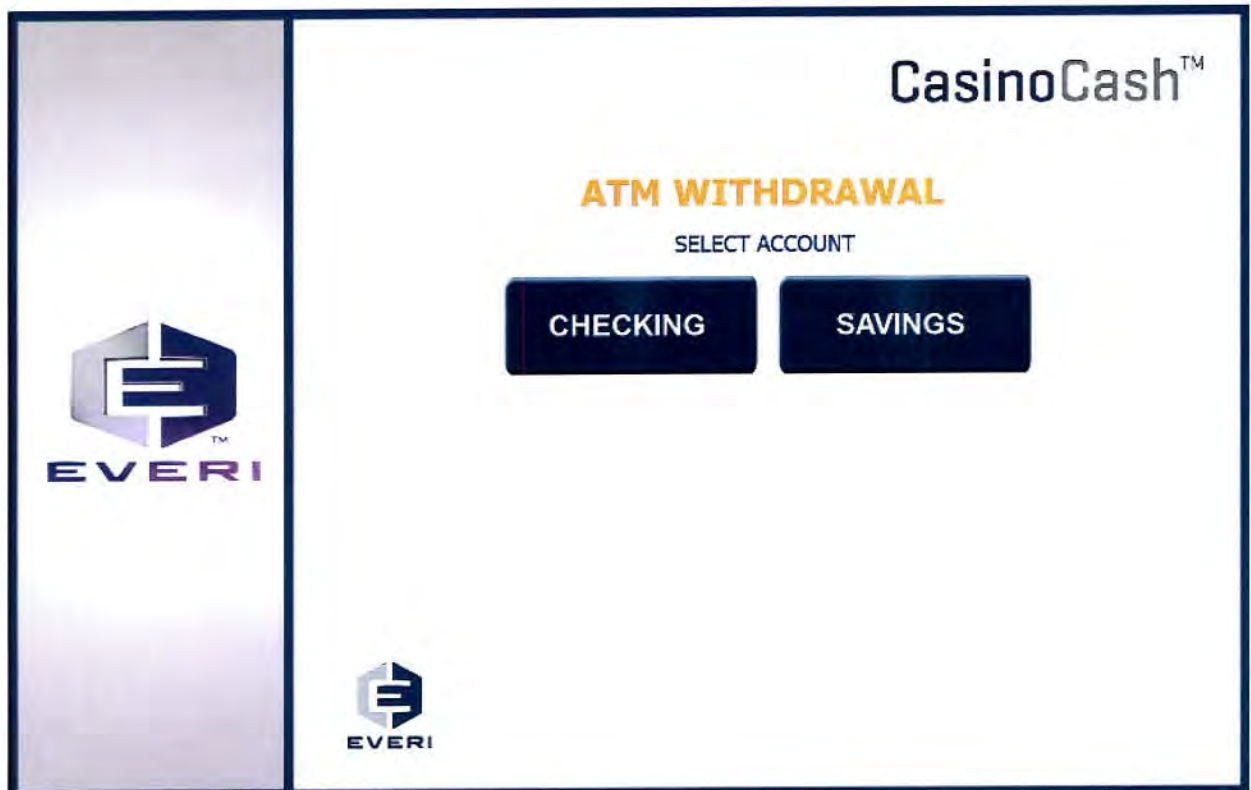


Exhibit 2

(Suggested at Plainridge)

CasinoCash™



USE OF CREDIT CARDS PROHIBITED

禁止信用卡使用

USO DE TARJETAS DE CRÉDITO PROHIBIDO





MASSACHUSETTS GAMING COMMISSION

MEMORANDUM

To: Chairman Crosby and Commissioners Cameron, Macdonald, Stebbins and Zuniga
From: Edward Bedrosian, Jr. and Derek Lennon
Date: 6/23/2016
Re: Fiscal Year 2017 (FY17) Gaming Regulatory Budget and Statutorily Required Billings

Summary:

On June 16th, the Commission was presented with FY17 budget projections. The materials from that meeting are also included this week, with track changes reflecting a revenue source the finance office had not accounted for originally. The Commission asked for public comments on the budget. As of June 21, 2016 there were no formal public comments. As there is sometimes confusion surrounding the amount we assess on our licensees and the amount the MGC spends to provide regulatory oversight to our category 1 and 2 licensees, this memorandum is intended to add clarification. The MGC is proposing to assess \$27.17M on licensees, however, only \$18.6M of that funds the regulatory costs of the MGC. The balance is statutorily required costs that the Commission is responsible for billing to licensees.

Regulatory vs. Statutory Costs:

Licensees requested that we continue to monitor our overall cost of regulating to ensure MA is not an outlier. Each gaming law has its own set of intricacies, which at times makes that comparison difficult. The MGC budget for the Gaming control fund was proposed at \$27.17M. The composition of the \$27.17M can be broken up into two areas. The first being the actual costs of the Massachusetts Gaming Commission to regulate category 1 and 2 facilities, and the second being statutorily required costs that the Commission is responsible for billing to licensees, but are not part of providing a regulatory environment.

Item	Amount	Notes
Regulatory Costs		
MGC Regulatory Costs	18,595,444.63	Costs of MGC to Regulate Category 1 and 2 facilities
Statutorily Required		
Office of the Attorney General	2,376,844.36	Up to \$3M
Research and Responsible Gaming	4,488,929.33	In future years will be part of Public Health Trust Fund \$5M assessment
Commonwealth Assessed Indirect Costs	1,635,476.20	Governor's office of Administration and Finance assesses these costs and they go directly to the MA General Fund.
Alcohol Beverage Control Commission	75,000.00	
Total Statutory Costs	8,576,249.89	



Massachusetts Gaming Commission

The statutorily required costs in FY17 are projected to be \$8.57M and include

- \$2.3M for the costs of the Attorney General’s Office (C. 12 § 11M),
- \$4.48M for the Research and Responsible Gaming office, which will be funded from the Public Health Trust Fund in subsequent years (C. 23K § 56(e), 58, and 71),
- \$75K for the Alcoholic Beverage Control Commission (C. 10 § 72A), and
- \$1.63M for Commonwealth of Massachusetts Assessed Indirect Costs (ANF Bulletin 5).

The Commission’s regulatory FY17 budget projections total \$18.6M, and fund the following 11 divisions:

Unit Name	FY17 Budget
Finance and Administration	\$2,164,547.56
Human Resources	\$726,575.03
Legal	\$1,363,444.25
Executive Director	\$804,808.20
Information Technology	\$4,482,966.26
Commissioners	\$1,356,586.34
Workforce and Supplier Diversity	\$580,801.10
Communications	\$372,789.19
Ombudsman	\$485,237.60
Investigations and Enforcement Bureau	\$5,706,161.32
Licensing Division	\$551,527.78
Total Regulatory Costs	\$18,595,444.63



Massachusetts Gaming Commission



MASSACHUSETTS GAMING COMMISSION

MEMORANDUM

To: Chairman Crosby and Commissioners Cameron, Macdonald, Stebbins and Zuniga
From: Edward Bedrosian, Jr. and Derek Lennon
Date: ~~6/9/2016~~ [Revised for 6/23/2016](#)
Re: Fiscal Year 2017 (FY17) Initial Budget Recommendations

Summary:

The Massachusetts Gaming Commission's (MGC) initial Fiscal Year 2017 (FY17) budget projections are composed of \$24.79M for gaming operations including funding for 69.25 FTEs, and 1 contract position, a \$2.37M assessment for the Office of the Attorney General's (AGO) gaming operations inclusive of Massachusetts State Police (MSP) assigned to the AGO, \$1.47M for racing operations including funding for 3.75 FTEs an additional \$16.34M of racing payments to licensees and associations, of which \$14.4M is generated from the Race Horse Development Fund for a total agency budget of \$44.99M (73 FTEs and 1 contractor). A complete list of the MGC's spending and revenue by appropriation is attached to this document (Attachment A).

The MGC, under 205 CMR 121.00 will assess licensees the difference between its budget and anticipated revenues in FY17. The MGC's gaming operations costs combined with the AGO's are projected to be \$27.17M, and revenues are anticipated to equal ~\$4.72, which would leave an assessment of ~~\$22.39M~~ [\\$22.45M](#) to be divided up among the licensees.

The Racing Division's budget is funded through a portion of wagering as stipulated in statute. While the landscape of thoroughbred racing in Massachusetts is not stable, the Division's budget was built using prior year revenue projections deflated at the average rate of decline experienced from FY14-FY15.

Gaming Control Budget FY17 Compared to FY16

Analyzing FY16 compared to FY17 does not present significant insight as the Commission is still in the "start-up" phase and costs/programmatic expenses from year-to-year are not consistent. There are still significant one-time costs included in both fiscal year figures.

Beginning in FY17 the Commission's presentation of the Gaming control budget varies slightly from the past. At a summary level we will be breaking the costs of the AGO out in a separate line. The Gaming Act authorized the AGO to spend and be reimbursed up to \$3M annually. In FY17 the costs of the AGO's operations as well as their usage of the MSP is anticipated to be approximately \$2.37M. This year's recommendation for the Gaming control budget includes an item for indirect costs (\$1.6M) which was not included in previous years. Another first for FY17 is the Treasurer will be



Massachusetts Gaming Commission

reviewing the Commission's costs for reasonableness in relation to other Gaming Control Boards/Commissions.

The MGC began FY16 with an approved budget of \$28.3M, which did not include indirect costs. The MGC is recommending an FY17 budget of \$27.17M, which includes \$1.63M in indirect costs. Comparing FY17 to FY16 by excluding the indirect from the FY17 budget, the MGC's budget proposal would be \$25.5M, which is approximately \$2.8M lower than the FY16 initial budget. The table below explains significant changes by spending category between fiscal years.

Appropriation	Object Class	2016				Variance 2017 -		Variance Explanation
		Initial 2016	Adjustments 2016	Current 2016	2017	Current 2016		
10500001	AA	6,460,884.92	(590,721.36)	5,870,163.56	6,442,204.17	572,040.61	Hiring/Backfilling of positions approved in FY16 Budget	
	BB	90,900.00	5,000.00	95,900.00	73,000.00	(22,900.00)	Travel Reduction Statewide Pool	
	CC	150,506.15	71,980.00	222,486.15	120,000.00	(102,486.15)	Reduction in Interns and contracted staff	
	DD	1,903,677.87	(90,269.96)	1,813,407.91	2,322,173.63	508,765.72	Shift from Contractors and Fringe rate increased by 4.5% in FY17	
	EE	505,193.58	54,114.19	559,307.77	2,251,920.84	1,692,613.07	Budgeting for Indirect in FY17	
	FF	500.00	62,244.01	62,744.01	500.00	(62,244.01)	One-time clothing costs to identify troopers at PPC	
	GG	1,129,453.26		1,129,453.26	1,221,982.62	92,529.36	Annualized Rent at 75-101	
	HH	5,239,276.14	(578,389.28)	4,660,886.86	2,692,103.14	(1,968,783.72)	Continued effort to reduce contractors (OPM, High Performance, Consultant Reviews, Contracted Investigations)	
	JJ	5,193,333.57	(1,997,040.60)	3,196,292.97	3,141,685.78	(54,607.19)	Alignment of ISAs	
	KK	80,000.00	129,926.25	209,926.25		(209,926.25)	Build out of 75-101	
	LL	25,617.71	7,000.00	32,617.71	29,683.80	(2,933.91)		
	MM	35,000.00	(17,500.00)	17,500.00	40,000.00	22,500.00		
	PP	3,011,010.00	(50,000.00)	2,961,010.00	2,680,000.00	(281,010.00)	Reduction in research contracts for Responsible Gaming	
	UU	4,487,017.99	(412,959.54)	4,074,058.45	3,704,596.18	(369,462.27)	Reduction in one-time costs of start-up of PPC as well as reduced miscellaneous equipment items	
	ISAs		1,969,684.91	1,969,684.91	-	(1,969,684.91)	MSP Finger Prints, AGO and DPH in FY16	
	ABCC				75,000.00	75,000.00		
	AGO				2,376,844.36	2,376,844.36		
10500001	Total	28,312,371.19	(1,436,931.38)	26,875,439.81	27,171,694.52	296,254.71		

FY17 Budget Process and Recommendations:

In FY17, the MGC will continue allocating funds to each division/bureau and tracking contractual commitments, expenditures and salaries against each division/bureau budget. The Commission will be using the expense budget feature in the Massachusetts Management and Accounting Reporting System (MMARS) to establish these budgets and automate the process of keeping track of budget to actual expenditures and commitments.



Massachusetts Gaming Commission

The MGC's office of finance met with each division/bureau head within the MGC and developed spending and revenue projections that are realistic representations of what will be needed in FY17 to operate the Commission, as well as what can be expected for revenue based on the Commission's current fee structures. These requests were then reviewed by the CFAO, the Executive Director, and the Treasurer of the Commission. A third review was conducted by representatives of the current gaming licensees (Penn, Wynn and MGM) at a meeting on May 11, 2016 at the MGC office. The meeting was productive and included a comprehensive review of the Commission's budget at a line item level, as well as a review of each division's staffing levels by employee and anticipated hires. As a result of that meeting, the budget was reduced by \$2.28M.

Below is a summary by appropriation of spending and revenues anticipated for the Gaming Control Fund and the Racing Oversight and Development Fund. Immediately following each summary are highlights of significant spending in each division/bureau. Attachment B to this document provides a view of each division's budget by object class, object code and then specific budget item view of each division/bureau budget. This same information can be found in Attachment C but the view is ordered first by object class, then object code, then division and finally by specific budget item.

10500001 Gaming Control Trust Fund

The Gaming Control Trust funds 12 divisions/bureaus. Each division/bureaus costs of providing regulatory oversight to expanded gaming are built into the spending figures in the table below which represents at a macro level the anticipated spending and the corresponding flows of revenue. This item funds 69.25 FTEs and one (1) contracted position. The FY17 recommended spending level includes funding for one new position in the office of Workforce and Supplier Diversity, as well as funding for the positions approved in the FY16 spending plan.

Spending	Initial Projection
10500001	
AA REGULAR EMPLOYEE COMPENSATION	\$ 6,442,204.17
BB REGULAR EMPLOYEE RELATED EXPEN	\$ 73,000.00
CC SPECIAL EMPLOYEES	\$ 120,000.00
DD PENSION & INSURANCE RELATED EX	\$ 2,322,173.63
EE ADMINISTRATIVE EXPENSES	\$ 2,251,920.84
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$ 500.00
GG ENERGY COSTS AND SPACE RENTAL	\$ 1,221,982.62
HH CONSULTANT SVCS (TO DEPTS)	\$ 2,692,103.14
JJ OPERATIONAL SERVICES	\$ 3,141,685.78
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$ 29,683.80
MM PURCHASED CLIENT/PROGRAM SVCS	\$ 40,000.00
PP STATE AID/POL SUB	\$ 2,680,000.00
UU IT Non-Payroll Expenses	\$ 3,704,596.18
ABCC	\$ 75,000.00



Massachusetts Gaming Commission

AGO		\$ 2,376,844.36
Grand Total	Revenues	\$ 27,171,694.52
		Initial Projection
Gaming Control Fund Beginning Balance		
Grant Collections (restricted)		\$ 50,000.00
Region A slot Machine Fee		\$ 1,945,200.00
Region B Slot Machine Fee		\$ 1,800,000.00
Slots Parlor Slot Machine Fee		\$ 750,000.00
Gaming Employee License Fees (GEL)		\$ 35,000.00
Key Gaming Executive (GKE)		\$ 5,000.00
Key Gaming Employee (GKS)		\$ 15,000.00
Non-Gaming Vendor (NGV)		\$ 31,000.00
Vendor Gaming Primary (VGP)		\$ 30,000.00
Vendor Gaming Secondary (VGS)		\$ 45,000.00
Gaming Service Employee License (SER)		\$ 15,000.00
Assessment		\$ 22,39450,494.52
Tribal Gaming Consultant Reimbursement		\$60,000.00
Misc		
Grand Total		\$ 27,171,694.52

For the purposes of this memorandum, only large contractual/programmatic expenditures in relation to the appropriation are listed below. Further details for budgets by each division are provided in attachments B and C:

- Division of Finance and Administration—office space lease \$1.19M
- Human Resources Division— office wide raises and benefits on raises \$318K.
- Legal Division—outside counsel (labor counsel, litigation counsel, general assistance)\$659.6K
- Executive Director—Tribal and gaming Consultant \$240K.
- Information Technology Division—applications development (licensing system) \$500K, central management system \$2.26M, hardware and software \$200K, state chargebacks \$278K.
- Commissioners—industry consultants \$50K.
- Workforce and Supplier Diversity—workforce development and diversity grants \$225K, MCCTI statewide workforce coordinator \$50K.
- Research and Responsible Gaming—responsible gaming branding, education and staffing of on-site centers, advertising and evaluation of program \$1.3M, SEIGMA core baseline study and Magic cohort study \$2.0M, ISA with DPH \$477K, data storage of player data \$150K.
- Communications—website design, streaming of public meetings, and media subscriptions \$85K.
- Ombudsman—construction and design consultants \$50K
- Investigations and Enforcement Bureau—MOU with state police for MGC investigative troopers, OT and travel, and troopers for slots parlor \$2.59M, Plainville police \$280K, fingerprint costs \$175K, Alcohol Beverage Control Commission \$75K.



Massachusetts Gaming Commission

- Licensing Division—supplies and travel \$16K.
- Office of the Attorney General—general office costs \$1.9M, state police straight time and overtime \$472.3K

1050003 Racing Development and Oversight Trust Fund

Row Labels	Initial Projection
1050003	
AA REGULAR EMPLOYEE COMPENSATION	\$ 383,644.22
BB REGULAR EMPLOYEE RELATED EXPEN	\$ 12,000.00
CC SPECIAL EMPLOYEES	\$ 330,000.00
DD PENSION & INSURANCE RELATED EX	\$ 135,249.14
EE ADMINISTRATIVE EXPENSES	\$ 32,855.00
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$ 2,000.00
HH CONSULTANT SVCS (TO DEPTS)	\$ 25,000.00
JJ OPERATIONAL SERVICES	\$ 238,300.00
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$ 3,500.00
MM PURCHASED CLIENT/PROGRAM SVCS	\$ 235,000.00
UU IT Non-Payroll Expenses	\$ 78,700.00
Grand Total	\$ 1,476,248.36
Revenues	Initial Projection
Plainridge Assessment	\$ 170,849.60
Plainridge Daily License Fee	\$ 124,695.42
Plainridge Occupational License	\$ 85,000.00
Plainridge Racing Development Oversight Live	\$ 18,674.66
Plainridge Racing Development Oversight Simulcast	\$ 264,972.66
Racing Oversight and Development Balance Forward	
Raynham Assessment	\$ 126,681.83
Raynham Daily License Fee	\$ 110,931.00
Raynham Racing Development Oversight Simulcast	\$ 457,149.55
Suffolk Assessment	\$ 437,169.33
Suffolk Commission Racing Development Oversight Simulcast	\$ 170,748.32
Suffolk Daily License Fee	\$ 80,631.00
Suffolk Occupational License	\$ 20,000.00
Suffolk TVG Commission Simulcast	\$ 92,997.43
Suffolk Twin Spires Commission Simulcast	\$ 92,997.43
Suffolk Xpress Bet Commission Simulcast	\$ 92,997.43
Wonderland Assessment	\$ 15,132.22
Wonderland Daily License Fee	\$ 80,073.00
Wonderland Racing Development Oversight Simulcast	\$ 120,746.64
Misc	



Massachusetts Gaming Commission

Grand Total	\$2,562,447.52
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This item funds the operations of the Racing division. The majority of funding from this appropriation is payroll seasonal and fringe related \$848.9K. Other costs of the division are drug and laboratory testing \$238K, ISA to DPH for \$70K, and purchased client services for economic hardship payments, eighth pole payments, and the jockey guild \$235K.

Assessment on Licensees:

Chapter 23K §56 (a)-(c) define how the MGC will fund its annual costs related to Gaming/non-racing activities. This chapter was further defined through 205 CMR 121.00. By taking the projected spending less the net revenues projected for FY17, the commission will utilize 205 CMR 121.01 3(c) to assess ~\$22.3945M on licensees as shown in the chart below:

Licensee	Slots	Table Games	Table Gaming Positions*	Total Gaming Positions*	Percentage of Gaming Positions	Annual Assessment
MGM	3,000	100	600	3,600	38.99%	\$8,753,577.41
Wynn	3,242	168	1,008	4,250	46.03%	\$10,334,084.45
Penn	1,250	—	—	1,383	14.98%	\$3,362,832.66
-	7,492	268	1,608	9,233	100.00%	\$22,450,494.52

*Table gaming positions, slots and table gaming positions are derived by using the HLT figures from Finance Plan section of the Presentation under 2.3 the table titled Proposed Facility Suitability. For estimating gaming positions from table games, a multiplier of 6 for each table game is used. For PPC, it is the amount approved as of June/6/2016.

Licensee	Slots	Table Games	Table Gaming Positions*	Total Gaming Positions*	Percentage of Gaming Positions	Annual Assessment
MGM	3,000	100	600	3,600	38.99%	\$8,730,183.07
Wynn	3,242	168	1,008	4,250	46.03%	\$10,306,466.12
Penn	1,250	—	—	1,383	14.98%	\$3,353,845.33
-	7,492	268	1,608	9,233	100.00%	\$22,390,494.52

*Table gaming positions, slots and table gaming positions are derived by using the HLT figures from Finance Plan section of the Presentation under 2.3 the table titled Proposed Facility Suitability. For estimating gaming positions from table games, a multiplier of 6 for each table game is used. For PPC, it is the amount approved as of June/6/2016.

Conclusion:

Staff is proposing an FY17 MGC budget of \$27.17M for gaming operations and \$1.47M for racing operations and an additional \$16.34 of racing payments to licensees and associations for a total



Massachusetts Gaming Commission

agency budget of \$44.99M. Staff seeks the Commission's guidance on further spending recommendations and/or seeking additional comment.

For FY17 the following recommendation is made regarding payment of the assessment:

- The Commission should bill the assessment in quarterly installments with 25% of the assessment billed on 7/1/2016, and additional 25% billed following each of the first three quarterly updates.

Attachments:

Attachment A: Listing of Accounts and Revenues

Attachment B: Next Year Budget All Departments

Attachment C: Next Year Budget



Massachusetts Gaming Commission

2017		Budget Projections	
Row Labels		Initial Projection	
10500001			
AA REGULAR EMPLOYEE COMPENSATION	\$	6,442,204.17	
BB REGULAR EMPLOYEE RELATED EXPEN	\$	73,000.00	
CC SPECIAL EMPLOYEES	\$	120,000.00	
DD PENSION & INSURANCE RELATED EX	\$	2,322,173.63	
EE ADMINISTRATIVE EXPENSES	\$	2,251,920.84	
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$	500.00	
GG ENERGY COSTS AND SPACE RENTAL	\$	1,221,982.62	
HH CONSULTANT SVCS (TO DEPTS)	\$	2,692,103.14	
JJ OPERATIONAL SERVICES	\$	3,141,685.78	
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	29,683.80	
MM PURCHASED CLIENT/PROGRAM SVCS	\$	40,000.00	
PP STATE AID/POL SUB	\$	2,680,000.00	
UU IT Non-Payroll Expenses	\$	3,704,596.18	
ABCC	\$	75,000.00	
AGO	\$	2,376,844.36	
Grand Total	\$	27,171,694.52	
		Revenue Projections	
Revenues		Initial Projection	
Gaming Control Fund Beginning Balance			
Grant Collections (restricted)	\$	50,000.00	
Region A slot Machine Fee	\$	1,945,200.00	
Region B Slot Machine Fee	\$	1,800,000.00	
Slots Parlor Slot Machine Fee	\$	750,000.00	
Gaming Employee License Fees (GEL)	\$	35,000.00	
Key Gaming Executive (GKE)	\$	5,000.00	
Key Gaming Employee (GKS)	\$	15,000.00	
Non-Gaming Vendor (NGV)	\$	31,000.00	
Vendor Gaming Primary (VGP)	\$	30,000.00	
Vendor Gaming Secondary (VGS)	\$	45,000.00	
Gaming Service Employee License (SER)	\$	15,000.00	
Assessment	\$	22,390,494.52	
Tribal Gaming Consultant Reimbursement	\$	60,000.00	
Misc			
Grand Total	\$	27,171,694.52	
	\$	-	
Balance			

		Budget Projections	
Row Labels		Initial Projection	
10500002			
TT LOANS AND SPECIAL PAYMENTS	\$	-	
		Revenue Projections	
Revenues		Initial Projection	
Greyhound Balance Forward Simulcast			
Plainridge Greyhound Import Simulcast	\$	32,174.19	
Raynham Greyhound Import Simulcast	\$	112,449.69	
Wonderland Greyhound Import Simulcast	\$	36,338.91	
	\$	180,962.79	

		Budget Projections	
Row Labels		Initial Projection	
1050003			

Attachment A: Listing of Accounts and Revenues

AA REGULAR EMPLOYEE COMPENSATION	\$	383,644.22
BB REGULAR EMPLOYEE RELATED EXPEN	\$	12,000.00
CC SPECIAL EMPLOYEES	\$	330,000.00
DD PENSION & INSURANCE RELATED EX	\$	135,249.14
EE ADMINISTRATIVE EXPENSES	\$	32,855.00
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$	2,000.00
HH CONSULTANT SVCS (TO DEPTS)	\$	25,000.00
JJ OPERATIONAL SERVICES	\$	238,300.00
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	3,500.00
MM PURCHASED CLIENT/PROGRAM SVCS	\$	235,000.00
UU IT Non-Payroll Expenses	\$	78,700.00
Grand Total	\$	1,476,248.36

		Revenue Projections	
Revenues		Initial Projection	
Plainridge Assessment	\$	170,849.60	
Plainridge Daily License Fee	\$	124,695.42	
Plainridge Occupational License	\$	85,000.00	
Plainridge Racing Development Oversight Live	\$	18,674.66	
Plainridge Racing Development Oversight Simulcast	\$	264,972.66	
Racing Oversight and Development Balance Forward	\$	-	
Raynham Assessment	\$	126,681.83	
Raynham Daily License Fee	\$	110,931.00	
Raynham Racing Development Oversight Simulcast	\$	457,149.55	
Suffolk Assessment	\$	437,169.33	
Suffolk Commission Racing Development Oversight Simulcast	\$	170,748.32	
Suffolk Daily License Fee	\$	80,631.00	
Suffolk Occupational License	\$	20,000.00	
Suffolk TVG Commission Simulcast	\$	92,997.43	
Suffolk Twin Spires Commission Simulcast	\$	92,997.43	
Suffolk Xpress Bet Commission Simulcast	\$	92,997.43	
Wonderland Assessment	\$	15,132.22	
Wonderland Daily License Fee	\$	80,073.00	
Wonderland Racing Development Oversight Simulcast	\$	120,746.64	
Misc			
Grand Total		\$2,562,447.52	

		Budget Projections	
Row Labels		Initial Projection	
10500005 Race Horse Development			
TT LOANS AND SPECIAL PAYMENTS	\$	14,400,000.00	
		Revenue Projections	
Revenues		Initial Projection	
9% of Gross Gaming Revenue from Slots Parlor	\$	14,400,000.00	
	\$	14,400,000.00	

		Budget Projections	
Row Labels		Initial Projection	
10500012			
TT LOANS AND SPECIAL PAYMENTS	\$	-	
		Revenue Projections	
Revenues		Initial Projection	
Plainridge Import Harness Horse Simulcast	\$	1,933.38	
Plainridge Racing Harness Horse Live	\$	7,272.51	

Attachment A: Listing of Accounts and Revenues

Raynham Import Plainridge Simulcast	\$	298.34
Suffolk Import Plainridge Simulcast	\$	-
Plainridge Racecourse Promo Fund Beginning Balance	\$	-
TVG Live	\$	-
TVG Simulcast	\$	9,048.31
Twin Spires Live	\$	-
Twin Spires Simulcast	\$	11,759.99
Xpress Bets Live	\$	-
Xpress Bets Simulcast	\$	2,460.58
Grand Total	\$	32,773.11

		Budget Projections
Row Labels		Initial Projection
10500013		
TT LOANS AND SPECIAL PAYMENTS	\$	125,000.00
		Revenue Projections
Revenues		Initial Projection
Plainridge Import Harness Horse Simulcast	\$	24,981.94
Plainridge Racing Harness Horse Live	\$	12,020.54
Raynham Import Plainridge Simulcast	\$	3,825.51
Suffolk Import Plainridge Simulcast	\$	-
Plainridge Capital Improvement Fund Beginning Balance	\$	-
TVG Live	\$	-
TVG Simulcast	\$	23,526.60
Twin Spires Live	\$	-
Twin Spires Simulcast	\$	28,932.47
Xpress Bets Live	\$	-
Xpress Bets Simulcast	\$	9,228.91
Grand Total		\$102,515.97

16.34

		Budget Projections
Row Labels		Initial Projection
10500021		
TT LOANS AND SPECIAL PAYMENTS	\$	146,000.00
		Revenue Projections
Revenues		Initial Projection
Plainridge Import Suffolk Simulcast	\$	31,069.66
Raynham Import Suffolk Simulcast	\$	15,440.76
Suffolk Import Running Horse Simulcast	\$	54,208.12
Suffolk Racing Running Horse Live	\$	1,866.24
Suffolk Promotional Fund Beginning Balance	\$	-
TVG Live	\$	100.85
TVG Simulcast	\$	45,779.53
Twin Spires Live	\$	48.63
Twin Spires Simulcast	\$	28,161.18
Xpress Bets Live	\$	28.60
Xpress Bets Simulcast	\$	13,867.46
Grand Total		\$190,571.03

		Budget Projections
Row Labels		Initial Projection
10500022		
TT LOANS AND SPECIAL PAYMENTS	\$	525,500.00
		Revenue Projections

Attachment A: Listing of Accounts and Revenues

Revenues	Initial Projection
Plainridge Import Suffolk Simulcast	\$ 100,662.78
Raynham Import Suffolk Simulcast	\$ 78,597.18
Suffolk Import Running Horse Simulcast	\$ 177,470.92
Suffolk Racing Running Horse Live	\$ 6,129.71
Suffolk Capital Improvement Fund Beginning Balance	\$ -
TVG Live	\$ 279.86
TVG Simulcast	\$ 172,972.00
Twin Spires Live	\$ 124.80
Twin Spires Simulcast	\$ 83,514.94
Xpress Bets Live	\$ 101.42
Xpress Bets Simulcast	\$ 46,749.67
Grand Total	\$666,603.28

Row Labels	Budget Projections
	Initial Projection
10500140	
TT LOANS AND SPECIAL PAYMENTS	\$ 1,150,000.00

Next Year Budget All Departments

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
10500001	Mass.			Gaming Commission			
	1000			Finance and Administration			
		AA		REGULAR EMPLOYEE COMPENSATION			
		A01		Salaries: Inclusive	Employee Compensation	Salaries	\$500,089.89
				Obj Class Totals:			\$500,089.89
		BB		REGULAR EMPLOYEE RELATED EXPEN			
		B02		In-State Travel	Travel	In-State-Travel	\$2,000.00
				Obj Class Totals:			\$2,000.00
		DD		PENSION & INSURANCE RELATED EX			
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 33.50%	\$167,530.11
					Taxes	Tax rate of 1.67%	\$8,351.50
				Obj Class Totals:			\$175,881.61
		EE		ADMINISTRATIVE EXPENSES			
		E01		Office & Administrative Supplies	Supplies	Cam Office Supplies	\$10,000.00
					Supplies	Lyndenmeyer Munroe	\$5,000.00
					Supplies	W.B. Mason	\$25,000.00
		E02		Printing Expenses & Supplies	Printing	Sir Speedy	\$3,950.00
		E05		Postage Chargeback	Postage	ITD PAD Chargeback for postal Services	\$2,600.00
		E06		Postage	Postage	Postage for Ashburton Mail Room	\$2,400.00
					Postage	Postage for Pitney Bowes, Fed Ex, UPS	\$1,500.00
		E15		Bottled Water	Water	Quench	\$500.00
		E18		State Single Audit Chargeback	FY 17 Chargeback Single State Audit	Chargeback	\$250.00
		E20		Motor Vehicle Chargeback	OVM	Motorized Vehicle Chargeback--Leases of ford fusion and ford escape	\$12,689.64
		E22		Temp Use Space/Confer-Incidental Includes Reservation Fees	Laz Parking	Parking at 33 Arch St. 13 spaces	\$70,200.00
				Obj Class Totals:			\$134,089.64
		GG		ENERGY COSTS AND SPACE RENTAL			
		G01		Space Rental	Office Lease	101 Federal St. 12 months	\$1,161,267.18
		G03		Electricity	Electricity	101 Federal St. 12 months	\$32,635.44
				Obj Class Totals:			\$1,193,902.62
		HH		CONSULTANT SVCS (TO DEPTS)			
		H09		Attorneys/Legal Services	Insurance	Comprehensive Insurance Policy	\$125,000.00
				Obj Class Totals:			\$125,000.00
		JJ		OPERATIONAL SERVICES			
		JJ2		Auxiliary Services	Courier	USA Couriers	\$500.00

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding	
			JJ2	Auxiliary Services	Shredding	ProShred	\$1,500.00	
Obj Class Totals:							\$2,000.00	
		LL	<i>EQUIPMENT LEASE-MAINTAIN/REPAR</i>					
			L24	Motorized Vehicle Equipment Rental or Lease	Rental Cars	Enterprise Car Rental	\$2,500.00	
			L25	Office Equipment Rental or Lease	Printing	Pitney Bowes	\$200.00	
			L26	Printing/Photocopy & Micrographics Equip Rent/Lease	Copier	Canon Financial Services	\$7,500.00	
			L46	Print, Photocopying & Micrograph Equipment Maint/Repair	Copier	Canon USA/Maintenance & Repair	\$3,000.00	
					Xerox Leases	Xerox Leases	\$16,483.80	
Obj Class Totals:							\$29,683.80	
		UU	<i>IT Non-Payroll Expenses</i>					
			U10	Information Tech (IT) Equipment Maintenance & Repair	Cable	Cable/Comcast	\$1,900.00	
Obj Class Totals:							\$1,900.00	
Division/Bureau Totals							\$2,164,547.56	
	1100	Human Resources						
		AA	<i>REGULAR EMPLOYEE COMPENSATION</i>					
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries	\$233,446.08	
					Raises	2.5% COLA Increases Agency Wide 1% Bonus Incentives	\$227,272.43	
Obj Class Totals:							\$460,718.51	
		BB	<i>REGULAR EMPLOYEE RELATED EXPEN</i>					
			B02	In-State Travel	Travel	In State Travel	\$1,000.00	
Obj Class Totals:							\$1,000.00	
		DD	<i>PENSION & INSURANCE RELATED EX</i>					
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 33.5%	\$78,204.44	
					Payroll Taxes & Fringe on Raises	Payroll Taxes & Fringe on Raises	\$91,350.53	
					Taxes	Tax rate of 1.67%	\$3,898.55	
			D15	Workers' Compensation Chargebacks	Worker's Comp Chargeback	Worker's Comp Chargeback	\$49,000.00	
Obj Class Totals:							\$222,453.52	
		EE	<i>ADMINISTRATIVE EXPENSES</i>					
			E12	Subscriptions, Memberships & Licensing Fees	Subscriptions	Subscriptions, Memberships & Licensing Fees SHRM, NEHRA, The Partnership	\$2,000.00	
			E19	Fees, Fines, Licenses, Permits & Chargebacks	Licenses	Fees, Fines, Licenses, Permits & Chargebacks HRCMS and HRD Chargebacks	\$2,653.00	
			EE2	Conference, Training and Registration Fees	Training	Conference, Training and Registration Fees Career Development and Training	\$3,000.00	
			EE9	Employee Recognition Chargeback	Employee Morale	Employee Recognition Program	\$10,000.00	
Obj Class Totals:							\$17,653.00	
		HH	<i>CONSULTANT SVCS (TO DEPTS)</i>					
			H09	Attorneys/Legal Services	Worker's Comp	Workers Comp Litigation Fees	\$5,000.00	

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
Obj Class Totals:							\$5,000.00
	JJ	OPERATIONAL SERVICES					
		JJ2	Auxiliary Services		EAP	Crisis Management EAP program	\$2,000.00
					HR Investigations	Training/Investigations	\$15,000.00
					Testing	Auxiliary Services The Hire Authority	\$2,750.00
Obj Class Totals:							\$19,750.00
Division/Bureau Totals							\$726,575.03
1200	Legal						
	AA	REGULAR EMPLOYEE COMPENSATION					
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$496,797.94
Obj Class Totals:							\$496,797.94
	BB	REGULAR EMPLOYEE RELATED EXPEN					
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel and Training	\$2,500.00
		B02	In-State Travel		Travel	In State Travel	\$2,000.00
		B05	Conference, Training, Registration and Membership Dues and L		Professional Licenses	Professional and Bar Licenses	\$2,000.00
Obj Class Totals:							\$6,500.00
	DD	PENSION & INSURANCE RELATED EX					
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 33.5%	\$157,246.64
					Taxes	Tax rate of 1.67%	\$8,296.53
Obj Class Totals:							\$165,543.17
	EE	ADMINISTRATIVE EXPENSES					
		E01	Office & Administrative Supplies		Supplies	Office Supplies	\$5,000.00
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Subscriptions and Memberships Westlaw ABA	\$5,000.00
		E13	Advertising Expenses		Reg Advertising	Advertising of Regs and Meetings	\$5,000.00
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel	Connference/Trainings	\$10,000.00
Obj Class Totals:							\$25,000.00
	HH	CONSULTANT SVCS (TO DEPTS)					
		H09	Attorneys/Legal Services		Litigation Defense	Outside Counsel Litigation Defense	\$400,000.00
					Litigation Defense	Outside Counsel Review of PRR	\$31,600.00
					Outside Counsel	General Practice, Regulations, Laws, etc.	\$176,003.14
					Outside Counsel	Labor Employment Law	\$20,000.00
		H19	Management Consultants		Hearing Officer	Hearing Officer	\$32,000.00
Obj Class Totals:							\$659,603.14
	JJ	OPERATIONAL SERVICES					
		JJ1	Legal Support Services		Litigation Defense	Target Litigation	\$10,000.00
Obj Class Totals:							\$10,000.00

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
Division/Bureau Totals							\$1,363,444.25
1300	Executive Director						
	AA	REGULAR EMPLOYEE COMPENSATION					
	A01	Salaries: Inclusive			Employee Compensation	Employee Salaries	\$378,640.38
	Obj Class Totals:						\$378,640.38
	BB	REGULAR EMPLOYEE RELATED EXPEN					
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI			Travel	Two conferences Out of State	\$6,000.00
	B02	In-State Travel			Travel	In-State Mileage and Rental Cars	\$2,000.00
	Obj Class Totals:						\$8,000.00
	DD	PENSION & INSURANCE RELATED EX					
	D09	Fringe Benefit Cost Recoupment			Fringe	Fringe rate of 33.5%	\$126,844.53
					Taxes	Tax rate of 1.67%	\$6,323.29
	Obj Class Totals:						\$133,167.82
	EE	ADMINISTRATIVE EXPENSES					
	E30	Credit Card Purchases			Credit Card	Credit Card Purchases	\$15,000.00
	EE2	Conference, Training and Registration Fees			Gaming Forum	Gaming Forum TBD	\$10,000.00
	Obj Class Totals:						\$25,000.00
	HH	CONSULTANT SVCS (TO DEPTS)					
	H19	Management Consultants			Gaming Consultant	Michael & Carroll Gaming Consultant for Legal, Tribal and General Matters	\$180,000.00
					Strategic Consultant	Consultant to review strategy	\$20,000.00
					Tribal Consultant	Michael & Carroll Gaming Consultant for Tribal Matters	\$60,000.00
	Obj Class Totals:						\$260,000.00
Division/Bureau Totals							\$804,808.20
1400	Information Technology						
	AA	REGULAR EMPLOYEE COMPENSATION					
	A01	Salaries: Inclusive			Employee Compensation	Employee Salaries	\$563,295.91
	Obj Class Totals:						\$563,295.91
	BB	REGULAR EMPLOYEE RELATED EXPEN					
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI			Travel	Out of State Travel G2E/Gartner	\$12,000.00
	B02	In-State Travel			Travel	In-state travel	\$3,000.00
	Obj Class Totals:						\$15,000.00
	DD	PENSION & INSURANCE RELATED EX					
	D09	Fringe Benefit Cost Recoupment			Fringe	Fringe rate of 33.5%	\$188,704.13
					Taxes	Tax rate of 1.67%	\$9,407.04
	Obj Class Totals:						\$198,111.17

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
		EE		ADMINISTRATIVE EXPENSES			
			E56	Secretariat Central Services Chargeback	IT Support	ANF Chargeback for IT services (Help Desk Charges \$659.79 per desktop)	\$52,783.00
Obj Class Totals:							\$52,783.00
		GG		ENERGY COSTS AND SPACE RENTAL			
			G01	Space Rental	Data Center	Markley Data Center Costs (Rack Space \$10.8K, Electricity \$13.2K, and Fiber \$3K)	\$28,080.00
Obj Class Totals:							\$28,080.00
		UU		IT Non-Payroll Expenses			
			U01	Telecommunications Services Data	Plainridge IT	VPN Accounts	\$8,100.00
					Plainridge Video	Video Circuit for Boston & Plainville	\$96,124.00
			U02	Telecommunications Services - Voice	Cable	Comcast Internet (Gaming Lab) and Cable Service (Meeting Rooms)	\$4,800.00
					Cellular Service	Cell Phone Service	\$64,985.00
					Phone Lines	Conference Bridge Lines	\$1,980.00
					Phone Lines	DSCI phone services	\$9,000.00
					Phone Lines	MCI Fax Line	\$480.00
					Phone Lines	Measured Business Lines	\$6,540.00
					Phone Lines	Windstream WAN for Data Connection \$1.5K/month	\$18,000.00
			U04	Information Technology Chargeback	Internet	MAGNET (Internet Access -2x50Mbps @\$3,686/month, 1x20Mbps @\$3138/month, 1x0.06units @\$105.30/month)	\$127,384.00
					IT Support	ANF Chargeback for Space at Chelsea and Springfield	\$89,000.00
					OSC Chargeback	MMARS Chargeback	\$10,636.00
			U05	Information Technology (IT) Professionals	CMS	CMS - GLI Intelligen (estimate based on Pennsylvania)	\$2,262,544.68
					Consultant	IT Consultants Gartner	\$42,900.00
					Consulting	IT Consulting Support 250 hours @ \$100/hr	\$50,000.00
					LMS	Licensing System Continual Upgrades to Phase 1 and Phase 2 Development	\$500,000.00
					Training	Technical Training	\$10,000.00
					Training	User Training - EMC System Training	\$10,000.00
			U06	Information Technology (IT) Cabling	Phone	FTG Phone lines maintenance etc.	\$15,000.00
			U07	Information Technology (IT) Equipment	Hardware	Gaming Technology Laboratory Equipment	\$5,000.00
					Maintenance	VMWare Maintenance	\$19,185.00
					Miscellaneous	Miscellaneous Equipment	\$20,000.00
					Printers	Printers 10@\$250/printer	\$2,500.00
					Servers	Servers and Storage	\$50,000.00
					Software	Adobe, Sharepoint, Office 365, Project, Vizio, Dragon, Winzip	\$50,000.00
					Software	CodeGuard MGC Website Backup Service	\$1,764.00
					Software	Kobitron - GLI Testing Platform	\$1,500.00
					Software	Prezi Software	\$3,180.00

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding	
			U09	Information Technology (IT) Equip Rental Or Lease	Leases	HP Leases	\$89,714.00	
					Mobile Devices	Mobile Device Management (85 units @ \$3.95/year)	\$4,029.00	
			U10	Information Tech (IT) Equipment Maintenance & Repair	Maintenance	Aruba Maintenance	\$925.50	
					Maintenance	EMC Maintenance	\$50,000.00	
					Maintenance	Printer Maintenance	\$425.00	
Obj Class Totals:							\$3,625,696.18	
Division/Bureau Totals							\$4,482,966.26	
1500 Commissioners								
		AA	REGULAR EMPLOYEE COMPENSATION					
		A01	Salaries: Inclusive		Employee Compensation	Employee Compensation	\$884,653.65	
Obj Class Totals:							\$884,653.65	
		DD	PENSION & INSURANCE RELATED EX					
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 33.5%	\$296,358.97	
					Taxes	Tax rate of 1.67%	\$14,773.72	
Obj Class Totals:							\$311,132.69	
		EE	ADMINISTRATIVE EXPENSES					
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Trade Journals	\$3,000.00	
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees		75-101 Parking Garage	Parking	\$28,200.00	
					Meeting Space	Temporary Space \$1.2/mtg @ 15mtgs	\$7,500.00	
		E30	Credit Card Purchases		Credit Card	Allowable Credit Card Expenses	\$12,500.00	
		EE2	Conference, Training and Registration Fees		Registration Fees	Conference/Trainings	\$5,000.00	
Obj Class Totals:							\$56,200.00	
		HH	CONSULTANT SVCS (TO DEPTS)					
		H19	Management Consultants		Consultants Reviews	Consultants	\$50,000.00	
Obj Class Totals:							\$50,000.00	
		JJ	OPERATIONAL SERVICES					
		J33	Photographic & Micrographic Services		Stenographer	Court Reports and Stenography \$2.1K/mtg	\$54,600.00	
Obj Class Totals:							\$54,600.00	
Division/Bureau Totals							\$1,356,586.34	
1600 Workforce and Supplier Diversity								
		AA	REGULAR EMPLOYEE COMPENSATION					
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$196,642.08	
Obj Class Totals:							\$196,642.08	
		BB	REGULAR EMPLOYEE RELATED EXPEN					
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Other Out of State Travel-Inclusive Airfare, Hotel, Lodging	\$3,000.00	
		B02	In-State Travel		Travel	In-state Travel	\$2,000.00	

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
Obj Class Totals:							\$5,000.00
	DD			PENSION & INSURANCE RELATED EX			
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 33.5%	\$65,875.10
					Taxes	Tax rate of 1.67%	\$3,283.92
Obj Class Totals:							\$69,159.02
	EE			ADMINISTRATIVE EXPENSES			
		E12		Subscriptions, Memberships & Licensing Fees	Administrative Expenses	Marketing Sponsorships of Diversity and Opportunity Events	\$25,000.00
		E22		Temp Use Space/Confer-Incidental Includes Reservation Fees	Conferences	Access Opportunity Meetings	\$10,000.00
Obj Class Totals:							\$35,000.00
	HH			CONSULTANT SVCS (TO DEPTS)			
		H19		Management Consultants	Consultants	MCCTI Statewide WF Coordinator	\$50,000.00
Obj Class Totals:							\$50,000.00
	PP			STATE AID/POL SUB			
		P01		Grants To Public Entities	Grants	Workforce Development and Diversity Grants	\$225,000.00
Obj Class Totals:							\$225,000.00
Division/Bureau Totals							\$580,801.10
1700	Problem Gambling						
	AA			REGULAR EMPLOYEE COMPENSATION			
		A01		Salaries: Inclusive	DPH ISA Salary	DPH ISA Salary	\$90,000.00
					Employee Compensation	Employee Salaries	\$232,465.30
Obj Class Totals:							\$322,465.30
	BB			REGULAR EMPLOYEE RELATED EXPEN			
		B01		Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	ISA DPH	DPH ISA Travel	\$3,000.00
					Travel	Out of State Travel	\$3,000.00
		B02		In-State Travel	Travel	In-State-Travel Reimbursements consistent with other Director's parking passes.	\$3,000.00
Obj Class Totals:							\$9,000.00
	CC			SPECIAL EMPLOYEES			
		C23		Management, Business Professionals & Admin Services	ISA DPH	DPH ISA 120 day employee	\$20,000.00
Obj Class Totals:							\$20,000.00
	DD			PENSION & INSURANCE RELATED EX			
		D09		Fringe Benefit Cost Recoupment	DPH ISA Fringe rate of 33.5%	DPH ISA Fringe rate of 33.5%	\$30,150.00
					Fringe	Fringe rate of 33.5%	\$77,875.86
					ISA Taxes	Tax rate of 1.67%	\$1,837.00
					Taxes	Tax rate of 1.67%	\$3,882.17
Obj Class Totals:							\$113,745.03

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
		EE		ADMINISTRATIVE EXPENSES			
			E01	Office & Administrative Supplies	ISA DPH	ISA DPH Supplies	\$500.00
			E16	Indirect Cost Recoupment	ISA DPH	ISA Indirect Charges	\$13,394.00
			E98	Reimbursement for Travel and Other Expenses for Board Member	Council Travel	Conference Attendance for Council on Compulsive Gambling	\$1,825.00
			EE2	Conference, Training and Registration Fees	Conferences	Conference, Training & Registration Fees	\$7,000.00
					ISA DPH	DPH ISA Conference Membership and Registration Fees	\$3,000.00
			Obj Class Totals:				\$25,719.00
		FF		FACILITY OPERATIONAL EXPENSES			
			F16	Library & Teaching Supplies & Materials	Books	Library/reference books	\$500.00
			Obj Class Totals:				\$500.00
		HH		CONSULTANT SVCS (TO DEPTS)			
			H09	Attorneys/Legal Services	Crime Analysis	Crime Analyst Under M&C Contract	\$30,000.00
			H23	Program Coordinators	Branding	GameSense media buys etc.	\$200,000.00
					Consultants	Cambridge Health Alliance contract costs thru 6/30/17	\$510,000.00
					Council Members Stipends	Council Members Stipends	\$20,000.00
					Mass Council	Mass Council on Compulsive Gambling including 4 employees to man Game Sense booth at Penn	\$570,000.00
					PHTF Study	Public Health Trust Fund requested study of a sub-population	\$100,000.00
			H98	Reim Trav/Exp For Consultant Services	Council Travel	Mass Council Travel	\$7,500.00
			Obj Class Totals:				\$1,437,500.00
		MM		PURCHASED CLIENT/PROGRAM SVCS			
			M04	Services Purch Support of Human/Social Services for Clients	PPC reimbursements for Play My Way Incentives	PPC reimbursements for Play My Way Incentives	\$25,000.00
					Problem Gambling	Problem Gambling Solutions--Jeff Marotta reviewing applications and consultations	\$15,000.00
			Obj Class Totals:				\$40,000.00
		PP		STATE AID/POL SUB			
			P01	Grants To Public Entities	Data Storage Grant	Final Component of Research Agenda data storage of player data to not-for-profit entity	\$150,000.00
					DPH ISA Strategic Planning Grants	DPH ISA Strategic Planning Grants	\$325,000.00
					Umass	Magic Core/Optional--Cohort Study	\$1,080,000.00
			P06	Other Financial Assistance to State Authorities	Umass	Seigma/Umass core--Baseline Study on-going	\$900,000.00
			Obj Class Totals:				\$2,455,000.00
		UU		IT Non-Payroll Expenses			
			U07	Information Technology (IT) Equipment	Play Management	Development of Play Management Software	\$65,000.00
			Obj Class Totals:				\$65,000.00
Division/Bureau Totals							\$4,488,929.33
1800 Communications							

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding	
		AA		REGULAR EMPLOYEE COMPENSATION				
		A01		Salaries: Inclusive	Employee Compensation	Regular Salaries	\$209,210.02	
				Obj Class Totals:			\$209,210.02	
		DD		PENSION & INSURANCE RELATED EX				
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 33.5%	\$70,085.36	
					Taxes	Tax rate of 1.67%	\$3,493.81	
				Obj Class Totals:			\$73,579.17	
		EE		ADMINISTRATIVE EXPENSES				
		E02		Printing Expenses & Supplies	Printing	Printing	\$10,000.00	
		E12		Subscriptions, Memberships & Licensing Fees	Subscriptions	Subscriptions, Licensing, Memberships	\$25,000.00	
				Obj Class Totals:			\$35,000.00	
		HH		CONSULTANT SVCS (TO DEPTS)				
		HH3		Media Design, Editorial and Communication	Streaming	Pyxis Streaming & Production of Public Meetings	\$30,000.00	
					Website Design	Marketing & Website Design	\$25,000.00	
				Obj Class Totals:			\$55,000.00	
		Division/Bureau Totals						\$372,789.19
	1900	Ombudsman						
		AA		REGULAR EMPLOYEE COMPENSATION				
		A01		Salaries: Inclusive	Employee Compensation	Regular Employees	\$314,594.66	
				Obj Class Totals:			\$314,594.66	
		DD		PENSION & INSURANCE RELATED EX				
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5%	\$105,389.21	
					Taxes	Tax rate of 1.67%	\$5,253.73	
				Obj Class Totals:			\$110,642.94	
		HH		CONSULTANT SVCS (TO DEPTS)				
		H19		Management Consultants	Construction Consultants	City Point, Epstein Joslyn, Green	\$50,000.00	
				Obj Class Totals:			\$50,000.00	
		JJ		OPERATIONAL SERVICES				
		JJ1		Legal Support Services	Stenographers	4 GPAC meetings 8 Local Community mitigation advisory	\$10,000.00	
				Obj Class Totals:			\$10,000.00	
		Division/Bureau Totals						\$485,237.60
	2000	MGC Indirect						
		EE		ADMINISTRATIVE EXPENSES				
		E16		Indirect Cost Recoupment	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$1,635,476.20	
				Obj Class Totals:			\$1,635,476.20	
		Division/Bureau Totals						\$1,635,476.20

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
5000		Investigations and Enforcement Bureau					
	AA	REGULAR EMPLOYEE COMPENSATION					
		A01		Salaries: Inclusive	Employee Compensation	Regular Salaries	\$1,724,526.32
		Obj Class Totals:					\$1,724,526.32
	BB	REGULAR EMPLOYEE RELATED EXPEN					
		B01		Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out of state travel reimbursements for gaming enforcement agents and non-state police staff	\$15,000.00
		B02		In-State Travel	Travel	In-state-travel reimbursements for gaming enforcement agents and non state police staff	\$4,000.00
		Obj Class Totals:					\$19,000.00
	CC	SPECIAL EMPLOYEES					
		C23		Management, Business Professionals & Admin Services	Contracted Employees	Contracted Investigators	\$100,000.00
		Obj Class Totals:					\$100,000.00
	DD	PENSION & INSURANCE RELATED EX					
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5% on AA	\$577,716.32
					Taxes	Tax rate of 1.67% on AA	\$28,799.60
					Taxes	Tax Rate of 1.67% on Contracted Staff	\$4,783.30
		Obj Class Totals:					\$611,299.22
	EE	ADMINISTRATIVE EXPENSES					
		E01		Office & Administrative Supplies	Supplies	Supplies	\$5,000.00
		E12		Subscriptions, Memberships & Licensing Fees	Subscriptions	Lexis Nexis,Hire Authority, Nat.Student Loan	\$49,000.00
		E30		Credit Card Purchases	Credit Card	Credit Card Purchases	\$15,000.00
		E41		Out Of State Travel Expen on Behalf of State Employ	Travel Agent	Travel Agent for Trainings and Investigations	\$100,000.00
		EE2		Conference, Training and Registration Fees	Registrations	Training/Conference Registration Fees.	\$25,000.00
		Obj Class Totals:					\$194,000.00
	JJ	OPERATIONAL SERVICES					
		J25		Laboratory & Pharmaceutical Services	Finger Prints State Police	Chargeback for Finger Print Costs for Licenses @ \$50/set and ~4.5K prints	\$175,000.00
					Plainville Police Salaries	Plainville Police Salaries	\$271,120.15
					State Police	MGC Salaries for MGC Investigations and Background Unit	\$889,331.94
					State Police	MGC State Police Additional Troopers Plainville Straight Time and Payroll Taxes	\$1,088,506.30
					State Police OT & Travel	MGC OT and Travel for Investigations	\$612,500.00
		J28		Law Enforcement	Lease Vehicles	Law Enforcement Vehicles	\$8,877.39
		Obj Class Totals:					\$3,045,335.78
	OO						
		O01				ISA with TRE for ABCC employee	\$75,000.00
		Obj Class Totals:					\$75,000.00

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
		UU		IT Non-Payroll Expenses			
		U02		Telecommunications Services - Voice	Mobile Devices	Wifi Cards for Staff \$50/month	\$12,000.00
		Obj Class Totals:					\$12,000.00
		Division/Bureau Totals					\$5,781,161.32
	7000	Licensing Division					
	AA	REGULAR EMPLOYEE COMPENSATION					
	A01			Salaries: Inclusive	Employee Compensation	Regular Employee Salaries	\$390,569.51
		Obj Class Totals:					\$390,569.51
	BB	REGULAR EMPLOYEE RELATED EXPEN					
	B01			Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out-of State Travel Reimbursements	\$7,500.00
		Obj Class Totals:					\$7,500.00
	DD	PENSION & INSURANCE RELATED EX					
	D09			Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5%	\$130,931.24
					Taxes	Tax Rate of 1.67%	\$6,527.03
		Obj Class Totals:					\$137,458.27
	EE	ADMINISTRATIVE EXPENSES					
	E02			Printing Expenses & Supplies	Supplies	ProAv Systems Printer supplies	\$5,000.00
	E06			Postage	Postage	Federal Express Charges	\$1,000.00
	E41			Out Of State Travel Expen on Behalf of State Employ	Travel Agent	Great Getaways	\$5,000.00
	EE2			Conference, Training and Registration Fees	Conferences	Conference, Training & Registration. 2 people travel to conference	\$5,000.00
		Obj Class Totals:					\$16,000.00
		Division/Bureau Totals					\$551,527.78
	9000	Office of the Attorney General					
	JJ	OPERATIONAL SERVICES					
	J25			Laboratory & Pharmaceutical Services	State Police	AGO State Police OT	\$250,000.00
					State Police	AGO Straight Time Troopers and Payroll Taxes	\$222,303.76
		Obj Class Totals:					\$472,303.76
	OO						
	O99				Attorney General	13 FTEs, Office Space of \$250K, buildout and set-up of office of additional \$200K. Statute caps this item at \$3M. This does not include OT and straight salaries of troopers.	\$1,904,540.60
		Obj Class Totals:					\$1,904,540.60
		Division/Bureau Totals					\$2,376,844.36
		Appropriation Totals					\$27,171,694.52
10500003	MGC Mass Racing Development and Oversight						
	1000	Finance and Administration					

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding	
		AA		REGULAR EMPLOYEE COMPENSATION				
		A01		Salaries: Inclusive	Employee Compensation	5% of Admin Employees Salaries	\$24,808.99	
		Obj Class Totals:						\$24,808.99
		DD		PENSION & INSURANCE RELATED EX				
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5%	\$8,311.01	
					Taxes	Tax Rate of 1.67%	\$414.31	
		Obj Class Totals:						\$8,725.32
Division/Bureau Totals							\$33,534.31	
1100	Human Resources							
		AA		REGULAR EMPLOYEE COMPENSATION				
		A01		Salaries: Inclusive	Employee Compensatio	5% of HR Employees Salaries	\$6,131.76	
					Cost of Living Increases Agency Wide	Cost of Living Increases Agency Wide	\$11,066.66	
		A14		Stipends, Bonus Pay & Awards	Bonus incentives	Bonus incentives	\$3,688.89	
		Obj Class Totals:						\$20,887.31
		DD		PENSION & INSURANCE RELATED EX				
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5%	\$2,054.14	
					Taxes	Tax Rate of 1.67%	\$102.40	
		Obj Class Totals:						\$2,156.54
Division/Bureau Totals							\$23,043.85	
1200	Legal							
		AA		REGULAR EMPLOYEE COMPENSATION				
		A01		Salaries: Inclusive	Employee Compensation	5% of Legal Employees Salaries	\$7,590.34	
		Obj Class Totals:						\$7,590.34
		DD		PENSION & INSURANCE RELATED EX				
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5%	\$2,542.76	
					Taxes	Tax Rate of 1.67%	\$126.76	
		Obj Class Totals:						\$2,669.52
Division/Bureau Totals							\$10,259.86	
1300	Executive Director							
		AA		REGULAR EMPLOYEE COMPENSATION				
		A01		Salaries: Inclusive	Employee Compensation	5% of Exec. Dir. Employees Salaries	\$9,321.15	
		Obj Class Totals:						\$9,321.15
		DD		PENSION & INSURANCE RELATED EX				
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 33.5%	\$3,122.59	
					Taxes	Tax Rate of 1.67%	\$155.66	
		Obj Class Totals:						\$3,278.25

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
Division/Bureau Totals							\$12,599.40
1400	Information Technology						
	AA	REGULAR EMPLOYEE COMPENSATION					
	A01	Salaries: Inclusive		Employee Compensation	5% of IT Employees Salaries		\$9,735.42
Obj Class Totals:							\$9,735.42
	DD	PENSION & INSURANCE RELATED EX					
	D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 33.5%		\$3,261.37
				Taxes	Tax Rate of 1.67%		\$162.58
Obj Class Totals:							\$3,423.95
Division/Bureau Totals							\$13,159.37
1500	Commissioners						
	AA	REGULAR EMPLOYEE COMPENSATION					
	A01	Salaries: Inclusive		Employee Compensation	5% of Commissioners Employees Salaries		\$30,868.79
Obj Class Totals:							\$30,868.79
	DD	PENSION & INSURANCE RELATED EX					
	D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 33.5%		\$10,341.04
				Taxes	Tax Rate of 1.67%		\$515.51
Obj Class Totals:							\$10,856.55
Division/Bureau Totals							\$41,725.34
3000	Racing Division						
	AA	REGULAR EMPLOYEE COMPENSATION					
	A01	Salaries: Inclusive		Employee Compensation	Regular Employee Salaries		\$280,432.22
Obj Class Totals:							\$280,432.22
	BB	REGULAR EMPLOYEE RELATED EXPEN					
	B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel Reimbursement		\$10,000.00
	B02	In-State Travel		Travel	In State Travel Reimbursement		\$2,000.00
Obj Class Totals:							\$12,000.00
	CC	SPECIAL EMPLOYEES					
	C04	Contracted Seasonal Employees		Seasonals	Seasonal salaries for Plainridge at 35 weeks		\$330,000.00
Obj Class Totals:							\$330,000.00
	DD	PENSION & INSURANCE RELATED EX					
	D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 33.5%		\$93,944.79
				Taxes	Tax Rate of 1.67%		\$4,683.22
				Taxes for Seasonals	Taxes for Seasonals @1.67%		\$5,511.00
Obj Class Totals:							\$104,139.01

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
		EE		ADMINISTRATIVE EXPENSES			
		E01		Office & Administrative Supplies	Supplies	W.B. Mason	\$6,000.00
		E02		Printing Expenses & Supplies	Printing	Sir Speedy	\$500.00
		E12		Subscriptions, Memberships & Licensing Fees	Memberships	AA Dority/Organization of Racing Investigators	\$1,005.00
					Memberships	Assoc. of Racing Regulators	\$17,000.00
		E13		Advertising Expenses	Public Hearing Notices	Boston Globe	\$1,000.00
					Public Hearing Notices	Boston Herald	\$700.00
					Public Hearing Notices	Dow Jones/Cape Cod Times	\$150.00
					Public Hearing Notices	Sun Chronical	\$300.00
		E15		Bottled Water	Water	Belmont Springs/DS Waters of America	\$200.00
		E41		Out Of State Travel Expen on Behalf of State Employ	Travel Agent	Travel	\$3,000.00
		EE2		Conference, Training and Registration Fees	Conferences	Assoc. of Racing Comm./Delaware Racing/Thoroughbred Racing	\$3,000.00
				Obj Class Totals:			\$32,855.00
		FF		FACILITY OPERATIONAL EXPENSES			
		F05		Laboratory Supplies	Vet Supplies	Gloves, scrubs etc.	\$2,000.00
				Obj Class Totals:			\$2,000.00
		HH		CONSULTANT SVCS (TO DEPTS)			
		H19		Management Consultants	Hearing Officer	David Murray	\$25,000.00
				Obj Class Totals:			\$25,000.00
		JJ		OPERATIONAL SERVICES			
		J10		Auxiliary Financial Services	Credit Cards	Bank of America credit card terminal fees	\$1,000.00
		J25		Laboratory & Pharmaceutical Services	Testing	Health Resources Corp.	\$1,800.00
		JJ1		Legal Support Services	Stenographer	Catuagno Court Reporting	\$6,500.00
		JJ2		Auxiliary Services	Autopsies	Trustees of Tufts College	\$22,000.00
					Testing Lab	HFL Sports Science	\$7,000.00
					Testing Lab	Truesdail Laboratories	\$200,000.00
				Obj Class Totals:			\$238,300.00
		LL		EQUIPMENT LEASE-MAINTAIN/REPAR			
		L26		Printing/Photocopy & Micrographics Equip Rent/Lease	Copier Lease	Canon Financial Solutions	\$1,500.00
		L46		Print, Photocopying & Micrograph Equipment Maint/Repair	Maintenance Contract	K & A Industries	\$2,000.00
				Obj Class Totals:			\$3,500.00
		MM		PURCHASED CLIENT/PROGRAM SVCS			
		M03		Purchased Human & Social Services For Clients/Non Medical	Hardship Payments	Economic Hardship Payments	\$20,000.00
					Legislative Mandate	Eighth Pole	\$80,000.00
					Legislative Mandate	Jockey's Guild	\$65,000.00
		M04		Services Purch Support of Human/Social Services for Clients	ISA	ISA with DPH Compulsive Gambling	\$70,000.00

Approp	Unit	Obj Class	Obj Code	Object_name	Item Short Name	Description	FY17 Funding
Obj Class Totals:							\$235,000.00
	UU			<i>IT Non-Payroll Expenses</i>			
		U02		Telecommunications Services - Voice	Phones	Verizon/AT&T	\$15,000.00
		U05		Information Technology (IT) Professionals	Chrims	Arthur Evans/CHRIMS	\$62,500.00
		U09		Information Technology (IT) Equip Rental Or Lease	Computer Leases	Ontario Investments	\$1,200.00
Obj Class Totals:							\$78,700.00
Division/Bureau Totals							\$1,341,926.23
Appropriation Totals							\$1,476,248.36

Next Year Budget By Object Class

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
10500001			Mass. Gaming Commission				
	AA		REGULAR EMPLOYEE COMPENSATION				
		A01	Salaries: Inclusive				
				1000	Employee Compensation	Salaries	\$500,089.89
				1100	Employee Compensation	Employee Salaries	\$233,446.08
				1100	Raises	2.5% COLA Increases Agency Wide 1% Bonus Incentives	\$227,272.43
				1200	Employee Compensation	Employee Salaries	\$496,797.94
				1300	Employee Compensation	Employee Salaries	\$378,640.38
				1400	Employee Compensation	Employee Salaries	\$563,295.91
				1500	Employee Compensation	Employee Compensation	\$884,653.65
				1600	Employee Compensation	Employee Salaries	\$196,642.08
				1700	DPH ISA Salary	DPH ISA Salary	\$90,000.00
				1700	Employee Compensation	Employee Salaries	\$232,465.30
				1800	Employee Compensation	Regular Salaries	\$209,210.02
				1900	Employee Compensation	Regular Employees	\$314,594.66
				5000	Employee Compensation	Regular Salaries	\$1,724,526.32
				7000	Employee Compensation	Regular Employee Salaries	\$390,569.51
			Obj Class Totals:				\$6,442,204.17
	BB		REGULAR EMPLOYEE RELATED EXPEN				
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI				
				1200	Travel	Out of State Travel and Training	\$2,500.00
				1300	Travel	Two conferences Out of State	\$6,000.00
				1400	Travel	Out of State Travel G2E/Gartner	\$12,000.00
				1600	Travel	Other Out of State Travel-Inclusive Airfare, Hotel, Lodging	\$3,000.00
				1700	ISA DPH	DPH ISA Travel	\$3,000.00
				1700	Travel	Out of State Travel	\$3,000.00
				5000	Travel	Out of state travel reimbursements for gaming enforcement agents and non-state police staff	\$15,000.00
				7000	Travel	Out-of State Travel Reimbursements	\$7,500.00
		B02	In-State Travel				
				1000	Travel	In-State-Travel	\$2,000.00
				1100	Travel	In State Travel	\$1,000.00
				1200	Travel	In State Travel	\$2,000.00
				1300	Travel	In-State Mileage and Rental Cars	\$2,000.00
				1400	Travel	In-state travel	\$3,000.00
				1600	Travel	In-state Travel	\$2,000.00
				1700	Travel	In-State-Travel Reimbursements consistent with other Director's parking passes.	\$3,000.00
				5000	Travel	In-state-travel reimbursements for gaming enforcement agents and non state police staff	\$4,000.00
		B05	Conference, Training, Registration and Membership Dues and L	1200	Professional Licenses	Professional and Bar Licenses	\$2,000.00
			Obj Class Totals:				\$73,000.00
	CC		SPECIAL EMPLOYEES				
		C23	Management, Business Professionals & Admin Services				
				1700	ISA DPH	DPH ISA 120 day employee	\$20,000.00
				5000	Contracted Employees	Contracted Investigators	\$100,000.00

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
Obj Class Totals:							\$120,000.00
DD	PENSION & INSURANCE RELATED EX						
	D09	Fringe Benefit Cost Recoupment		1000	Fringe	Fringe rate of 33.50%	\$167,530.11
				1000	Taxes	Tax rate of 1.67%	\$8,351.50
				1100	Fringe	Fringe rate of 33.5%	\$78,204.44
				1100	Payroll Taxes & Fringe on Raises	Payroll Taxes & Fringe on Raises	\$91,350.53
				1100	Taxes	Tax rate of 1.67%	\$3,898.55
				1200	Fringe	Fringe rate of 33.5%	\$157,246.64
				1200	Taxes	Tax rate of 1.67%	\$8,296.53
				1300	Fringe	Fringe rate of 33.5%	\$126,844.53
				1300	Taxes	Tax rate of 1.67%	\$6,323.29
				1400	Fringe	Fringe rate of 33.5%	\$188,704.13
				1400	Taxes	Tax rate of 1.67%	\$9,407.04
				1500	Fringe	Fringe Rate of 33.5%	\$296,358.97
				1500	Taxes	Tax rate of 1.67%	\$14,773.72
				1600	Fringe	Fringe rate of 33.5%	\$65,875.10
				1600	Taxes	Tax rate of 1.67%	\$3,283.92
				1700	DPH ISA Fringe rate of 33.5%	DPH ISA Fringe rate of 33.5%	\$30,150.00
				1700	Fringe	Fringe rate of 33.5%	\$77,875.86
				1700	ISA Taxes	Tax rate of 1.67%	\$1,837.00
				1700	Taxes	Tax rate of 1.67%	\$3,882.17
				1800	Fringe	Fringe rate of 33.5%	\$70,085.36
				1800	Taxes	Tax rate of 1.67%	\$3,493.81
				1900	Fringe	Fringe Rate of 33.5%	\$105,389.21
				1900	Taxes	Tax rate of 1.67%	\$5,253.73
				5000	Fringe	Fringe Rate of 33.5% on AA	\$577,716.32
				5000	Taxes	Tax rate of 1.67% on AA	\$28,799.60
				5000	Taxes	Tax Rate of 1.67% on Contracted Staff	\$4,783.30
				7000	Fringe	Fringe Rate of 33.5%	\$130,931.24
				7000	Taxes	Tax Rate of 1.67%	\$6,527.03
	D15	Workers' Compensation Chargebacks		1100	Worker's Comp Chargeback	Worker's Comp Chargeback	\$49,000.00
Obj Class Totals:							\$2,322,173.63
EE	ADMINISTRATIVE EXPENSES						
	E01	Office & Administrative Supplies		1000	Supplies	Cam Office Supplies	\$10,000.00
				1000	Supplies	Lyndenmeyer Munroe	\$5,000.00
				1000	Supplies	W.B. Mason	\$25,000.00
				1200	Supplies	Office Supplies	\$5,000.00
				1700	ISA DPH	ISA DPH Supplies	\$500.00
				5000	Supplies	Supplies	\$5,000.00
	E02	Printing Expenses & Supplies		1000	Printing	Sir Speedy	\$3,950.00
				1800	Printing	Printing	\$10,000.00
				7000	Supplies	ProAv Systems Printer supplies	\$5,000.00
	E05	Postage Chargeback		1000	Postage	ITD PAD Chargeback for postal Services	\$2,600.00
	E06	Postage		1000	Postage	Postage for Ashburton Mail Room	\$2,400.00

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
		E06	Postage	1000	Postage	Postage for Pitney Bowes, Fed Ex, UPS	\$1,500.00
				7000	Postage	Federal Express Charges	\$1,000.00
		E12	Subscriptions, Memberships & Licensing Fees	1100	Subscriptions	Subscriptions, Memberships & Licensing Fees SHRM, NEHRA, The Partnership	\$2,000.00
				1200	Subscriptions	Subscriptions and Memberships Westlaw ABA	\$5,000.00
				1500	Subscriptions	Trade Journals	\$3,000.00
				1600	Administrative Expenses	Marketing Sponsorships of Diversity and Opportunity Events	\$25,000.00
				1800	Subscriptions	Subscriptions, Licensing, Memberships	\$25,000.00
				5000	Subscriptions	Lexis Nexis, Hire Authority, Nat. Student Loan	\$49,000.00
		E13	Advertising Expenses	1200	Reg Advertising	Advertising of Regs and Meetings	\$5,000.00
		E15	Bottled Water	1000	Water	Quench	\$500.00
		E16	Indirect Cost Recoupment	1700	ISA DPH	ISA Indirect Charges	\$13,394.00
				2000	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$1,635,476.20
		E18	State Single Audit Chargeback	1000	FY 17 Chargeback Single State Audit	Chargeback	\$250.00
		E19	Fees, Fines, Licenses, Permits & Chargebacks	1100	Licenses	Fees, Fines, Licenses, Permits & Chargebacks HRCMS and HRD Chargebacks	\$2,653.00
		E20	Motor Vehicle Chargeback	1000	OVM	Motorized Vehicle Chargeback--Leases of ford fusion and ford escape	\$12,689.64
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees	1000	Laz Parking	Parking at 33 Arch St. 13 spaces	\$70,200.00
				1500	75-101 Parking Garage	Parking	\$28,200.00
				1500	Meeting Space	Temporary Space \$1.2/mtg @ 15mtgs	\$7,500.00
				1600	Conferences	Access Opportunity Meetings	\$10,000.00
		E30	Credit Card Purchases	1300	Credit Card	Credit Card Purchases	\$15,000.00
				1500	Credit Card	Allowable Credit Card Expenses	\$12,500.00
				5000	Credit Card	Credit Card Purchases	\$15,000.00
		E41	Out Of State Travel Expen on Behalf of State Employ	1200	Travel	Connference/Trainings	\$10,000.00
				5000	Travel Agent	Travel Agent for Trainings and Investigations	\$100,000.00
				7000	Travel Agent	Great Getaways	\$5,000.00
		E56	Secretariat Central Services Chargeback	1400	IT Support	ANF Chargeback for IT services (Help Desk Charges \$659.79 per desktop)	\$52,783.00
		E98	Reimbursement for Traval and Other Expenses for Board Member	1700	Council Travel	Conference Attendance for Council on Compulsive Gambling	\$1,825.00
		EE2	Conference, Training and Registration Fees	1100	Training	Conference, Training and Registration Fees Career Development and Training	\$3,000.00
				1300	Gaming Forum	Gaming Forum TBD	\$10,000.00
				1500	Registration Fees	Conference/Trainings	\$5,000.00
				1700	Conferences	Conference, Training & Registration Fees	\$7,000.00
				1700	ISA DPH	DPH ISA Conference Membership and Registration Fees	\$3,000.00
				5000	Registrations	Training/Conference Registration Fees.	\$25,000.00
				7000	Conferences	Conference, Training & Registration. 2 people travel to conference	\$5,000.00
		EE9	Employee Recognition Chargeback	1100	Employee Morale	Employee Recognition Program	\$10,000.00
			Obj Class Totals:				\$2,251,920.84
	FF		<i>FACILITY OPERATIONAL EXPENSES</i>				
		F16	Library & Teaching Supplies & Materials	1700	Books	Library/reference books	\$500.00
			Obj Class Totals:				\$500.00

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
	GG		ENERGY COSTS AND SPACE RENTAL				
		G01	Space Rental	1000	Office Lease	101 Federal St. 12 months	\$1,161,267.18
				1400	Data Center	Markley Data Center Costs (Rack Space \$10.8K, Electricity \$13.2K, and Fiber \$3K)	\$28,080.00
		G03	Electricity	1000	Electricity	101 Federal St. 12 months	\$32,635.44
			Obj Class Totals:				\$1,221,982.62
	HH		CONSULTANT SVCS (TO DEPTS)				
		H09	Attorneys/Legal Services	1000	Insurance	Comprehensive Insurance Policy	\$125,000.00
				1100	Worker's Comp	Workers Comp Litigation Fees	\$5,000.00
				1200	Litigation Defense	Outside Counsel Litigation Defense	\$400,000.00
				1200	Litigation Defense	Outside Counsel Review of PRR	\$31,600.00
				1200	Outside Counsel	General Practice, Regulations, Laws, etc.	\$176,003.14
				1200	Outside Counsel	Labor Employment Law	\$20,000.00
				1700	Crime Analysis	Crime Analyst Under M&C Contract	\$30,000.00
		H19	Management Consultants	1200	Hearing Officer	Hearing Officer	\$32,000.00
				1300	Gaming Consultant	Michael & Carroll Gaming Consultant for Legal, Tribal and General Matters	\$180,000.00
				1300	Strategic Consultant	Consultant to review strategy	\$20,000.00
				1300	Tribal Consultant	Michael & Carroll Gaming Consultant for Tribal Matters	\$60,000.00
				1500	Consultants Reviews	Consultants	\$50,000.00
				1600	Consultants	MCCTI Statewide WF Coordinator	\$50,000.00
				1900	Construction Consultants	City Point, Epstein Joslyn, Green	\$50,000.00
		H23	Program Coordinators	1700	Branding	GameSense media buys etc.	\$200,000.00
				1700	Consultants	Cambridge Health Alliance contract costs thru 6/30/17	\$510,000.00
				1700	Council Members Stipends	Council Members Stipends	\$20,000.00
				1700	Mass Council	Mass Council on Compulsive Gambling including 4 employees to man Game Sense booth at Penn	\$570,000.00
				1700	PHTF Study	Public Health Trust Fund requested study of a sub-population	\$100,000.00
		H98	Reim Trav/Exp For Consultant Services	1700	Council Travel	Mass Council Travel	\$7,500.00
		HH3	Media Design, Editorial and Communication	1800	Streaming	Pyxis Streaming & Production of Public Meetings	\$30,000.00
				1800	Website Design	Marketing & Website Design	\$25,000.00
			Obj Class Totals:				\$2,692,103.14
	JJ		OPERATIONAL SERVICES				
		J25	Laboratory & Pharmaceutical Services	5000	Finger Prints State Police	Chargeback for Finger Print Costs for Licenses @ \$50/set and ~4.5K prints	\$175,000.00
				5000	Plainville Police Salaries	Plainville Police Salaries	\$271,120.15
				5000	State Police	MGC Salaries for MGC Investigations and Background Unit	\$889,331.94
				5000	State Police	MGC State Police Additional Troopers Plainville Straight Time and Payroll Taxes	\$1,088,506.30
				5000	State Police OT & Travel	MGC OT and Travel for Investigations	\$612,500.00
				9000	State Police	AGO State Police OT	\$250,000.00
				9000	State Police	AGO Straight Time Troopers and Payroll Taxes	\$222,303.76
		J28	Law Enforcement	5000	Lease Vehicles	Law Enforcement Vehicles	\$8,877.39
		J33	Photographic & Micrographic Services	1500	Stenographer	Court Reports and Stenography \$2.1K/mtg	\$54,600.00
		JJ1	Legal Support Services	1200	Litigation Defense	Target Litigation	\$10,000.00

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
		JJ1	Legal Support Services	1900	Stenographers	4 GPAC meetings 8 Local Community mitigation advisory	\$10,000.00
		JJ2	Auxiliary Services	1000	Courier	USA Couriers	\$500.00
				1000	Shredding	ProShred	\$1,500.00
				1100	EAP	Crisis Management EAP program	\$2,000.00
				1100	HR Investigations	Training/Investigations	\$15,000.00
				1100	Testing	Auxiliary Services The Hire Authority	\$2,750.00
		Obj Class Totals:					\$3,613,989.54
	LL	<i>EQUIPMENT LEASE-MAINTAIN/REPAR</i>					
		L24	Motorized Vehicle Equipment Rental or Lease	1000	Rental Cars	Enterprise Car Rental	\$2,500.00
		L25	Office Equipment Rental or Lease	1000	Printing	Pitney Bowes	\$200.00
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease	1000	Copier	Canon Financial Services	\$7,500.00
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair	1000	Copier	Canon USA/Maintenance & Repair	\$3,000.00
				1000	Xerox Leases	Xerox Leases	\$16,483.80
		Obj Class Totals:					\$29,683.80
	MM	<i>PURCHASED CLIENT/PROGRAM SVCS</i>					
		M04	Services Purch Support of Human/Social Services for Clients	1700	PPC reimbursements for Play My Way Incentives	PPC reimbursements for Play My Way Incentives	\$25,000.00
				1700	Problem Gambling	Problem Gambling Solutions--Jeff Marotta reviewing applications and consultations	\$15,000.00
		Obj Class Totals:					\$40,000.00
	OO						
		O01		5000		ISA with TRE for ABCC employee	\$75,000.00
		O99		9000	Attorney General	13 FTEs, Office Space of \$250K, buildout and set-up of office of additional \$200K. Statute caps this item at \$3M. This does not include OT and straight salaries of troopers.	\$1,904,540.60
		Obj Class Totals:					\$1,979,540.60
	PP	<i>STATE AID/POL SUB</i>					
		P01	Grants To Public Entities	1600	Grants	Worforce Development and Diversity Grants	\$225,000.00
				1700	Data Storage Grant	Final Component of Research Agenda data storage of player data to not-for-profit entity	\$150,000.00
				1700	DPH ISA Strategic Planning Grants	DPH ISA Strategic Planning Grants	\$325,000.00
				1700	Umass	Magic Core/Optional--Cohort Study	\$1,080,000.00
		P06	Other Financial Assistance to State Authorities	1700	Umass	Seigma/Umass core--Baseline Study on-going	\$900,000.00
		Obj Class Totals:					\$2,680,000.00
	UU	<i>IT Non-Payroll Expenses</i>					
		U01	Telecommunications Services Data	1400	Plainridge IT	VPN Accounts	\$8,100.00
				1400	Plainridge Video	Video Circuit for Boston & Plainville	\$96,124.00
		U02	Telecommunications Services - Voice	1400	Cable	Comcast Internet (Gaming Lab) and Cable Service (Meeting Rooms)	\$4,800.00
				1400	Cellular Service	Cell Phone Service	\$64,985.00
				1400	Phone Lines	Conference Bridge Lines	\$1,980.00
				1400	Phone Lines	DSCI phone services	\$9,000.00
				1400	Phone Lines	MCI Fax Line	\$480.00
				1400	Phone Lines	Measured Business Lines	\$6,540.00

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
		U02	Telecommunications Services - Voice	1400	Phone Lines	Windstream WAN for Data Connection \$1.5K/month	\$18,000.00
				5000	Mobile Devices	Wifi Cards for Staff \$50/month	\$12,000.00
		U04	Information Technology Chargeback	1400	Internet	MAGNET (Internet Access -2x50Mbps @\$3,686/month, 1x20Mbps @\$3138/month, 1x0.06units @\$105.30/month)	\$127,384.00
				1400	IT Support	ANF Chargeback for Space at Chelsea and Springfield	\$89,000.00
				1400	OSC Chargeback	MMARS Chargeback	\$10,636.00
		U05	Information Technology (IT) Professionals	1400	CMS	CMS - GLI Intelligen (estimate based on Pennsylvania)	\$2,262,544.68
				1400	Consultant	IT Consultants Gartner	\$42,900.00
				1400	Consulting	IT Consulting Support 250 hours @ \$100/hr	\$50,000.00
				1400	LMS	Licensing System Continual Upgrades to Phase 1 and Phase 2 Development	\$500,000.00
				1400	Training	Technical Training	\$10,000.00
				1400	Training	User Training - EMC System Training	\$10,000.00
		U06	Information Technology (IT) Cabling	1400	Phone	FTG Phone lines maintenance etc.	\$15,000.00
		U07	Information Technology (IT) Equipment	1400	Hardware	Gaming Technology Laboratory Equipment	\$5,000.00
				1400	Maintenance	VMWare Mainteance	\$19,185.00
				1400	Miscellaneous	Miscellaneous Equipment	\$20,000.00
				1400	Printers	Printers 10@\$250/printer	\$2,500.00
				1400	Servers	Servers and Storage	\$50,000.00
				1400	Software	Adobe, Sharepoint, Office 365, Project, Vizio, Dragon, Winzip	\$50,000.00
				1400	Software	CodeGuard MGC Website Backup Service	\$1,764.00
				1400	Software	Kobitron - GLI Testing Platform	\$1,500.00
				1400	Software	Prezi Software	\$3,180.00
				1700	Play Management	Development of Play Management Software	\$65,000.00
		U09	Information Technology (IT) Equip Rental Or Lease	1400	Leases	HP Leases	\$89,714.00
				1400	Mobile Devices	Mobile Device Management (85 units @ \$3.95/year)	\$4,029.00
		U10	Information Tech (IT) Equipment Maintenance & Repair	1000	Cable	Cable/Comcast	\$1,900.00
				1400	Maintenance	Aruba Maintenance	\$925.50
				1400	Maintenance	EMC Maintenance	\$50,000.00
				1400	Maintenance	Printer Maintenance	\$425.00
			Obj Class Totals:				\$3,704,596.18

Appropriation Totals

\$27,171,694.52

10500003 MGC Mass Racing Development and Oversight

AA	REGULAR EMPLOYEE COMPENSATION						
	A01	Salaries: Inclusive	1000	Employee Compensation	5% of Admin Employees Salaries		\$24,808.99
			1100	Employee Compensatio	5% of HR Employees Salaries		\$6,131.76
			1100	Cost of Living Increases	Cost of Living Increases Agency Wide		\$11,066.66
			1200	Employee Compensation	5% of Legal Employees Salaries		\$7,590.34
			1300	Employee Compensation	5% of Exec. Dir. Employees Salaries		\$9,321.15
			1400	Employee Compensation	5% of IT Employees Salaries		\$9,735.42
			1500	Employee Compensation	5% of Commissioners Employees Salaries		\$30,868.79
			3000	Employee Compensation	Regular Employee Salaries		\$280,432.22
	A14	Stipends, Bonus Pay & Awards	1100	Bonus incentives	Bonus incentives		\$3,688.89
		Obj Class Totals:					\$383,644.22

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding
	BB	REGULAR EMPLOYEE RELATED EXPEN					
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	3000	Travel	Out of State Travel Reimbursement	\$10,000.00
		B02	In-State Travel	3000	Travel	In State Travel Reimbursement	\$2,000.00
		Obj Class Totals:					\$12,000.00
	CC	SPECIAL EMPLOYEES					
		C04	Contracted Seasonal Employees	3000	Seasonals	Seasonal salaries for Plainridge at 35 weeks	\$330,000.00
		Obj Class Totals:					\$330,000.00
	DD	PENSION & INSURANCE RELATED EX					
		D09	Fringe Benefit Cost Recoupment	1000	Fringe	Fringe Rate of 33.5%	\$8,311.01
				1000	Taxes	Tax Rate of 1.67%	\$414.31
				1100	Fringe	Fringe Rate of 33.5%	\$2,054.14
				1100	Taxes	Tax Rate of 1.67%	\$102.40
				1200	Fringe	Fringe Rate of 33.5%	\$2,542.76
				1200	Taxes	Tax Rate of 1.67%	\$126.76
				1300	Fringe	Fringe Rate of 33.5%	\$3,122.59
				1300	Taxes	Tax Rate of 1.67%	\$155.66
				1400	Fringe	Fringe Rate of 33.5%	\$3,261.37
				1400	Taxes	Tax Rate of 1.67%	\$162.58
				1500	Fringe	Fringe Rate of 33.5%	\$10,341.04
				1500	Taxes	Tax Rate of 1.67%	\$515.51
				3000	Fringe	Fringe Rate of 33.5%	\$93,944.79
				3000	Taxes	Tax Rate of 1.67%	\$4,683.22
				3000	Taxes for Seasonals	Taxes for Seasonals @1.67%	\$5,511.00
		Obj Class Totals:					\$135,249.14
	EE	ADMINISTRATIVE EXPENSES					
		E01	Office & Administrative Supplies	3000	Supplies	W.B. Mason	\$6,000.00
		E02	Printing Expenses & Supplies	3000	Printing	Sir Speedy	\$500.00
		E12	Subscriptions, Memberships & Licensing Fees	3000	Memberships	AA Dority/Organization of Racing Investigators	\$1,005.00
				3000	Memberships	Assoc. of Racing Regulators	\$17,000.00
		E13	Advertising Expenses	3000	Public Hearing Notices	Boston Globe	\$1,000.00
				3000	Public Hearing Notices	Boston Herald	\$700.00
				3000	Public Hearing Notices	Dow Jones/Cape Cod Times	\$150.00
				3000	Public Hearing Notices	Sun Chronical	\$300.00
		E15	Bottled Water	3000	Water	Belmont Springs/DS Waters of America	\$200.00
		E41	Out Of State Travel Expen on Behalf of State Employ	3000	Travel Agent	Travel	\$3,000.00
		EE2	Conference, Training and Registration Fees	3000	Conferences	Assoc. of Racing Comm./Delaware Racing/Thoroughbred Racing	\$3,000.00
		Obj Class Totals:					\$32,855.00
	FF	FACILITY OPERATIONAL EXPENSES					
		F05	Laboratory Supplies	3000	Vet Supplies	Gloves, scrubs etc.	\$2,000.00
		Obj Class Totals:					\$2,000.00
	HH	CONSULTANT SVCS (TO DEPTS)					
		H19	Management Consultants	3000	Hearing Officer	David Murray	\$25,000.00
		Obj Class Totals:					\$25,000.00

Approp	Obj Class	Obj Code	Object_name	Unit	Item Short Name	Description	Funding	
	JJ		<i>OPERATIONAL SERVICES</i>					
		J10	Auxiliary Financial Services	3000	Credit Cards	Bank of America credit card terminal fees	\$1,000.00	
		J25	Laboratory & Pharmaceutical Services	3000	Testing	Health Resources Corp.	\$1,800.00	
		JJ1	Legal Support Services	3000	Stenographer	Catuagno Court Reporting	\$6,500.00	
		JJ2	Auxiliary Services	3000	Autopsies	Trustees of Tufts College	\$22,000.00	
				3000	Testing Lab	HFL Sports Science	\$7,000.00	
				3000	Testing Lab	Truesdail Laboratories	\$200,000.00	
			Obj Class Totals:				\$238,300.00	
	LL		<i>EQUIPMENT LEASE-MAINTAIN/REPAR</i>					
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease	3000	Copier Lease	Canon Financial Solutions	\$1,500.00	
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair	3000	Maintenance Contract	K & A Industries	\$2,000.00	
			Obj Class Totals:				\$3,500.00	
	MM		<i>PURCHASED CLIENT/PROGRAM SVCS</i>					
		M03	Purchased Human & Social Services For Clients/Non Medical	3000	Hardship Payments	Economic Hardship Payments	\$20,000.00	
				3000	Legislative Mandate	Eighth Pole	\$80,000.00	
				3000	Legislative Mandate	Jockey's Guild	\$65,000.00	
		M04	Services Purch Support of Human/Social Services for Clients	3000	ISA	ISA with DPH Compulsive Gambling	\$70,000.00	
			Obj Class Totals:				\$235,000.00	
	UU		<i>IT Non-Payroll Expenses</i>					
		U02	Telecommunications Services - Voice	3000	Phones	Verizon/AT&T	\$15,000.00	
		U05	Information Technology (IT) Professionals	3000	Chrims	Arthur Evans/CHRIMS	\$62,500.00	
		U09	Information Technology (IT) Equip Rental Or Lease	3000	Computer Leases	Ontario Investments	\$1,200.00	
			Obj Class Totals:				\$78,700.00	
Appropriation Totals							\$1,476,248.36	

Description	Massachusetts	Massachusetts Comments	Michigan	Michigan Comments
Headquarters / Agency	Boston	Massachusetts Gaming Commission	Detroit	
Budget	27,171,695	Budget funding comes from fees and investigation costs, and balance comes from assessment on industry	26,489,300	Comes from annual assessment linked to CPI, and fees and revenues. Current assessment is \$11M/operator. Balance goes to other state budget purposes as needed. So assessment is in excess of \$33M/yr
FTEs	70.25	1 new hire for FY17. Backfilling 7 positions. 1 contractor.	116	116 FTEs assigned to Gaming. State Police and AG's office staff not included in this count (For 2016 MGCB reports 155 total)
Cost of FTEs	8,957,378	Includes salary and fringe	10,000,000	Commission staff and Fringe costs
Contracted Costs (What are they)	18,214,317	Rent, MSP, AGO, licensing system, central monitoring system, outside counsel, investigators, fingerprint services, cell phones, state agency central service chargebacks, rent, consultants (\$1.5 million less than last year)	14,500,000	Rent for headquarters, MSP, Attorney General, IT infrastructure
Characteristic Comparison	Other Items Included/Excluded from Agency Budget		Other Items Included/Excluded from Agency Budget	
State Police	3,240,000	Yes 22 troopers included in \$27.2 million	3,554,500	Yes 32 Troopers included in \$26.48M
Attorney General	1,904,540	Yes 13 FTE's plus 3 SP. Assumed no overtime.	1,502,000	Yes 9 FTEs included in \$26.48M
Department of Revenue*	-	N/A	-	N/A
Responsible Gaming	4,488,929	Yes Included in \$27.2M. In future years part of this will come from separate assessment to Public Health Trust Fund.	960,000	Yes included in \$26.48M
Centralized Monitoring System	2,262,544	Yes Included in \$27.2M	-	N/A
Other State Agency Costs	75,000	Yes ISA to ABCC	6,510,700	No Difference between \$33.2M assessment and what Michigan Control Board Spends. Balance goes to the State Budget
Full/Part Time Commission	1,356,586	Yes 5 FT commissioners, plus three staff positions. Commissioners' salaries set statutorily. Figure no longer includes cost of application review, but additional \$160k costs for stenographer, meetings, travel, some consultants.	50,000	Yes Only travel reimbursements and lunches for Commission meetings
# of Venues	1	Three more expected (Region A, B, Tribe)	3	Commercial Casino costs only included here
Tax Revenue Generated	342,000,000	25% on Category 1 Facilities and 49% on Category 2. Estimates range based on region C timeframe. It can be anywhere as low as \$325M, or as high as \$478M. These numbers are assuming all operations open.	176,434,084	State takes 8.1% of GGR (\$108M) City of Detroit 11.9% of GGR (\$58.67M) City of Detroit 1% of GGR above \$400M/yr Municipal Service Fee 1.25%
Total GGR	1,400,000,000	Estimates differ given assumptions about Region C (commercial license not awarded at this point). This number assumes the first year of the two Category 1 casinos and a tribal operation. The "normalized" figures (year 3) are not assumed here.	1,376,408,437	GGR figures are 2015 actuals for Detroit Casinos only. Revenues from the tribal casinos are not included.
Revenue Generated by Operators (GGR less Taxes on GGR)	1,058,000,000		1,199,974,353	
Total Amount Spent on Regulatory Control	27,171,695	Budget does not assume any revenues from Tribal operations.	33,200,000	MGCB responsibilities over tribal casinos are limited to (1) inspection of the facilities, (2) examination of the electronic games and (3) conducting financial audits

Cost of Regulating as % of Rev Generated by Operators

2.57%

2.77%

Cost of Regulating as % of GGR

1.94%

2.41% Actual assessment (\$33 million) as numerator
1.92% Actual budget (\$26.5 million) as numerator

Description	Pennsylvania	Pennsylvania Comments	Maryland	Maryland Comments
Headquarters / Agency	Harrisburg	Central office in Harrisburg and three satellite offices in Scranton, Philadelphia, and Pittsburgh	Baltimore City	Maryland Lottery & Gaming Control Agency
Budget	39,900,000	~75% comes from (1.5% of GGR), and ~25% comes from restricted fees (Gaming lab \$1M, application fees for investigations and specific licensing fees)	85,607,818	This figure includes slot rental. MD law provided for the purchase of slot machines by the MLGC and lease back to operators (this model being phased out - two casinos remain). For casino regulation, agency gets 1% of GGR from slots operations or approx \$6.5M. Balance comes from General Fund. This figure used to be 2% of GGR from slots (\$13M).
FTEs	310	10 employees in each casino--includes salary and fringe. At high point was 330 employees.	146	142 FTEs and 4 contractors. 60 casino compliance reps 9-16 at each facility 10 hr days 4 days/wk. Cost of employees does not include cost of legal, finance, HR staff. Total staff of 327 includes Lottery operations.
Cost of FTEs	33,400,000	Includes salaries and fringe	9,103,487	
Contracted Costs (What are they)	6,500,000	Interagency Billings, comptroller, IT services \$20K/month, hrd, rent 4 locations (central office and three satellite offices Scranton, Philadelphia, and Pittsburgh), fingerprint services \$350K/yr	76,504,331	\$55M for rental of slot machines, \$8.9M for debt payment on purchase of slot machines. \$11M left for central system, software licensing, some machine costs maintenance, and e-licensing system
Characteristic Comparison	Other Items Included/Excluded from Agency Budget		Other Items Included/Excluded from Agency Budget	
State Police	28,000,000 No	PSP separate line item (1.5% GGR) 12-14 officers in each casino (not included in agency budget)	0 No	How many troopers oversee casinos?
Attorney General	1,140,000 No	Separate line item of \$1M (1.5% GGR)	80,000 Yes	One Attorney on staff (4 other attorneys assigned to Lottery)
Department of Revenue*	2,913,000 No	DOR \$9.5M from gaming revenue for CMS (\$7M) balance for auditors (1.5% GGR)	0 N/A	
Responsible Gaming	8,200,000 No	2 people at PGCB carveout going to DPH for \$5.2M, Drug and Alcohol \$3M paid from 53% tax (not part of regulatory control, split out of slots tax)	3,819,600 No	\$425 per VLT and \$500 per table towards Dept Mental Health and Mental Hygiene's PG fund. In 2015 there were 8,492 VLT's and 421 tables. This figure is not included in the \$36 million budget, though agency is passthrough
Centralized Monitoring System	6,600,000 No	This is also paid by DOR from (1.5% GGR)	4,000,000 Yes	
Other State Agency Costs			0 N/A	
Full/Part Time Commission	1,377,000 Yes	Commissioners' salary is \$145K/yr. Chairman gets \$150K. 7 total members no staff or vehicles (included in \$39.9M). Salaries plus fringe here only	162,000 Yes	9 part-time commissioners (\$18,000/year salary). No other commission costs in this figure
# of Venues	12	Potentially 2 more could come on board	5	1 more (National Harbor) to open later in year
Tax Revenue Generated	1,332,000,000	\$1.23B from slots revenue (53% GGR), and \$102.5M table games (14% GGR)	527,200,000	67% of GGR on Slots (\$456M) and 20% of GGR on Table Games (\$71.2M)
Total GGR	3,115,525,000		1,038,220,000	For FY 15 (slots and tables). Agency revenues include Lottery, which are not counted here.
Revenue Generated by Operators (GGR less Taxes on GGR)	1,783,525,000		511,020,000	
Total Amount Spent on Regulatory Control	78,553,000		36,000,000	This is the actual cost of casino regulation (a \$96 million agency budget includes lottery operations)

Cost of Regulating as % of Rev Generated by Operators

4.40%

7.04%

Cost of Regulating as % of GGR

2.52%

3.47%



June 22, 2016

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Dear Commissioners:

This letter is provided in response to "Request for Comments for 2017 Budget" as requested by the Massachusetts Gaming Commission ("MGC") on June 9, 2016. As you know from our prior meetings, the MGC's budget is of critical importance to us as it represents the most significant outside cost that we are incurring during the pre-construction and construction phases of the development of the Wynn Boston Harbor.

We very much appreciate the opportunity to participate in the discussion of the budget and the adoption of certain industry recommended budget reductions. We urge you to please reconsider prior suggestions regarding additional cost-savings that could be implemented as set forth on the attachment hereto.

In addition to the changes set forth on the attachment, we recommend that the MGC consider moving its office space outside of downtown Boston. Such a move would position the MGC in a more neutral geographic location relative to the location of its three licensees. In addition, there would be a substantial economic benefit as commercial lease rates in Boston are far in excess of those in the surrounding areas. A move to an office park that provides free or low cost parking would also enable greater participation from members of the public who avoid driving into/parking in downtown Boston. Finally, if the MGC needs to expand in the future, such an expansion could be accommodated at a reasonable rate.

We look forward to a continued productive dialogue.

Regards,

A handwritten signature in blue ink that reads "Jacquie Krum".

Jacqui Krum
Senior Vice President and General Counsel

MGC FY2017 Budget - Requested Revisions

Div	Object Code	Object Name	Requested Revision	2017 Adjusted Budget	Comment
1300	H19	M&C Gaming Consultant	\$ (100,000)	\$ 80,000	<i>Reduce budget. Spend based on required need.</i>
1400	U05	IT support- 250 hours	(25,000)	25,000	<i>Revert back to original submitted support budget.</i>
1600	P01	Grants - Community College	(225,000)	-0-	<i>Casinos will develop relationships and curriculum with local Community Colleges for specific required workforce training and employment.</i>
1700	H23	Game Sense mediabuys	(200,000)	-0-	<i>Each licensee is already required incorporate Game Sense language on all marketing brand materials and collateral</i>
5000	E41	Travel agent	(50,000)	100,000	<i>Timing - 2+ year gap to next casino opening.</i>
5000	J25	OT & Travel	(112,500)	500,000	<i>Need for overtime during 2+ year gap period.</i>
9000	J25	AGO MSP O/T	(150,000)	100,000	<i>Eliminate majority of budgeted overtime.</i>
ALL	B01 + Div 7000 E41	Out of state travel	(28,500)	28,500	<i>Eliminate non-essential out of state travel.</i>
Totals			\$ (891,000)		

From: Cheryl Bartlett <cbartlett@alosahealth.org>
Date: June 1, 2016 at 1:23:28 PM EDT
To: Steve Crosby <steve.crosby@massmail.state.ma.us>
Subject: Slot machine

Dear Steve,

I am writing to offer the Massachusetts Gaming Commission a slot machine that is at least 50 plus years old to display at the offices of the Commission or wherever you choose. This device has been in my family for several decades, after it was abandoned by its original owners. I would like to have the MGC take ownership and display it as part of its historic mission to launch the casino gaming industry in Massachusetts.

Sincerely,

Cheryl Bartlett

5c

Black Beauty

The slot machine has three reels. The left reel shows a plum, a cherry, and a plum. The middle reel shows a plum, a cherry, and a bell. The right reel shows a plum, a bell, and a plum. To the right of the reels is a silver panel with a black arrow pointing left.

THREE BARS IN ANY POSITION PAY 20

Plum - Plum - Plum	18	Red - Red - Red	10	Bar - Bar - Bar	5
Plum - Plum - Bar	18	Red - Red - Bar	10	Bar - Bar - Bar	5
Plum - Plum - Plum	14	Red - Red - Plum	5	Bar - Bar - Plum	2
Plum - Plum - Bar	14	Red - Red - Plum	5	Bar - Bar - Plum	2

THREE BARS SHOWING IN ANY POSITION PAY 20



No Documents



Legal Division

Amended Small Business Impact Statement

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c. 30A, §5 relative to the proposed amendments in 205 CMR 3.00: Harness Horse Racing; for which a public hearing was held on April 7, 2016. These amendments were developed as part of the process of promulgating regulations governing horse racing in the Commonwealth. The amendments to this regulation update the helmet requirements, eliminate Stanazolol, and change the thresholds for Nandrolone and Ketoprofen to comply with the Racing Commissioners International (“RCI”) regulations. These regulations are largely governed by G.L. c. 128A § 9.

The Commission has identified the following groups that may be impacted by these amendments: licensed racehorse trainers, jockeys, drivers, and veterinarians. In accordance with G.L. c. 30A, §5, the Commission offers the following responses on whether any of the following methods of reducing the impact of the proposed regulation on small businesses would hinder achievement of the purpose of the proposed regulation:

1. Establishing less stringent compliance or reporting requirements for small businesses:

Any small businesses that are impacted by this regulation will be required to comply with the existing standards under the RCI regulations. There is no less stringent requirement available for compliance with this regulation. There are no reporting requirements for small businesses.

2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

There are no schedules or deadlines for compliance or reporting requirements for small businesses created by these regulations.

3. Consolidating or simplifying compliance or reporting requirements for small businesses:

There is no way to simplify the compliance requirements of this regulation, while still complying with the RCI regulations. There are no reporting requirements for small businesses.

4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:



Massachusetts Gaming Commission

The design and operational standards in this regulation are required under the RCI regulations. There are no known performance standards that can replace these design and operational standards, while still complying with the RCI regulations.

5. An analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

G.L. c. 128A § 9 was enacted to promote the horse racing industry in the Commonwealth. The proposed regulations, as part of the overall process, are likely to encourage new business, as they will now conform to the industry standard enumerated in the RCI regulations.

6. Minimizing adverse impact on small businesses by using alternative regulatory methods:

These regulations do not create any adverse impact on small businesses.

Massachusetts Gaming Commission
By:

Cecelia M. Porché and Alexander Conley
Legal Division

Dated: _____



Massachusetts Gaming Commission

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3.08: continued

- (3) If a dead heat is for first place, each horse shall be considered a winner of the amount received according to the preceding rule.
- (4) When a dead heat is run for first, second, third, or fourth place and an objection is made to one of the horses in the dead heat and sustained the remaining horse in the dead heat shall be deemed the winner of the position in question.
- (5) When a dead heat is run for second place and an objection is made to the winner of the race, and sustained, the horses that run the dead heat shall be deemed to have run a dead heat for first place.
- (6) Owners shall divide equally all monies and other prizes and if no agreement can be reached as to which of them shall receive the cup, plate or other indivisible prize, they shall draw lots for it in the presence of one or more of the Judges.

3.09: Drivers

- (1) Every driver shall, at the request of the Judges, undergo a physical examination to determine his or her fitness to drive. The report of such examination duly signed by the examining physician shall be filed with the Judges.
- (2) All drivers shall, at the request of the Judges, be required to take an eye test. The report of such examination duly signed by the examining physician or optometrist shall be filed with the Judges.

3.10: Forfeitures and Suspensions

- (1) No racing official other than the Judges and the Starter shall have the right to impose a forfeiture or suspension.
- (2) The Judges may not rescind a forfeiture, except with the approval of the Commission.
- (3) A racing official imposing a forfeiture or suspension shall report it promptly to the Clerk of Course in writing.
- (4) No entry in any race shall be accepted for a horse owned wholly or in part by, or trained by, a person whose husband or wife is under license suspension at time of such entry; except that, if the license of a driver has been suspended for a routine driving offense, the judges may waive 205 CMR 3.10(4).
- (5) All forfeitures shall be paid to the Gaming Commission within 48 hours after imposition.
- (6) Suspensions shall be for consecutive calendar days.
- (7) Any Official, Owner, Trainer or any person licensed by the Massachusetts State Gaming Commission who shall obtain food, feed, shelter, drugs, transportation, services for horses, veterinary services or supplies for himself or others whether they be licensed or not, and fails to pay the fair market value to the person or persons from whom said services or supplies are obtained shall be guilty of conduct detrimental to the best interest of racing and may be suspended at the discretion of the Judges or the Commission, however, neither the Association nor the Massachusetts Gaming Commission shall be obligated to collect debts from horsemen or other personnel licensed by the Commission.

3.11: General Rules

- (1) The definitions and interpretations of racing terms, heretofore set forth as well as 205 CMR 3.01, are to be considered in connection with 205 CMR 3.00 and as part of 205 CMR 3.00.

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3.11: continued

- (2) All owners and trainers of horses and their stable employees are subject to M.G.L. c. 128A and 205 CMR 3.00 immediately upon acceptance and occupancy of stabling accommodations from or approved by an Association or upon making entry to run on its track.
- (3) Owners, trainers and stable employees shall abide by M.G.L. c. 128A and 205 CMR 3.00 and accept the decision of the Judges on any and all questions to which their authority extends, subject to their right of appeal to the Commission.
- (4) Every person participating in and every patron of a licensed Race Meeting shall abide by M.G.L. c. 128A and 205 CMR 3.00, and accept the Judges' decisions on any and all questions to which their authority extends, subject to the right of appeal to the Commission.
- (5) Every person who drives a horse on a track licensed by the Commission, whether exercising, warming up or driving in a race shall wear a protective helmet of a type approved by the Judges.
- (6) For the period of two hours before post time of the first race of the day and until the racing program of the day has been completed, every person who drives a horse on a track licensed by the Commission, whether warming up for a race or driving in a race shall wear his or her registered colors, which must be distinguishable at all times.
- (7) No person shall use improper, profane or indecent language to a racing official.
- (8) No person shall in any manner, or at any time, disturb the peace or make himself or herself obnoxious on the grounds of the Association.
- (9) Any person, who participates in an unrecognized meeting anywhere, either as a racing official or as an owner, trainer or driver, may be adjudged guilty of conduct detrimental to racing.
- (10) No person or horse ruled off, or under full suspension by the United States Trotting Association shall be admitted to the grounds of any Association.
- (11) No person, other than an official of the Commission, shall be allowed in the Judges' Stand; the space occupied by the Clerk of Course; the Timers Stand; and the space occupied by the Program Director and his or her assistants for the period from ½ hour before post time of the first race of the day until the last race has been declared "official" unless permission is obtained from the Judges for each entry. Associations shall take such steps as are necessary to assist the Judges in carrying out the provisions of 205 CMR 3.11(11).
- (12) Any person who has been convicted by any court anywhere for illegal possession, sale or giving away of narcotics may be ruled off.
- (13) If any owner, trainer, driver, stable employee, or other person solicit bets from the public by correspondence or other methods, to be made on any horse which is to run on a track in Massachusetts, such person or persons shall be ruled off.
- (14) When a person is ruled off a course or suspended, every horse owned in whole or part by him or her shall be ineligible to be entered or to start in any race until said horse has been reinstated either by the rescinding of his or her owner's penalty or his or her transfer through *bona fide* sale to an ownership acceptable to the Judges.
- (15) When a person is suspended by the Judges of the meeting "from driving only" the ruling of the Judges shall state whether or not the person suspended shall have the privilege of the paddock during the period of his or her suspension.
- (16) When a person is ruled off a course or suspended, any horse which is under his or her care, management, training or superintendence shall not be qualified to be entered or to start in any race until said horse has been reinstated by the rescinding of said person's penalty or by the placement of the horse in the hand of a licensed trainer and the approval of the transfer by the Judges.

that meets the
current safety
standards of the
Association of
Racing
Commissioners
International
Model Rules
of Racing.

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3.11: continued

(17) When a person is ruled off a course or suspended, he or she shall not be qualified, whether acting as agent or otherwise to subscribe for or to enter or run any horse in any race either in his or her own name or in that of any other person until the rescinding of that person's penalty.

(18) Any horse that has been the subject of fraudulent practice may be disqualified.

(19) When a person is ruled off for any fraudulent practice in relation to a particular horse, wholly or partly belonging to him or her, he or she shall return all money or prizes that such horse has fraudulently won.

(20) Violators of any rule will be subject to ejection from the grounds, and/or to forfeiture, suspension or ruling off.

(21) Complaints against a racing official other than a judge or his or her assistant shall be made to the judges in writing and be signed by the complainant. Complaints against a judge shall be made in writing to the Commission and be signed by the complainant.

(22) Printed for each racing day shall be a program compiled by the Program Director which shall contain the names of the horses that are to run in the races for that day, these names to appear in the order of their post positions, the said position to be designated by numerals placed at the left and in line with the name of the horses in each race, which shall also be prominently displayed on each horse. The program shall also contain, in addition to the horse's name, its sex, color, age, sire and dam; the owner's name and address; the name of the trainer; the driver's name, date of birth, and colors; class and/or sub-group of race; as many performance lines of the current or preceding year as the USTA deems appropriate; an indication if the driver is racing with a provisional license, and any other useful information approved by the judges.

(23) Before a horse may go an official time workout before the Judges, he or she must first be posted in the entry room of the Association as being classified in the preferred or invitational category at the current meeting in progress.

(24) Every Racing Association, the Commission or Judges investigating for violations of 205 CMR 3.00 shall have the right to permit persons authorized by any of them to search the person, or enter and search the building, stables, room, vehicles or other places within the grounds of the Association or at other places where horses which are eligible to race are kept together with the personal property and effects contained therein. Every licensed person or person permitted to pursue his or her occupation or employment within the grounds or any Association by accepting his or her license or such permission does thereby irrevocably consent to such search as aforesaid and waive and release all claims or possible actions for damages that he or she may have by virtue of any action taken under 205 CMR 3.00.

(25) No licensee or other person under the jurisdiction of the Commission shall subject or permit any animal under his or her control, custody or supervision to be subjected to or to incur any form of cruelty, mistreatment, neglect or abuse or abandon, injure, maim or kill or administer any noxious substance to or deprive any animal of necessary care or sustenance, shelter or veterinary care.

3.12: Judges

(1) The Judges shall have the power to interpret 205 CMR 3.00 and to decide all questions not specifically covered by them, such decisions to be reported to the Commission within 24 hours.

(2) In matters pertaining to racing, the orders of the Judges supersede the orders of the officers and directors of the Association.

(3) The Judges shall have general supervision over owners, trainers, drivers, grooms and other persons attendant on horses, and also over all the other officials of the meeting.

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3.28: continued

- (2) The possession or use of a drug, substance, or medication on the premises of a facility under the jurisdiction of the Commission that has not been approved by the United States Food and Drug Administration (FDA) for any use in (human or animal) is forbidden without prior permission of the official veterinarian or his or her designee.
- (3) The possession and/or use of the following substances or of blood doping agents, including but not limited to those listed in 205 CMR 3.28(3)(a) through (j), on the premises of a facility under the jurisdiction of the Commission is forbidden:
 - (a) Aminoimidazole carboxamide ribonucleotide (AICAR)
 - (b) Cobra venom or derivatives thereof
 - (c) Darbepoetin
 - (d) Equine Growth Hormone
 - (e) Erythropoietin (EPO)
 - (f) Hemopure
 - (g) myo-Inositol Tripyrophosphate (ITPP)
 - (h) Oxyglobin
 - (i) Snail venoms or derivatives thereof
 - (j) Thymosin beta
- (4) The use of Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy shall not be permitted unless the following conditions are met:
 - (a) Any treated horse shall not be permitted to race or qualify for a minimum of ten days following treatment;
 - (b) The use of Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy machines shall be limited to veterinarians licensed to practice by the Commission using registered and approved machines;
 - (c) Any Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy machines on the association grounds must be registered with and approved by the official veterinarian or his or her designee before use.
 - (d) All Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy treatments must be reported within one day to the official veterinarian or his or her designee on the prescribed form. The horse shall be added to a list of ineligible horses.
 - (e) Any person participating in the use of ESWT and/or the possession of ESWT machines in violation of 205 CMR 3.28(4) shall be considered to have committed a Prohibited Practice and is subject to a Class A Penalty.
- (5) The use of a nasogastric tube (a tube longer than six inches) for the administration of any substance within 24 hours prior to the post time of the race in which the horse is entered is prohibited without the prior permission of the official veterinarian or his or her designee.

3.29: Medications and Prohibited Substances

- (1) **Aggravating and Mitigating Factors.** Upon a finding of a violation of 205 CMR 3.29, the judges shall consider the classification level of the violation as listed at the time of the violation in the *Uniform Classification Guidelines for Foreign Substances* as promulgated by the Association of Racing Commissioners International (ARCI) and impose penalties and disciplinary measures consistent with the recommendations contained therein. The judges shall also consult with the official veterinarian, laboratory director or other individuals to determine the seriousness of the laboratory finding or the medication violation. All medication and drug violations shall be investigated and reviewed on a case by case basis. Extenuating factors include, but are not limited to:
 - (a) The past record of the trainer, veterinarian and owner in drug cases;
 - (b) The potential of the drug(s) to influence a horse's racing performance;
 - (c) The legal availability of the drug;
 - (d) Whether there is reason to believe the responsible party knew of the administration of the drug or intentionally administered the drug;
 - (e) The steps taken by the trainer to safeguard the horse;
 - (f) The probability of environmental contamination or inadvertent exposure due to human drug use;
 - (g) The purse of the race;

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3.29: continued

- (h) Whether the drug found was one for which the horse was receiving a treatment as determined by the Medication Report Form;
- (i) Whether there was any suspicious betting pattern in the race, and;
- (j) Whether the licensed trainer was acting under the advice of a licensed veterinarian.

As a result of the investigation, there may be mitigating circumstances for which a lesser or no penalty is appropriate for the licensee and aggravating factors, which may increase the penalty beyond the minimum.

(2) **Penalties.**

- (a) In issuing penalties against individuals found guilty of medication and drug violations a regulatory distinction shall be made between the detection of therapeutic medications used routinely to treat racehorses and those drugs that have no reason to be found at any concentration in the test sample on race day.
- (b) If a licensed veterinarian is administering or prescribing a drug not listed in the ARCI *Uniform Classification Guidelines for Foreign Substances*, the identity of the drug shall be forwarded to the official veterinarian to be forwarded to the Racing Medication and Testing Consortium for classification.
- (c) Any drug or metabolite thereof found to be presenting a pre- or post-race sample which is not classified in the version of the ARCI *Uniform Classification Guidelines for Foreign Substances* in effect at the time of the violation shall be assumed to be a ARCI Class 1 Drug and the trainer and owner shall be subject to those penalties as set forth in schedule "A" therein unless satisfactorily demonstrated otherwise by the Racing Medication and Testing Consortium, with a penalty category assigned.
- (d) Any licensee of the Commission, including veterinarians, found to be responsible for the improper or intentional administration of any drug resulting in a positive test may, after proper notice and hearing, be subject to the same penalties set forth for the licensed trainer.
- (e) Procedures shall be established to ensure that a licensed trainer is not able to benefit financially during the period for which the individual has been suspended. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members.
- (f) **Multiple Medication Violations (MMV).**

1. A trainer who receives a penalty for a medication violation based upon a horse testing positive for a Class 1-5 medication with Penalty Class A-D, as provided in the version of the ARCI *Uniform Classification Guidelines for Foreign Substances* in effect at the time of the violation, shall be assigned points based upon the medication's ARCI Penalty Guideline as follows:

Class	Points If Controlled Therapeutic Substance	Points If Non-controlled Substance
Class A ¹	N/A	6
Class B	2	4
Class C	1	2
Class D	½	1

2. The points assigned to a medication violation shall be included in the Judges' ruling. Such ruling shall determine, in the case of multiple positive tests as described in 205 CMR 3.29(2)(f)4., whether they shall thereafter constitute a single violation. The Judges' ruling shall be posted on the official website of the Association of Racing Commissioners International. If an appeal is pending, that fact shall be noted in such ruling. No points shall be applied until a final adjudication of the enforcement of any such violation.

¹ Except for Class 1 and 2 environmental contaminants, e.g., cocaine which shall be determined by the Judges based upon the facts of the case.

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3.29: continued

3. A trainer's cumulative points for violations in all racing jurisdictions shall be maintained and certified by the Association of Racing Commissioners International. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer's official ARCI record and shall then subject the trainer to the mandatory enhanced penalties by the Judges or Commission as provided in 205 CMR 3.29(2)(f).
4. Multiple positive tests for the same medication incurred by a licensed trainer prior to delivery of official notice by the Commission may be treated as a single violation.
5. The official ARCI record shall constitute *prima facie* evidence of a licensed trainer's past record of violations and cumulative points. Nothing in 205 CMR 3.29(2)(f) shall be construed to confer upon a licensed trainer the right to appeal a violation for which all remedies have been exhausted or for which the appeal time has expired as provided by applicable law.
6. The Judges or Commission shall include all points for violations in all racing jurisdictions as contained in the trainer's official ARCI record when determining whether the mandatory enhancements provided in 205 CMR 3.29(2)(f) shall be imposed.
7. In addition to the penalty for the underlying offense, the following enhancements shall be imposed upon a licensed trainer based upon the cumulative points contained in his or her official ARCI record:

Points	Suspension in Days
3-5.5	30
6-8.5	60
9-10.5	180
11 or more	360

MMV's are not a substitute for the current penalty system outlined in 205 CMR 3.29(2)(a) through (d) and are intended to be an additional uniform penalty when the licensed trainer:

- a. Has more than one violation for the relevant time period, and
 - b. Exceeds the permissible number of points.
8. The suspension periods as provided above, shall run consecutive to any suspension imposed for the underlying offense.
 9. The Judges' ruling shall distinguish between the penalty for the underlying offense and the enhancement based upon the licensed trainer's cumulative points.
 10. Any trainer who has received a medication violation may petition the ARCI to expunge the points received for the violation for the purpose of the MMV system only. The points shall be expunged as follows:

Penalty Classification	Time to Expungement
A	Permanent
B	3 years
C	2 years
D	1 year

(3) Medication Restrictions.

(a) A finding by the commission approved laboratory of a prohibited drug, chemical or other substance in a test specimen of a horse is *prima facie* evidence that the prohibited drug, chemical or other substance was administered to the horse and, in the case of a post-race test, was present in the horse's body while it was participating in a race. Prohibited substances include:

1. Drugs or medications for which no acceptable threshold concentration has been established;

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2. Controlled therapeutic medications in excess of established threshold concentrations or administration within the restricted time period as set forth in the version of the ARCI Controlled Therapeutic Medication Schedule in effect at the time of the violation;
 3. Substances present in the horse in excess of concentrations at which such substances could occur naturally; and
 4. Substances foreign to a horse at concentrations that cause interference with testing procedures.
- (b) Except as otherwise provided by 205 CMR 3.00, a person may not administer or cause to be administered by any means to a horse a prohibited drug, medication, chemical or other substance, including any restricted medication pursuant to 205 CMR 3.00 during the 24-hour period before post time for the race in which the horse is entered.
- (4) **Medical Labeling.**
- (a) No person on association grounds where horses are lodged or kept, excluding licensed veterinarians, shall have in or upon association grounds which that person occupies or has the right to occupy, or in that person's personal property or effects or vehicle in that person's care, custody or control, a drug, medication, chemical, foreign substance or other substance that is prohibited in a horse on a race day unless the product is labeled in accordance with 205 CMR 3.29(4).
 - (b) Any drug or medication which is used or kept on association grounds and which, by federal or state law, requires a prescription must have been validly prescribed by a duly licensed veterinarian, and in compliance with the applicable state statutes. All such allowable medications must have a prescription label which is securely attached and clearly ascribed to show the following:
 1. The name of the product;
 2. The name, address and telephone number of the veterinarian prescribing or dispensing the product;
 3. The name of each patient (horse) for whom the product is intended/prescribed;
 4. The dose, dosage, duration of treatment and expiration date of the prescribed/dispensed product; and
 5. The name of the person (trainer) to whom the product was dispensed.
- (5) **Non-steroidal Anti-inflammatory Drugs (NSAIDs).** The use of one of three approved NSAIDs shall be permitted under the following conditions:
- (a) Not to exceed the following permitted serum or plasma threshold concentrations which are consistent with administration by a single intravenous injection at least 24 hours before the post time for the race in which the horse is entered:
 1. Phenylbutazone. two micrograms per milliliter;
 2. Flunixin. 20 nanograms per milliliter;
 3. Ketoprofen. ~~ten~~ two nanograms per milliliter.
 - (b) These or any other NSAID are prohibited to be administered within the 24 hours before post time for the race in which the horse is entered.
 - (c) The presence of more than one of the three approved NSAIDs, in the post-race serum or plasma sample is not permitted.
 1. A finding of phenylbutazone below a concentration of .5 microgram per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 3.29(5).
 2. A finding of flunixin below a concentration of three nanograms per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 3.29(5).
 - (d) The use of all but one of the approved NSAIDs shall be discontinued at least 48 hours before the post time for the race in which the horse is entered.
 - (e) The presence of any unapproved NSAID in the post-race serum or plasma sample is not permitted.
- (6) **Furosemide.**
- (a) In order for a horse to be placed on the Furosemide List the following process must be followed.
 1. After the horse's licensed trainer and licensed veterinarian determine that it would be in the horse's best interests to race with furosemide the official veterinarian or his or her designee shall be notified using the prescribed form, that the horse is to be put on the Furosemide List.

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3.29: continued

2. The form must be received by the official veterinarian or his or her designee by the time of entry.
 3. A horse placed on the official Furosemide List must remain on that list unless the licensed trainer and licensed veterinarian submit a written request to remove the horse from the list. The request must be made to the official veterinarian or his or her designee, on the proper form, no later than the time of entry.
 4. After a horse has been removed from the Furosemide List, the horse may not be placed back on the list for a period of 60 calendar days unless it is determined to be detrimental to the welfare of the horse, in consultation with the official veterinarian. If a horse is removed from the official Furosemide List a second time in a 365-day period, the horse may not be placed back on the list for a period of 90 calendar days.
 5. Furosemide shall only be administered on association grounds.
 6. Furosemide shall be the only authorized bleeder medication.
 7. The use of furosemide shall not be permitted in two year olds.
- (b) The use of furosemide shall be permitted under the following circumstances on association grounds where a detention barn is not utilized:
1. Furosemide shall be administered by single intravenous injection no less than four hours prior to post time for the race for which the horse is entered.
 2. The furosemide dosage administered shall not exceed 250 mg. nor be less than 150 mg.
 3. After treatment, the horse shall be required by the Commission to remain in the proximity of its stall in the care, custody and control of its trainer or the trainer's designated representative under general association and/or Commission security surveillance until called to the saddling paddock.
- (c) Test results must show a detectable concentration of the drug in the post-race serum, plasma or urine sample.
1. The specific gravity of post-race urine samples may be measured to ensure that samples are sufficiently concentrated for proper chemical analysis. The specific gravity shall not be below 1.010. If the specific gravity of the urine is found to be below 1.010 or if a urine sample is unavailable for testing, quantitation of furosemide in serum or plasma shall be performed;
 2. Quantitation of furosemide in serum or plasma shall be performed when the specific gravity of the corresponding urine sample is not measured or if measured below 1.010. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.
- (d) A horse which has been placed on the Furosemide List in another jurisdiction pursuant to 205 CMR 3.00 shall be placed on the Furosemide List in this jurisdiction. A notation on the horse's electronic eligibility certificate of such shall suffice as evidence of being on a Furosemide List in another jurisdiction.

(7) Bleeder List.

- (a) The official veterinarian shall maintain a Bleeder List of all horses, which have demonstrated external evidence of exercise induced pulmonary hemorrhage from one or both nostrils during or after a race or workout as observed by the official veterinarian.
- (b) Every confirmed bleeder, regardless of age, shall be placed on the Bleeder List and be ineligible to race for the minimum following time periods:
 1. First incident - 14 days;
 2. Second incident - 30 days;
 3. Third incident - 180 days;
 4. Fourth incident - barred for racing lifetime.
- (c) For the purposes of counting the number of days a horse is ineligible to run, the day the horse bled externally is the first day of the recovery period.
- (d) The voluntary administration of furosemide without an external bleeding incident shall not subject the horse to the initial period of ineligibility as defined by 205 CMR 3.29(7).
- (e) A horse which has been placed on a Bleeder List in another jurisdiction pursuant to rules similar to 205 CMR 3.29(7) shall be placed on a Bleeder List in this jurisdiction.

3.29: continued

(8) Androgenic-anabolic Steroids (AAS):

(a) No AAS shall be permitted in test samples collected from racing horses except for residues of the major metabolite of ~~stanozolol~~, nandrolone, and the naturally occurring substances boldenone and testosterone at concentrations less than the indicated thresholds.

(b) Concentrations of these AAS shall not exceed the following plasma or serum thresholds for unchanged (*i.e.* not conjugated) substance or urine threshold concentrations for total (*i.e.*, free drug or metabolite and drug or metabolite liberated from its conjugates):

~~1. Stanozolol: 1 ng/ml of total 16 β -hydroxystanozolol (metabolite of stanozolol) in urine of all horses regardless of sex, or 25 pg/ml of stanozolol in plasma or serum of all horses regardless of sex;~~

1. 2. Boldenone: 15 ng/ml of total boldenone in urine of male horses other than geldings, or 25 pg/ml of boldenone in plasma or serum of all horses regardless of sex;

2. 3. Nandrolone: 1 ng/ml of total nandrolone in urine, or 25 pg/ml of nandrolone in plasma or serum for geldings, fillies, and mares.

3. 4. Testosterone:

a. In Geldings. 20 ng/ml total testosterone in urine, or 25 pg/ml of testosterone in plasma or serum;

b. In Fillies and Mares. 55 ng/ml total testosterone in urine, or 25 pg/ml of testosterone in plasma or serum.

(c) Any other anabolic steroids are prohibited in racing horses.

(d) Post-race urine samples must have the sex of the horse identified to the laboratory.

(9) Alkalinizing Substances. The use of agents that elevate the horse's TCO₂ or Base excess level above those existing naturally in the untreated horse at normal physiological concentrations is prohibited. The following levels also apply to blood gas analysis:

(a) The regulatory threshold for TCO₂ is 37.0 millimoles per liter of plasma/serum or a base excess level of 10.0 millimoles, and;

(b) The decision level to be used for the regulation of TCO₂ is 37.0 millimoles per liter of plasma/serum plus the measurement uncertainty of the laboratory analyzing the sample or a base excess level of 10.4 millimoles per liter of plasma/serum.

↓ for fillies, mares, and geldings, or 45 ng/ml
(as 5 α -estrane-3 β , 17 α -diol) in urine, in
male horses other than geldings,



Legal Division

Amended Small Business Impact Statement

The Massachusetts Gaming Commission (“Commission”) hereby files this amended small business impact statement in accordance with G.L. c. 30A, §5 relative to the proposed amendments in 205 CMR 4.00: Rules of Horse Racing; for which a public hearing was held on April 7, 2016. These amendments were developed as part of the process of promulgating regulations governing horse racing in the Commonwealth. The amendments to this regulation update the helmet requirements, eliminate Stanazolol, and change the thresholds for Nandrolone and Ketoprofen to comply with the Racing Commissioners International (“RCI”) regulations. These regulations are largely governed by G.L. c. 128A § 9.

The Commission has identified the following groups that may be impacted by these amendments: licensed racehorse trainers, jockeys, drivers, and veterinarians. In accordance with G.L. c. 30A, §5, the Commission offers the following responses on whether any of the following methods of reducing the impact of the proposed regulation on small businesses would hinder achievement of the purpose of the proposed regulation:

1. Establishing less stringent compliance or reporting requirements for small businesses:

Any small businesses that are impacted by this regulation will be required to comply with the existing standards under the RCI regulations. There is no less stringent requirement available for compliance with this regulation. There are no reporting requirements for small businesses.

2. Establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses:

There are no schedules or deadlines for compliance or reporting requirements for small businesses created by these regulations.

3. Consolidating or simplifying compliance or reporting requirements for small businesses:

There is no way to simplify the compliance requirements of this regulation, while still complying with the RCI regulations. There are no reporting requirements for small businesses.

4. Establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation:



Massachusetts Gaming Commission

The design and operational standards in this regulation are required under the RCI regulations. There are no known performance standards that can replace these design and operational standards, while still complying with the RCI regulations.

5. An analysis of whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

G.L. c. 128A § 9 was enacted to promote the horse racing industry in the Commonwealth. The proposed regulations, as part of the overall process, are likely to encourage new business, as they will now conform to the industry standard enumerated in the RCI regulations.

6. Minimizing adverse impact on small businesses by using alternative regulatory methods:

These regulations do not create any adverse impact on small businesses.

Massachusetts Gaming Commission
By:

Cecelia M. Porché and Alexander Conley
Legal Division

Dated: _____



Massachusetts Gaming Commission

4.09: continued

(6) All the stockholders or members of a corporation which leases horses for racing purposes in the Commonwealth of Massachusetts and also all such corporations shall make and file with the Commission as and when requested by it, a report or reports containing such information as the Commission may specify; and upon refusal or failure to file such report or reports the Commission may refuse a license to any lessee or lessees of such corporation or may revoke any such license which it may have granted.

4.10: Corrupt Practices

(1) No person shall influence, induce or conspire or connive with or attempt so to do, any owner, trainer, jockey, agent, driver, groom or other person associated with or interested in or having charge of or access to any horse entered or to be entered in a race for the purpose of fraudulently affecting the ultimate result of such race.

(2) No person shall willfully enter, or cause to be entered, or start a horse that he or she knows or believes to be ineligible or disqualified.

(3) No person shall offer or receive money or any other benefit for declaring or scratching an entry from a race.

(4) No person shall conspire with any other person for the commission of, or connive with any other person in any corrupt or fraudulent practice in relation to racing nor shall he or she commit such act on his or her own account.

(5) No person without proper notice to the Stewards, shall be part owner or trainer of any horse in which a jockey has an interest.

(6) No person shall make a bet for the account of any jockey except the owner or trainer of the horse the jockey is riding, and then only on said horse.

(7) No person shall offer or give a jockey any money or other benefit in relation to a race, unless said person is the owner or trainer of the horse ridden in said race by said jockey.

(8) No person shall solicit bets on the grounds of an Association.

(9) No electrical or mechanical device or other expedient designed to increase or decrease the speed of a horse, (or that would tend so to do) other than the ordinary riding crop or spurs, shall be possessed by any one or applied by any one to a horse at any time on the grounds of an Association, during a Meeting whether in a race or otherwise.

(10) No person shall tamper or attempt to tamper with any horse in such a way as to affect its speed in a race, nor shall be counsel or in any way aid or abet any such tampering.

(11) No person shall assume or pay, directly or indirectly, a forfeiture imposed upon a jockey.

(12) No jockey's attendant shall make a bet on any race nor shall he or she place a bet for anyone else.

4.11: Rules of the Race

(1) Entries and Nominations.

(a) Entering. No horse shall be qualified to start unless it has been and continues to be entered.

4.11: continued

- (b) Procedure.
1. Entries and nominations shall be made with the racing secretary and shall not be considered until received by the racing secretary, who shall maintain a record of time of receipt of them for a period of one year.
 2. An entry shall be in the name of the horse's licensed owner and made by the owner, trainer or a licensed designee of the owner or trainer.
 3. Races printed in the condition book shall have preference over substitute and extra races.
 4. An entry must be in writing, by telephone or facsimile machine to the racing secretary. The entry must be confirmed in writing should the stewards or the racing secretary so request.
 5. The person making an entry shall clearly designate the horse so entered.
 6. No alteration may be made in any entry after the closing of entries, but an error may be corrected with permission of the stewards.
 7. No conditional entries will be accepted.
 8. No horse may be entered in more than one race (with the exception of stakes races) to be run on the same day on which pari-mutuel wagering is conducted.
 9. Any permitted medication or approved change of equipment must be declared at time of entry.
- (c) Coupled Entries.
1. Two or more horses that are entered in a race shall be joined as a mutuel entry and single betting interest if they are owned or leased in whole or in part by the same owner.
 2. No more than two horses having common ties through ownership or training may be entered in an overnight race. Under no circumstances may both horses of a coupled entry start to the exclusion of a single entry. When making a coupled entry, a preference for one of the horses must be made.
- (d) Nominations.
1. Any nominator to a stakes race may transfer or declare such nomination prior to closing.
 2. Any one of joint owners of a horse may make joint nominations and entries, and each such owner shall be jointly and severally liable for all payments due.
 3. Death of a horse, or a mistake in its entry when such horse is eligible, does not release the nominator or transferee from liability for all stakes fees due. No fees paid in connection with a nomination to a stakes race that is run shall be refunded, except as otherwise stated in the conditions of a stakes race.
 4. Death of a nominator to a stakes race shall not render void any subscription, entry or right of entry. All rights, privileges and obligations shall be attached to the legal heirs of the decedent or the successor owner of the horse.
 5. When a horse is sold privately or at public auction or claimed, stakes engagements shall be transferred automatically to its new owner; except when the horse is transferred to a person whose license is suspended or who is otherwise unqualified to race or enter the horse, then such nomination shall be void as of the date of such transfer.
 6. All stakes fees paid toward a stakes race shall be allocated to the winner unless otherwise provided by the conditions for the race. If a stakes race is not run for any reason, all such nomination fees paid shall be refunded.
- (e) Closings.
1. Entries for purse races and nominations to stakes races shall close at the time designated by the association in previously published conditions for such races. No entry, nomination or declaration shall be accepted after such closing time; except in the event of an emergency or if an overnight race fails to fill, the racing secretary may, with the approval of a steward, extend such closing time.
 2. Except as otherwise provided in the conditions for a stakes race, the deadline for accepting nominations and declarations is midnight of the day of closing, provided they are received in time for compliance with every other condition of the race.
- (f) Number of Starters in a Race. The maximum number of starters in any race shall be limited to the number of starting positions afforded by the association starting gate and its extensions. The number of horses that, in the opinion of the stewards, can be afforded a safe, fair and equal start may further limit the number of starters.

4.11: continued

- (g) Split or Divided Races.
 1. In the event a race is canceled or declared off, the association may split any overnight race for which postpositions have not been drawn.
 2. Where a overnight race is split, forming two or more separate races, the racing secretary shall give notice of not less than 15 minutes before such races are closed to grant time for making additional entries to such split races.
 - (h) Post Positions. Post positions for all races shall be determined by lot and shall be publicly drawn in the presence of a steward or steward designee.
 - (i) Also-eligible List.
 1. If the number of entries for a race exceeds the number of horses permitted to start, the racing secretary may create and post an also-eligible list.
 2. If any horse is scratched from a race for which an also-eligible list was created, a replacement horse shall be drawn from the also-eligible list into the race in order of preference. If none is preferred, a horse shall be drawn into the race from the also-eligible list by public lot.
 3. Any owner or trainer of a horse on the also-eligible list who does not wish to start the horse in such race shall so notify the racing secretary prior to scratch time for the race.
 - (j) Preferred List.
 1. The racing secretary shall maintain a list of entered horses eliminated from starting by a surplus of entries, and these horses shall constitute a preferred list and have preference. The manner in which the preferred list shall be maintained and all rules governing such list shall be the responsibility of the racing secretary. Such rules must be submitted to the Commission 30 days prior to the commencement of the race meeting and are subject to the approval of the Commission.
 2. A copy of the preferred list will be posted each afternoon and any claim of error must be made by 10:00 A.M. of the following race day, and the Stewards will recognize no claim of error not made within the prescribed time.
 3. In entering horses on the preferred list a claim of preference must be made at the time of entry and noted on the entry or preference shall be lost, and no claim of error will be considered by the Stewards if the person making the claim has signed an entry not marked in keeping with 205 CMR 4.00.
- (2) Declarations and Scratches. Declarations and scratches are irrevocable.
- (a) Declarations.
 1. A declaration is the act of withdrawing an entered horse from a race prior to the closing of entries.
 2. The declaration of a horse before closing shall be made by the owner, trainer or their licensed designee in the form and manner prescribed in 205 CMR 4.00.
 - (b) Scratches.
 1. A scratch is the act of withdrawing an entered horse from a contest after the closing of entries.
 2. The owner, trainer or their licensed designee shall make the scratch of a horse after closing, with permission from the stewards.
 3. A horse may be scratched from a stakes race for any reason at any time up until 45 minutes prior to post time for that race.
 4. No horse may be scratched from an overnight race without approval of the stewards.
 5. In overnight races, horses that are physically disabled or sick shall be permitted to be scratched first. Should horses representing more than ten betting interests in the daily double or exotic wagering races, or horses representing more than eight betting interests in any other overnight race, remain in after horses with physical excuses have been scratched, then owners or trainers may be permitted at scratch time to scratch horses without physical excuses down to such respective minimum numbers for such races. Lot shall determine this privilege if an excessive number of owners or trainers wish to scratch their horses.
 6. Any horse which has been scratched, or excused from starting by the stewards, because of a physical disability or sickness shall not race until the expiration of a minimum of four calendar days (inclusive of the day the horse was originally scratched) after such horse was scratched or excused and the horse has been removed from the veterinarian's list by the official veterinarian.

4.11: continued

(3) Weights.

(a) Allowances.

1. Weight allowance must be claimed at time of entry and shall not be waived after the posting of entries, except by consent of the stewards.
2. A horse shall start with only the allowance of weight to which it is entitled at time of starting, regardless of its allowance at time of entry.
3. Horses not entitled to the first weight allowance in a race shall not be entitled to any subsequent allowance specified in the conditions.
4. Claim of weight allowance to which a horse is not entitled shall not disqualify it unless protest is made in writing and lodged with the stewards at least one hour before post time for that race.
5. A horse shall not be given a weight allowance for failure to finish second or lower in any race.
6. No horse shall receive allowance of weight nor be relieved extra weight for having been beaten in one or more races, but 205 CMR 4.11(3)(a) shall not prohibit maiden allowances or allowances to horses that have not won a race within a specified period or a race of a specified value.
7. Except in handicap and races which expressly provide otherwise, two-year-old fillies shall be allowed three pounds, and fillies and mares, three-years-old and upward, shall be allowed five pounds before September 1st and three pounds thereafter in races where competing against male horses.

(b) Penalties.

1. Weight penalties are obligatory.
2. Horses incurring weight penalties for a race shall not be entitled to any weight allowance for that race.
3. No horse shall incur a weight penalty or be barred from any race for having been placed second or lower in any race.
4. A penalty incurred and allowances due in steeplechase or hurdle races shall not apply to races on the flat, and vice versa.
5. The reports, records and statistics as published by Daily Racing Form, Equibase or other recognized publications shall be considered official in determining eligibility, allowances and penalties, but may be corrected.
6. When the decision of a race is in dispute, all horses involved in the dispute with respect to the winner's credit shall be liable to all weight penalties and eligibility attached to the winning of that race until a winner has been adjudged.
7. No horse shall incur a weight penalty for a placement from which he or she is disqualified, but a horse placed through the disqualification of another horse shall incur the weight penalties of that placement. No such placement, however, shall make a horse ineligible to a race that already has been run.
8. A horse shall start with only the allowance of weight to which it is entitled at the time of starting, regardless of its allowance at the time of entry.

(c) Weight Conversions.

1. For the purpose of determining weight assignments and/or allowances for imported horses, the following weight conversions shall be used:
 - one kilogram = 2 ¼ pounds
 - one Stone = 14 pounds

(d) Scale of Weights.

1. With the exception of apprentice allowances, handicap races, three year old horses entered to run in races against horses four years old and upwards, and the allowance provided in 205 CMR 4.11(3)(d)2., no jockey shall be assigned a weight of less than 118 pounds. For three year old horses entered to run in races against horses four years old and upwards from January 1st through August 31st, no jockey shall be assigned a weight of less than 116 pounds.
2. Except in handicaps, fillies two years old shall be allowed three pounds, and fillies and mares three years old and upward shall be allowed five pounds before September 1st, and three pounds thereafter, in races where competing against horses of the opposite sex.

4.11: continued

3. A notice shall be included in the daily program that all jockeys will carry approximately three pounds more than the published weight to account for safety equipment (vest and helmet) that is not included in required weighing out procedures. Additionally, upon stewards' approval, jockeys may weigh in with up to an additional three pounds for inclement weather gear.

(e) Distance Conversions.

1. For the purpose of determining eligibility, weight assignments and/or allowances for imported horses, the racing secretary shall convert metric distances to English measures by reference to the following scale:

2. Comparative Table of Distances.

200 Meters	= one Furlong
1,000 Meters	= five Furlongs
1,200 Meters	= six Furlongs
1,400 Meters	= seven Furlongs
1,600 Meters	= one Mile
1,700 Meters	= one-1/16 Miles
1,800 Meters	= 1 1/8 Miles
2,000 Meters	= 1 1/4 Miles
2,200 Meters	= 1 3/8 Miles
2,400 Meters	= 1 1/2 Miles
2,600 Meters	= 1 5/8 Miles
3,000 Meters	= 1 7/8 Miles
3,200 Meters	= two Miles
3,600 Meters	= 2 1/4 Miles
4,800 Meters	= three Miles

(4) Workouts.

(a) Requirements. A horse shall not start unless it has participated in an official race or has an approved timed workout satisfactory to the stewards. The workout must have occurred at a pari-mutuel or Commission recognized facility within the previous 30 days. A horse which has not started for a period of 60 days or more shall be ineligible to race until it has completed a timed workout approved by the stewards prior to the day of the race in which the horse is entered. The association may impose more stringent workout requirements.

(b) Identification. The owner, trainer or rider shall be required to identify the horse and the distance the horse is to be worked and the point on the track where the workout will start.

(c) Information Dissemination. Information regarding a horse's approved timed workout(s) shall be furnished to the public prior to the start of the race for which the horse has been entered.

(d) Restrictions. A horse shall not be taken onto the track for training or a workout except during hours designated by the association.

(5) Horses Ineligible.

(a) A horse is ineligible to start in a race when:

1. It is not stabled on the grounds of the association or present by the time established by the Commission;
2. Its breed registration certificate is not on file with the racing secretary or horse identifier; unless the racing secretary has submitted the certificate to the appropriate breed registry for correction;
3. It is not fully identified and tattooed on the inside of the upper lip, microchipped with a unique microchip (ISO 11784), freeze brand, or identified by any other method approved by the appropriate breed registry and the Commission;
4. It has been fraudulently entered or raced in any jurisdiction under a different name, with an altered registration certificate or altered lip tattoo, microchip (ISO 11784), freeze brand, or other identification method approved by the appropriate breed registry and the Commission;
5. It is wholly or partially owned by a disqualified person or a horse is under the direct or indirect training or management of a disqualified person;

4.11: continued

6. It is wholly or partially owned by the spouse of a disqualified person or a horse is under the direct or indirect management of the spouse of a disqualified person, in such cases, it being presumed that the disqualified person and spouse constitute a single financial entity with respect to the horse, which presumption may be rebutted;
7. The stakes or entrance money for the horse has not been paid, in accordance with the conditions of the race; except with the approval of the racing secretary;
8. The losing jockey mount fee is not on deposit with the horsemen's bookkeeper; except with the approval of the racing secretary;
9. Its name appears on the starter's list, paddock judge's list, stewards' list or veterinarian's list;
10. It is a first time starter and has not been approved to start by the starter;
11. It is owned in whole or in part by an undisclosed person or interest;
12. It lacks sufficient official published workouts or race past performance(s);
13. It has been entered in a stakes race and has subsequently been transferred with its engagements, unless the racing secretary has been notified of such prior to the start;
14. It is subject to a lien that has not been approved by the stewards and filed with the horsemen's bookkeeper;
15. It is subject to a lease not filed with the stewards;
16. It is not in sound racing condition;
17. It has had a surgical neurectomy performed on a heel nerve, which has not been approved by the official veterinarian;
18. It has been trachea tubed to artificially assist breathing;
19. It has been blocked with alcohol or otherwise drugged or surgically denerved to desensitize the nerves above the ankle;
20. It has impaired eyesight in both eyes;
21. It is barred or suspended in any recognized jurisdiction;
22. It does not meet the eligibility conditions of the race;
23. Its owner or lessor is in arrears for any stakes fees, except with approval of the racing secretary;
24. Its owner(s), lessor(s) and/or trainer have not completed the licensing procedures required by the Commission;
25. It is by an unknown sire or out of an unknown mare; or
26. There is no current negative Coggins test certificate for Equine Infectious Anemia on file.
27. If a thoroughbred, it has shoes (racing plates) which have toe grabs with a height greater than two millimeters, bends, jar caulks, stickers, or any other traction device on the front hooves while racing or training on all surfaces.
28. A filly or mare may not be entered in a claiming race when it is pregnant, unless before the time of entry the owner deposits with the racing secretary a signed agreement whereby the owner at the time of entry provides the successful claimant without cost, protest or fee of any kind, a valid stallion service certificate covering the breeding of the mare.
29. Notwithstanding 205 CMR 4.11(5)(a)28. a pregnant mare may not be entered in a race if she is beyond 120 days of gestation.

(6) Running of the Race.

(a) Equipment.

1. All riding crops are subject to inspection and approval by the stewards and the clerk of scales.
 - a. Riding crops shall have a shaft and a flap and will be allowed in flat racing including training, only as follows;
 - i. Maximum weight of eight ounces.
 - ii. Maximum length, including flap of 30 inches.
 - iii. Minimum diameter of the shaft of $\frac{3}{8}$ inch
 - iv. Shaft contact area must be smooth, with no protrusions or raised surface, and covered by shock absorbing material that gives a compression factor of at least one-millimeter throughout its circumference.
 - b. The flap is the only allowable attachment to the shaft and must meet these specifications:
 - i. Length beyond the end of the shaft a maximum of one inch.

4.11: continued

- ii. Width a minimum of 0.8 inch and a maximum of 1.6 inches.
 - iii. No reinforcements or additions beyond the end of the shaft.
 - iv. No binding within seven inches of the end of the shaft.
 - v. Shock absorbing characteristics similar to those the contact area of the shaft.
2. No bridle shall exceed two pounds.
 3. A horse's tongue may be tied down with clean bandages, gauze or tongue strap.
 4. Permission for any change of reported equipment from that which a horse carried in its last previous race, can be obtained only from the Stewards and must be obtained before the closing of entries for the race in which the horse is to run with changed equipment.
 5. Permission for a horse to add blinkers to its equipment or to discontinue the use of them must be approved by the Starter before being granted by the Stewards.
- (b) Racing Numbers.
1. Each horse shall carry a conspicuous saddle cloth number corresponding to the official number given that horse on the official program.
 2. In the case of a coupled entry that includes more than one horse, each horse in the entry shall carry the same number, with a different distinguishing letter following the number. As an example, two horses in the same entry shall appear in the official program as 1 and 1A.
 3. Each horse in the mutuel field shall carry a separate number or may carry the same number with a distinguishing letter following the number.
- (c) Jockey Requirements.
1. Jockeys shall report to the jockeys' quarters at the time designated by the association. Jockeys shall report their engagements and any overweight to the clerk of scales. Jockeys shall not leave the jockeys' quarters, except to ride in scheduled races, until all of their riding engagements of the day have been fulfilled except as approved by the stewards.
 2. A jockey who has not fulfilled all riding engagements, who desires to leave the jockeys' quarters, must first receive the permission of the stewards and must be accompanied by an association security guard.
 3. While in the jockeys' quarters, jockeys shall have no contact or communication with any person outside the jockeys' quarters other than Commission personnel and officials, an owner or trainer for whom the jockey is riding or a representative of the regular news media, except with the permission of the stewards. Any communication permitted by the stewards may be conducted only in the presence of the clerk of scales or other person designated by the stewards.
 4. The clerk of scales shall weigh out jockeys for their respective mounts not more than 30 minutes before post time for each race.
 5. Only valets employed by the association shall assist jockeys in weighing out.
 6. A jockey must wear a safety vest at all times when mounted. The safety vest must comply with one of the following minimum standards: British Equestrian Trade Association (BETA):2000 Level 1; Euro Norm (EN) 13158:2000 Level 1; American Society for Testing and Materials (ASTM) F2681-08 or F1937; Shoe and Allied Trade Research Association (SATRA) Jockey Vest DocM6 Issue 3; or Australian Racing Board (ARB) Standard 1.1998.
 7. A jockey must wear a properly secured safety helmet at all times while mounted. The helmet must comply with one of the following minimum safety standards: ~~American Society for Testing and Materials (ASTM 1163); UK Standards (EN-1384 and PAS-015); Australian/New Zealand Standard (AS/NZ 3838).~~
 8. A safety helmet or a safety vest shall not be altered in any manner nor shall the product marking be removed or defaced.
 9. Weighing Out.
 - a. A jockey's weight shall include his or her clothing, boots, saddle and its attachments and any other equipment except the bridle, bit, blinkers, goggles, number cloth, and safety equipment including helmet, vest, over-girth, reins and breast collar.
 - b. Upon Stewards approval, jockeys may be allowed up to three pounds more than published weights to account for inclement weather clothing and equipment.
 10. Seven pounds is the limit of overweight any horse is permitted to carry.

→ the current safety standards
of the Association of Racing Commissioners
International Model Rules of Racing

4.11: continued

11. Once jockeys have fulfilled their riding engagements for the day and have left the jockeys' quarters, they shall not be re-admitted to the jockeys' quarters until after the entire racing program for that day has been completed, except with permission of the stewards.

(d) Paddock to Post.

1. Each horse shall carry the full weight assigned for that race from the paddock to the starting post, and shall parade past the stewards' stand, unless excused by the stewards. The post parade shall not exceed 12 minutes, unless otherwise ordered by the stewards. It shall be the duty of the stewards to ensure that the horses arrive at the starting gate as near to post time as possible.

2. After the horses enter the track, no jockey may dismount nor entrust his or her horse to the care of an attendant unless, because of accident occurring to the jockey, the horse or the equipment, and with the prior consent of the starter. During any delay during which a jockey is permitted to dismount, all other jockeys may dismount and others may attend their horses. After the horses enter the track, only the jockey, an assistant starter, the official veterinarian, the racing veterinarian or an outrider or pony rider may touch the horse before the start of the race.

3. If a jockey is injured on the way to the post, the horse may be returned to the paddock or any other area designated by the stewards, re-saddled with the appropriate weight and remounted with a replacement jockey.

4. After passing the stewards' stand in parade, the horses may break formation and proceed to the post in any manner unless otherwise directed by the stewards. Once at the post, the horses shall be started without unnecessary delay.

5. Horses shall arrive at the starting post in post position order.

6. In case of accident to a jockey or his or her mount or equipment, the stewards or the starter may permit the jockey to dismount and the horse to be cared for during the delay, and may permit all jockeys to dismount and all horses to be attended to during the delay.

7. If a jockey is thrown on the way from the paddock to the post, the horse must be remounted, return to the point where the jockey was thrown and then proceed over the route of the parade to the post. The horse must carry its assigned weight from paddock to post and from post to finish.

8. If a horse leaves the course while moving from paddock to post, the horse shall be returned to the course at the nearest practical point to that at which it left the course, and shall complete its parade to the post from the point at which it left the course unless ordered scratched by the stewards.

9. No person shall willfully delay the arrival of a horse at the post.

10. The starter shall load horses into the starting gate in any order deemed necessary to ensure a safe and fair start. Only the jockey, the racing veterinarian, the starter or an assistant starter shall handle a horse.

11. Every horse must be saddled in the paddock.

(e) Post to Finish.1. The Start.

a. The starter is responsible for assuring that each participant receives a fair start.

b. If, when the starter dispatches the field, any door at the front of the starting gate stalls should not open properly due to a mechanical failure or malfunction or should any action by any starting personnel directly cause a horse to receive an unfair start, the stewards may declare such a horse a non-starter.

c. Should a horse, not scratched prior to the start, not be in the starting gate stall thereby causing it to be left when the starter dispatches the field, the stewards shall declare the horse a non-starter.

d. Should an accident or malfunction of the starting gate, or other unforeseeable event compromise the fairness of the race or the safety of race participants, the stewards may declare individual horses to be non-starters, exclude individual horses from one or more pari-mutuel pools or declare a no contest and refund all wagers except as otherwise provided in the rules involving multi-race wagers.

2. Interference, Jostling or Striking.

a. A jockey shall not ride carelessly or willfully so as to permit his or her mount to interfere with, impede or intimidate any other horse in the race.

4.11: continued

- b. No jockey shall carelessly or willfully jostle, strike or touch another jockey or another jockey's horse or equipment
 - c. No jockey shall unnecessarily cause his or her horse to shorten its stride so as to give the appearance of having suffered a foul.
3. Maintaining a Straight Course.
- a. When the way is clear in a race, a horse may be ridden to any part of the course, but if any horse swerves, or is ridden to either side, so as to interfere with, impede or intimidate any other horse, it is a foul.
 - b. The offending horse may be disqualified, if in the opinion of the stewards, the foul altered the finish of the race, regardless of whether the foul was accidental, willful or the result of careless riding.
 - c. If the stewards determine the foul was intentional, or due to careless riding, they may fine or suspend the guilty jockey.
 - d. In a straightaway race, every horse must maintain position as nearly as possible in the lane in which it starts. If a horse is ridden, drifts or swerves out of its lane in such a manner that it interferes with, impedes or intimidates another horse, it is a foul and may result in the disqualification of the offending horse.
4. Disqualification.
- a. When the stewards determine that a horse shall be disqualified for interference, they may place the offending horse behind such horses as in their judgement it interfered with, or they may place it last.
 - b. If a horse is disqualified for a foul, any horse or horses owned or trained by the same interests, in the same race whether coupled or uncoupled, may also be disqualified.
 - c. Possession of any electrical or mechanical stimulating or shocking device by a jockey, horse owner, trainer or other person authorized to handle or attend to a horse shall be *prima facie* evidence of a violation of 205 CMR 4.00 and is sufficient grounds for the stewards to scratch or disqualify the horse.
 - d. The stewards may determine that a horse shall be unplaced for the purpose of purse distribution and time trial qualification.
5. Multiple Disqualifications. Should the stewards determine that there is more than one incident of interference in a race where disqualification is warranted, the stewards shall deal with the incidents in the order in which the incident occurs during the race from start to finish; except in the case where the same horses are involved in multiple incidents. Once a horse has been disqualified, it should remain placed behind the horse with which it interfered. The stewards shall make a conscious effort to place and maintain as placed, every and all horses placed behind others for interference
6. Horses Shall be Ridden Out. All horses shall be ridden out in every race. A jockey shall not ease up or coast to the finish, without adequate cause, even if the horse has no apparent chance to win prize money. A jockey shall give a best effort during a race.
7. Use of Riding Crops.
- a. Although the use of a riding crop is not required, any jockey who uses a riding crop during a race shall do so only in a manner consistent with exerting his or her best efforts to win.
 - b. In all races where a jockey will ride without a riding crop, an announcement of such fact shall be printed in the official program.
 - c. No electrical or mechanical device or other expedient designed to increase or retard the speed of a horse, other than the ordinary riding crop approved, shall be possessed by anyone, or applied by anyone to the horse at any time on the grounds of the association during the meeting, whether in a race or otherwise.
 - d. Riding crops shall not be used on two-year-old horses before April 1st of each year.
 - e. The riding crop shall only be used for safety, correction and encouragement.
 - f. All riders should comply with the following when using the riding crop:
 - i. Showing the horse the riding crop and giving it time to respond before hitting it.
 - ii. Having used the riding crop, giving the horse a chance to respond before using it again.
 - iii. Using the riding crop in rhythm with the horses stride.

4.11: continued

- g. Prohibited uses of the riding crop include, but are not limited to, striking a horse:
 - i. on the head, flanks or on any other part of its body other than the shoulders or hind quarters except when necessary to control a horse;
 - ii during the post parade or after the finish of the race except when necessary to control the horse;
 - iii. excessively or brutally causing welts or breaks in the skin;
 - iv. when the horse is clearly out of the race or has obtained its maximum placing;
 - v. persistently even though the horse is showing no response under the riding crop; or
 - vi. striking another rider or horse.
 - h. After the race, horses will be subject to inspection by a racing or official veterinarian looking for cuts, welts or bruises in the skin. Any adverse findings shall be reported to the stewards.
 - i. The giving of instructions by any licensee that if obeyed would lead to a violation of 205 CMR 4.11(6) may result in disciplinary action also being taken against the licensee who gave such instructions.
8. Order of Finish.
- a. The official order of finish shall be decided by the stewards with the aid the photo finish system, and in the absence of the photo finish film record, the video replay. The photo finish and video replay are only aids to the stewards' decision. The decision of the stewards shall be final in all cases.
 - b. The nose of the horse shall determine the placement of the horse in relationship to other horses in the race.
9. Returning after the Finish.
- a. After a race has been run, the jockey shall ride promptly to the place designated by the stewards, dismount and report to the clerk of scales to be weighed in. Jockeys shall weigh in with all pieces of equipment with which they weighed out.
 - b. If a jockey is prevented from riding to the place designated by the stewards because of an accident or illness to the jockey or the horse, the jockey may walk or be transported to the scales, or may be excused from weighing in by the stewards.
- 10 Unsaddling.
- a. Only persons authorized by the stewards may assist the jockey with unsaddling the horse after the race.
 - b. No one shall place a covering over a horse before it is unsaddled.
- 11 Weighing In.
- a. A jockey shall weigh in at no less than the same weight at which he or she weighed out, and if under that weight, and after consideration of mitigating circumstances by the board of stewards, his or her mount shall be disqualified from any portion of the purse money.
 - b. In the event of such disqualification, all monies wagered on the horse shall be refunded unless the race has been declared official.
 - c. A jockey's weight shall include his or her clothing, boots, saddle and its attachments and any other equipment except the bridle, bit, blinkers, goggles, number cloth and safety equipment including helmet, vest, over-girth, reins and breast collar.
 - d. Upon approval of the stewards, the jockeys may be allowed up to three pounds more than published weights to account for inclement weather clothing and equipment.
 - e. The post-race weight of jockeys includes any sweat, dirt and mud that have accumulated on the jockey, jockey's clothing, jockey's safety equipment and over-girth. This accounts for additional weight, depending on specific equipment, as well as weather, track and racing conditions.
12. Dead Heats.
- a. When two horses run a dead heat for first place, all purses or prizes to which first and second horses would have been entitled shall be divided equally between them; and this applies in dividing all purses or prizes whatever the number of horses running a dead heat and whatever places for which the dead heat is run.
 - b. In a dead heat for first place, each horse involved shall be deemed a winner and liable to penalty for the amount it shall receive.

4.11: continued

- c. When a dead heat is run for second place and an objection is made to the winner of the race, and sustained, the horses that ran a dead heat shall be deemed to have run a dead heat for first place.
- d. If the dividing owners cannot agree as to which of them is to have a cup or other prize that cannot be divided, the question shall be determined by lot by the stewards.

(7) Protests, Objections and Inquiries

(a) Stewards to Inquire.

- 1. The stewards shall take cognizance of foul riding and, upon their own motion or that of any racing official or person empowered by 205 CMR 4.00 to object or complain, shall make diligent inquiry or investigation into such objection or complaint when properly received.
- 2. In determining the extent of disqualification, the stewards in their discretion may:
 - a. declare null and void a track record set or equaled by a disqualified horse, or any horses coupled with it as an entry;
 - b. affirm the placing judges' order of finish and hold the jockey responsible if, in the stewards' opinion, the foul riding did not affect the order of finish; or
 - c. disqualify the offending horse and hold the jockey blameless if in the stewards' opinion the interference to another horse in a race was not the result of an intentional foul or careless riding on the part of a jockey.

(b) Race Objections.

- 1. An objection to an incident alleged to have occurred during the running of a race shall be received only when lodged with the clerk of scales, the stewards or their designees, by the owner, the authorized agent of the owner, the trainer or the jockey of a horse engaged in the same race.
- 2. An objection following the running of any race must be filed before the race is declared official, whether all or some riders are required to weigh in, or the use of a fast official procedure is permitted.
- 3. The stewards shall make all findings of fact as to all matters occurring during and incident to the running of a race; shall determine all objections and inquiries, and shall determine the extent of disqualification, if any, of horses in the race. Such findings of fact and determinations shall be final.
- 4. In the case of disqualification the Stewards shall immediately make public the reason for the disqualification and the same shall be announced over the public address system.

(c) Prior Objections.

- 1. Objections to the participation of a horse entered in any race shall be made to the stewards in writing, signed by the objector, and filed not later than one hour prior to post time for the first race on the day which the questioned horse is entered. Any such objection shall set forth the specific reason or grounds for the objection in such detail so as to establish probable cause for the objection. The stewards upon their own motion may consider an objection until such time as the horse becomes a starter.
- 2. An objection to a horse which is entered in a race may be made on, but not limited to, the following grounds or reasons:
 - a. A misstatement, error or omission in the entry under which a horse is to run;
 - b. the horse that is entered to run is not the horse it is represented to be at the time of entry, or the age was erroneously given;
 - c. the horse is not qualified to enter under the conditions specified for the race, or the allowances are improperly claimed or not entitled the horse, or the weight to be carried is incorrect under the conditions of the race;
 - d. the horse is owned in whole or in part, or leased or trained by a person ineligible to participate in racing or otherwise ineligible to own a race horse as provided in 205 CMR 4.00; or
 - e. the horse was entered without regard to a lien filed previously with the racing secretary.
- 3. The stewards may scratch from the race any horse that is the subject of an objection if they have reasonable cause to believe that the objection is valid.

4.11: continued

(d) Protests.

1. A protest against any horse that has started in a race shall be made to the stewards in writing, signed by the protestor, within 72 hours of the race exclusive of non-racing days. If the incident upon which the protest is based occurs within the last two days of the meeting, such protest may be filed with the Commission within 72 hours exclusive of Saturdays, Sundays or official holidays. Any such protest shall set forth the specific reason or reasons for the protest in such detail as to establish probable cause for the protest.
2. A protest may be made on any of the following grounds:
 - a. Any grounds for objection as set forth in this chapter;
 - b. the order of finish as officially determined by the stewards was incorrect due to oversight or errors in the numbers of the horses that started the race;
 - c. a jockey, trainer, owner or lessor was ineligible to participate in racing as provided in 205 CMR 4.00;
 - d. the weight carried by a horse was improper, by reason of fraud or willful misconduct; or
 - e. an unfair advantage was gained in violation of 205 CMR 4.00.
3. Notwithstanding any other provision in this article, 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.
4. No person shall file any objection or protest knowing the same to be inaccurate, false, untruthful or frivolous.
5. The stewards may order any purse, award or prize for any race withheld from distribution pending the determination of any protest. In the event any purse, award or prize has been distributed to an owner or for a horse which by reason of a protest or other reason is disqualified or determined to be not entitled to such purse, award or prize, the stewards or the Commission may order such purse, award or prize returned and redistributed to the rightful owner or horse. Any person who fails to comply with an order to return any purse, award or prize erroneously distributed shall be subject to fines and suspension.

4.12: Forfeitures and Suspensions

- (1) No racing official other than the Stewards shall have the right to impose a forfeiture or suspension.
- (2) The Stewards may not rescind a forfeiture, except with the approval of the Commission.
- (3) A racing official imposing a forfeiture or suspension shall report it promptly to the Gaming Commission in writing.
- (4) All forfeitures shall be paid to the Gaming Commission within 48 hours after imposition.
- (5) Any official, owner, trainer or any person licensed by the Massachusetts Gaming Commission who shall obtain food, feed, shelter, drugs, transportation, services for horses, veterinary services or supplies for himself or others whether they be licensed or not, and fails to pay the fair market value to the person or persons from whom said services or supplies are obtained may be guilty of conduct detrimental to the best interest of racing and may be suspended at the discretion of the Stewards or the Commission, however, neither the Association nor the Massachusetts Gaming Commission shall be obligated to collect debts from horsemen or other personnel licensed by the Commission.
- (6) No entry in any race shall be accepted for a horse owned wholly or in part by, or trained by, a person whose husband or wife is under license suspension at time of such entry; except that, if the license of a jockey has been suspended for a routine riding offense, the stewards may waive 205 CMR 4.12(6).
- (7) Suspensions shall be for consecutive calendar days.

4.51: continued

(d) All Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy treatments must be reported within one day to the official veterinarian or his or her designee on the prescribed form. The horse shall be added to a list of ineligible horses.

(e) Any person participating in the use of ESWT and/or the possession of ESWT machines in violation of 205 CMR 4.00 shall be considered to have committed a Prohibited Practice and is subject to a Class A Penalty.

(5) The use of a nasogastric tube (a tube longer than six inches) for the administration of any substance within 24 hours prior to the post time of the race in which the horse is entered is prohibited without the prior permission of the official veterinarian or his or her designee.

4.52: Medications and Prohibited Substances

(1) Aggravating and Mitigating Factors. Upon a finding of a violation of 205 CMR 4.50 through 4.53, the stewards shall consider the classification level of the violation as listed at the time of the violation in the *Uniform Classification Guidelines for Foreign Substances* as promulgated by the Association of Racing Commissioners International (ARCI) and impose penalties and disciplinary measures consistent with the recommendations contained therein. The stewards may consult with the official veterinarian, laboratory director or other individuals to determine the seriousness of the laboratory finding or the medication violation. All medication and drug violations shall be investigated and reviewed on a case by case basis. Extenuating factors include, but are not limited to:

- (a) The past record of the trainer, veterinarian and owner in drug cases;
- (b) The potential of the drug(s) to influence a horse's racing performance;
- (c) The legal availability of the drug;
- (d) Whether there is reason to believe the responsible party knew of the administration of the drug or intentionally administered the drug;
- (e) The steps taken by the trainer to safeguard the horse;
- (f) The probability of environmental contamination or inadvertent exposure due to human drug use;
- (g) The purse of the race;
- (h) Whether the drug found was one for which the horse was receiving a treatment as determined by the Medication Report Form;
- (i) Whether there was any suspicious betting pattern in the race; and
- (j) Whether the licensed trainer was acting under the advice of a licensed veterinarian.

As a result of the investigation, there may be mitigating circumstances for which a lesser or no penalty is appropriate for the licensee and aggravating factors, which may increase the penalty beyond the minimum.

(2) Penalties.

- (a) In issuing penalties against individuals found guilty of medication and drug violations a regulatory distinction shall be made between the detection of therapeutic medications used routinely to treat racehorses and those drugs that have no reason to be found at any concentration in the test sample on race day.
- (b) If a licensed veterinarian is administering or prescribing a drug not listed in the ARCI *Uniform Classification Guidelines for Foreign Substances*, the identity of the drug shall be forwarded to the official veterinarian to be forwarded to the Racing Medication and Testing Consortium for classification.
- (c) Any drug or metabolite thereof found to be presenting a pre- or post-race sample which is not classified in the version of the ARCI Uniform Classification Guidelines for Foreign Substances in effect at the time of the violation shall be assumed to be a ARCI Class 1 Drug and the trainer and owner shall be subject to those penalties as set forth in schedule "A" therein unless satisfactorily demonstrated otherwise by the Racing Medication and Testing Consortium, with a penalty category assigned.
- (d) Any licensee of the Commission, including veterinarians, found to be responsible for the improper or intentional administration of any drug resulting in a positive test may, after proper notice and hearing, be subject to the same penalties set forth for the licensed trainer.
- (e) Procedures shall be established to ensure that a licensed trainer is not able to benefit financially during the period for which the individual has been suspended. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members.

4.52: continued

(f) **Multiple Medication Violations (MMV).**

1. A trainer who receives a penalty for a medication violation based upon a horse testing positive for a Class 1-5 medication with Penalty Class A-D, as provided in the version of the ARCI *Uniform Classification Guidelines for Foreign Substances* in effect at the time of the violation, shall be assigned points based upon the medication's ARCI Penalty Guideline as follows:

Class	Points If Controlled Therapeutic Substance	Points If Non-controlled Substance
Class A ¹	N/A	6
Class B	2	4
Class C	1	2
Class D	½	1

2. The points assigned to a medication violation shall be included in the Stewards' ruling. Such ruling shall determine, in the case of multiple positive tests as described in 205 CMR 4.52(2)(f)4., whether they shall thereafter constitute a single violation. The Stewards' ruling shall be posted on the official website of the Association of Racing Commissioners International. If an appeal is pending, that fact shall be noted in such ruling. No points shall be applied until a final adjudication of the enforcement of any such violation.

3. A trainer's cumulative points for violations in all racing jurisdictions shall be maintained and certified by the Association of Racing Commissioners International. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer's official ARCI record and shall then subject the trainer to the mandatory enhanced penalties by the Stewards or Commission as provided in 205 CMR 4.52(2)(f).

4. Multiple positive tests for the same medication incurred by a trainer prior to delivery of official notice by the Commission may be treated as a single violation.

5. The official ARCI record shall constitute *prima facie* evidence of a licensed trainer's past record of violations and cumulative points. Nothing in 205 CMR 4.52(2)(f) shall be construed to confer upon a licensed trainer the right to appeal a violation for which all remedies have been exhausted or for which the appeal time has expired as provided by applicable law.

6. The Stewards or Commission shall include all points for violations in all racing jurisdictions as contained in the trainer's official ARCI record when determining whether the mandatory enhancements provided in 205 CMR 4.52(2)(f) shall be imposed.

7. In addition to the penalty for the underlying offense, the following enhancements shall be imposed upon a licensed trainer based upon the cumulative points contained in his or her official ARCI record:

Points	Suspension in Days
3-5.5	30
6-8.5	60
9-10.5	180
11 or more	360

MMV's are not a substitute for the current penalty system set forth in 205 CMR 4.52(2)(a) through (d) and are intended to be an additional uniform penalty when the licensed trainer:

¹ Except for Class 1 and 2 environmental contaminants, e.g., cocaine which shall be determined by the Stewards based upon the facts of the case.

4.52: continued

- a. Has more than one violation for the relevant time period; and
 - b. Exceeds the permissible number of points.
8. The suspension periods as provided above, shall run consecutive to any suspension imposed for the underlying offense.
 9. The Stewards' ruling shall distinguish between the penalty for the underlying offense and the enhancement based upon the licensed trainer's cumulative points.
 10. Any trainer who has received a medication violation may petition the ARCI to expunge the points received for the violation for the purpose of the MMV system only. The points shall be expunged as follows:

Penalty Classification	Time to Expungement
A	Permanent
B	3 years
C	2 years
D	1 year

(3) Medication Restrictions.

(a) A finding by the commission approved laboratory of a prohibited drug, chemical or other substance in a test specimen of a horse is *prima facie* evidence that the prohibited drug, chemical or other substance was administered to the horse and, in the case of a post-race test, was present in the horse's body while it was participating in a race. Prohibited substances include:

1. Drugs or medications for which no acceptable threshold concentration has been established;
2. Controlled therapeutic medications in excess of established threshold concentrations or administration within the restricted time period as set forth in the version of the ARCI Controlled Therapeutic Medication Schedule in effect at the time of the violation;
3. Substances present in the horse in excess of concentrations at which such substances could occur naturally; and
4. Substances foreign to a horse at concentrations that cause interference with testing procedures.

(b) Except as otherwise provided by 205 CMR 4.00, a person may not administer or cause to be administered by any means to a horse a prohibited drug, medication, chemical or other substance, including any restricted medication pursuant to 205 CMR 4.00 during the 24-hour period before post time for the race in which the horse is entered.

(4) Medical Labeling.

(a) No person on association grounds where horses are lodged or kept, excluding licensed veterinarians, shall have in or upon association grounds which that person occupies or has the right to occupy, or in that person's personal property or effects or vehicle in that person's care, custody or control, a drug, medication, chemical, foreign substance or other substance that is prohibited in a horse on a race day unless the product is labeled in accordance with 205 CMR 4.52(4).

(b) Any drug or medication which is used or kept on association grounds and which, by federal or state law, requires a prescription must have been validly prescribed by a duly licensed veterinarian, and in compliance with the applicable state statutes. All such allowable medications must have a prescription label which is securely attached and clearly ascribed to show the following:

1. The name of the product;
2. The name, address and telephone number of the veterinarian prescribing or dispensing the product;
3. The name of each patient (horse) for whom the product is intended/prescribed;
4. The dose, dosage, duration of treatment and expiration date of the prescribed/dispensed product; and
5. The name of the person (trainer) to whom the product was dispensed.

4.52: continued

(5) Non-steroidal Anti-inflammatory Drugs (NSAIDs).

(a) The use of one of three approved NSAIDs shall be permitted under the following conditions:

1. Not to exceed the following permitted serum or plasma threshold concentrations which are consistent with administration by a single intravenous injection at least 24 hours before the post time for the race in which the horse is entered:
 - a. Phenylbutazone - two micrograms per milliliter;
 - b. Flunixin - 20 nanograms per milliliter;
 - c. Ketoprofen - ~~ten~~ nanograms per milliliter. → two
2. These or any other NSAID are prohibited to be administered within the 24 hours before post time for the race in which the horse is entered.
3. The presence of more than one of the three approved NSAIDs, in the post-race serum or plasma sample is not permitted.
 - a. A finding of phenylbutazone below a concentration of .5 microgram per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 4.52(5).
 - b. A finding of flunixin below a concentration of three nanograms per milliliter of blood serum or plasma shall not constitute a violation of 205 CMR 4.52(5).
4. The use of all but one of the approved NSAIDs shall be discontinued at least 48 hours before the post time for the race in which the horse is entered.

(b) The presence of any unapproved NSAID in the post-race serum or plasma sample is not permitted.

(6) Furosemide.

(a) In order for a horse to be placed on the Furosemide List the following process must be followed.

1. After the horse's licensed trainer and licensed veterinarian determine that it would be in the horse's best interests to race with furosemide the official veterinarian or his or her designee shall be notified using the prescribed form, that the horse is to be put on the Furosemide List.
2. The form must be received by the official veterinarian or his or her designee by the time of entry.
3. A horse placed on the official Furosemide List must remain on that list unless the licensed trainer and licensed veterinarian submit a written request to remove the horse from the list. The request must be made to the official veterinarian or his or her designee, on the proper form, no later than the time of entry.
4. After a horse has been removed from the Furosemide List, the horse may not be placed back on the list for a period of 60 calendar days unless it is determined to be detrimental to the welfare of the horse, in consultation with the official veterinarian. If a horse is removed from the official Furosemide List a second time in a 365-day period, the horse may not be placed back on the list for a period of 90 calendar days.
5. Furosemide shall only be administered on association grounds.
6. Furosemide shall be the only authorized bleeder medication

(b) The use of furosemide shall be permitted under the following circumstances on association grounds where a detention barn is not utilized:

1. Furosemide shall be administered by single intravenous injection no less than four hours prior to post time for the race for which the horse is entered.
2. The furosemide dosage administered shall not exceed 500 mg. nor be less than 150 mg.
3. After treatment, the horse shall be required by the Commission to remain in the proximity of its stall in the care, custody and control of its trainer or the trainer's designated representative under general association and/or Commission security surveillance until called to the saddling paddock.

(c) Test results must show a detectable concentration of the drug in the post-race serum, plasma or urine sample.

1. The specific gravity of post-race urine samples may be measured to ensure that samples are sufficiently concentrated for proper chemical analysis. The specific gravity shall not be below 1.010;
2. Quantitation of furosemide in serum or plasma may be performed. Concentrations may not exceed 100 nanograms of furosemide per milliliter of serum or plasma.

4.52: continued

(d) A horse which has been placed on a Furosemide List in another jurisdiction pursuant to rules similar to 205 CMR 4.52(6) shall be placed on a Furosemide List in this jurisdiction. A notation on the horse's foal papers of such shall suffice as evidence of being on a Furosemide List in another jurisdiction.

(7) Bleeder List.

(a) The official veterinarian shall maintain a Bleeder List of all horses, which have demonstrated external evidence of exercise induced pulmonary hemorrhage from one or both nostrils during or after a race or workout as observed by the official veterinarian.

(b) Every confirmed bleeder, regardless of age, shall be placed on the Bleeder List and be ineligible to race for the following minimum time periods:

1. First incident - 14 days;
2. Second incident - 30 days;
3. Third incident - 180 days;
4. Fourth incident - barred for racing lifetime.

(c) For the purposes of counting the number of days a horse is ineligible to run, the day the horse bled externally is the first day of the recovery period.

(d) The voluntary administration of furosemide without an external bleeding incident shall not subject the horse to the initial period of ineligibility as defined by 205 CMR 4.52(7).

(e) A horse which has been placed on a Bleeder List in another jurisdiction pursuant to rules similar to 205 CMR 4.52(7) shall be placed on a Bleeder List in this jurisdiction.

(8) Androgenic-anabolic Steroids (AAS).

(a) No AAS shall be permitted in test samples collected from racing horses except for residues of the major metabolite of ~~stanozolol~~, nandrolone, and the naturally occurring substances boldenone and testosterone at concentrations less than the indicated thresholds.

(b) Concentrations of these AAS shall not exceed the following plasma or serum thresholds for unchanged (*i.e.* not conjugated) substance or urine threshold concentrations for total (*i.e.*, free drug or metabolite and drug or metabolite liberated from its conjugates):

- ~~1. Stanozolol. 1 ng/ml of total 16 β -hydroxystanozolol (metabolite of stanozolol) in urine of all horses regardless of sex, or 25 pg/ml of stanozolol in plasma or serum of all horses regardless of sex;~~
- ~~2. Boldenone. 15 ng/ml of total boldenone in urine of male horses other than geldings, or 25 pg/ml of boldenone in plasma or serum of all horses regardless of sex;~~
- ~~3. Nandrolone. 1 ng/ml of total nandrolone in urine, or 25 pg/ml of nandrolone in plasma or serum for geldings, fillies, and mares.~~
- ~~4. Testosterone.~~
 - a. In Geldings. 20 ng/ml total testosterone in urine, or 25 pg/ml of testosterone in plasma or serum;
 - b. In Fillies and Mares. 55 ng/ml total testosterone in urine, or 25 pg/ml of testosterone in plasma or serum.

(c) Any other anabolic steroids are prohibited in racing horses.

(d) Post-race urine samples must have the sex of the horse identified to the laboratory.

(9) Alkalinizing Substances. The use of agents that elevate the horse's TCO₂ or base excess level above those existing naturally in the untreated horse at normal physiological concentrations is prohibited. The following levels also apply to blood gas analysis:

(a) The regulatory threshold for TCO₂ is 37.0 millimoles per liter of plasma/serum or a base excess level of 10.0 millimoles, and;

(b) The decision level to be used for the regulation of TCO₂ is 37.0 millimoles per liter of plasma/serum plus the measurement uncertainty of the laboratory analyzing the sample, or a base excess level of 10.4 millimoles per liter of plasma/serum.

4.53: Out of Competition Testing for Blood and/or Gene Doping Agents

(1) Any horse on the grounds at a racetrack or training center under the jurisdiction of the commission; or under the care or control of trainer or owner licensed by the commission is subject to testing for blood and/or gene doping agents without advance notice.

for fillies, mares and geldings or 45 ng/ml (as 5 α -estrane-3 β , 17 α -diol) in urine in male horses other than geldings,

Construction Project Oversight Manager

The primary role of the Construction Project Oversight Manager is to be the on-site representative of the Massachusetts Gaming Commission (MGC) for the duration of the construction projects to ensure that the licensees are meeting their myriad project commitments while delivering the projects on time.

Major Responsibilities

1.0 *Design*

Provide design review services for the construction of the gaming facilities. This includes both the design of the facilities themselves as well as any off-site improvements.

2.0 *Permitting*

Track the status of project permitting including federal, state and local permits.

3.0 *Budget*

Regularly review project budget.

4.0 *Schedule*

Regularly review project schedules.

5.0 *On-site Construction*

Monitor the status of all gaming facility construction in the Commonwealth.

6.0 *Off-site construction*

Track the status of all required off-site mitigation.

7.0 *Project conditions/commitments*

Monitor the status of all project conditions/commitments made by each licensee as identified in the various licenses, permits, host and surrounding community agreements, etc.

8.0 *Workforce and Supplier Diversity*

Assist the Director of Workforce, Supplier and Diversity Development in tracking licensee efforts and progress towards diversity goals.

9.0 *First Light Casino*

Monitor the status of the First Light Casino as outlined in the Compact.

10.0 *Long Term Capital Improvements*

Review and evaluate plans for long-term capital improvements at the facilities.

11.0 *Other*

Various other duties as assigned including long term monitoring, evaluation of Community Mitigation Fund applications, status of Lower Mystic Regional Working Group, etc.



TO: Commissioners

FROM: John Ziembra

CC: Ed Bedrosian, Executive Director
Catherine Blue, General Counsel

DATE: June 21, 2016

RE: Reappointment Recommendations for Subcommittees
under the Gaming Policy Advisory Committee

Pursuant to M.G.L. c. 23K, Section 68, the Commission is required to make appointments to several committees under the Gaming Policy Advisory Committee (“GPAC”). Last year the Commission made several appointments to the Local Community Mitigation Advisory Committee, which expire on June 25, 2016. We are recommending that the Commission reappoint such members for an additional one year term. I also recommend that these appointees continue to serve at the pleasure of the Commission. Their brief biographies included in the Commissioner’s packet last year are included below.

Local Community Mitigation Advisory Committees (“LCMAC”)

The purpose of these Subcommittees are to provide information and develop recommendations for the Community Mitigation Advisory Subcommittee on issues related to the gaming facilities in each region and present information to the Commission on any issues related to the gaming establishment located in each region.

Colin Kelly – Region A LCMAC - Chamber of Commerce Representative

A long-time resident of Everett, Colin Kelly is a 1980 graduate of Pope John XXIII High School. He attended Suffolk University and graduated with a Bachelor’s Degree in Business Administration in 1984.

He displayed an interest in community service early on in his career and was elected to the Everett Common Council in 1989, where he served for 11 years. Since then he has contributed much of his time to community service and charitable organizations. He has been a Director of the Everett Business Education Cooperative, the Cambridge Health Alliance Foundation, Founding member of the Everett Technology Center, Keverian School Council, Past Distinguished President of the Everett Kiwanis, Director of the Everett Chamber of Commerce and former Trustee for Pope John XXXIII High School.

He began a career in retailing with the Purity Supreme Company after his graduation. In 1986 he purchased Paul’s Cold Cuts in Everett. In 1995, he expanded the business and built a new building with a full service restaurant and a catering business. In 1997 he added another location in Charlestown MA, the Galley Cafe. In 2006 Kelly left the food industry completely to pursue new interests.

In 2000, he was elected the Executive Director of the Everett Chamber of Commerce. He also served as



Massachusetts Gaming Commission

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the Clerk and a Director of the Everett Development and Financial Corporation. With his background in government he was influential in developing strong relations with government and business leaders alike. He was instrumental in starting Everett events such as the River Fest and the September 11 Memorial Remembrance Ceremony.

In 2006 he joined Schnitzer Steel Industries as the Government Relations Manager for the Northeast area and in 2014 was selected as the Corporate Director of Government Relations.

Kate Kane – Region B LCMAC - Chamber of Commerce Representative

Kate Kane, CLU is the Managing Director for Northwestern Mutual in Springfield, Massachusetts. She has worked for Northwestern Mutual since 1986. Her career with Northwestern Mutual includes positions as office manager, recruiter, compliance specialist, and Director of New Representative Training and Development. She became a Financial Representative in 1999, a Field Director in 2001, and a Managing Director in 2003. Kate graduated cum laude from Vassar College with a degree in English. She lives in West Brookfield, Massachusetts with her husband, Craig.

Volunteer Work:

Chair, Board of Trustees, Sisters of Providence Health System, Springfield, MA
Treasurer, Board of Trustees, Springfield Museums Association, Springfield, MA
Board Member, College of Business Advisory Board, Western New England University, Springfield, MA
Board Member, Business Leaders for Education, Springfield, MA
Board Member, Dress for Success Western MA, Springfield, MA

Awards:

Richard J. Moriarty Citizen of the Year 2015, Affiliated Chambers of Commerce of Greater Springfield, MA
Woman of the Year Award 2012, Western MA Women Magazine
Woman of the Year Award, 2011, Professional Women's Chamber, Affiliated Chambers of Commerce of Greater Springfield, MA
Difference Maker, BusinessWest, Springfield, MA, 2009.
Northwestern Mutual Foundation Community Service Award, Dress for Success Western Massachusetts, 2003.

Richard K. Sullivan, Jr. – Region B LCMAC – Regional Economic Development Organization

Richard K. Sullivan, Jr. is the President & Chief Executive Officer of the Economic Development Council of Western Massachusetts, a private non-profit corporation that provides resources and information to businesses operating in or entering the region by aiding in expansion, relocation and networking.

Before he became President & CEO of the EDC he was the Governor Deval Patrick's top advisor and worked with all members of the Cabinet to advance the Administration's agenda.

Prior to being named Patrick's Chief of Staff, Rick served as Secretary of the Executive Office of Energy and Environmental Affairs, overseeing the Commonwealth's six environmental, natural resource and energy regulatory agencies: the Departments of Environmental Protection, Public Utilities, Energy Resources, Conservation & Recreation, Agriculture, and Fish & Game. He also served as Chairman of the Massachusetts Water Resources Authority, the Energy Facilities Siting Board, and the Massachusetts Clean Energy Center.

Under his leadership, Massachusetts is the first state in the nation to combine energy and environmental agencies under one Cabinet secretary with the shared mission of bringing clean energy technology to market, curbing greenhouse gas emissions and cutting energy costs. Governor Patrick's land

conservation initiative is the largest in the Commonwealth's history, with protection of more than 75,000 acres of land from 2007 to 2010.

Prior to his appointment to the cabinet post at Energy and Environmental Affairs, Secretary Sullivan served as the commissioner of the Department of Conservation and Recreation (DCR). Appointed in June 2007, he ushered in a new era of transparency and accountability at DCR, with posted maintenance schedules for DCR properties and public meetings for all significant DCR initiatives and policies. Under his leadership, DCR completed several large-scale capital improvements in parks statewide, including a two-year, \$21.3 million project at Mt. Greylock State Reservation in Lanesborough that featured rehabilitation of the 13.5-mile Mt. Greylock Road, and a \$9 million renovation of the visitor center at Georges Island in Boston, a facility that includes a concession area, children's playground and a state-of-the-art solar-powered maintenance building. DCR also conducted a Forest Futures Visioning Process to engage residents across the Commonwealth in a discussion of forestry practices in state forests, leading to dramatic expansion of forest reserves that are protected from commercial logging.

Secretary Sullivan served as the mayor of Westfield from 1994 to 2007 and, in that capacity, chairman of the Westfield School Committee. In 2005, Sullivan was recognized by the New England Association of School Superintendents with its annual President Award for Exemplary Contributions to Education.

He is a past president of the Massachusetts Mayors Association, past chairman of the Turnpike Advisory Board, and a past member of the Governor's Local Advisory Committee. He also served as founding president of the Winding River Land Conservancy, which has protected 1,700 acres in western Hampden County.

Sullivan graduated from Westfield High School and holds degrees from Bates College, and Western New England School of Law.

Ellen Patashnick – Region B LCMAC – Human Service Provider

Ellen received her undergraduate degree at Northeastern University and her masters degree in counseling from Suffolk University. Early in her career Ellen worked at the Department of Youth Services in Boston with delinquent and pre -delinquent youth and their families. Before moving out to the western part of the state, she worked as a social worker in Roxbury with the Department of Public Welfare and was then was promoted to a supervisory position in the Division of Child Guardianship (now the Department of Children and Families) She has held several management positions including Director of the Holyoke and Robert Van Wart DCF offices. Now retired, Ellen is a volunteer disaster responder and instructor for the American Red Cross for both local and national events. Her husband is a retired adoption supervisor.

Other GPAC Subcommittees

In addition to the appointment of non-commission members of the LCMACs, the Commission also made internal appointments to GPAC Subcommittees.

Community Mitigation Advisory Subcommittee

The Community Mitigation Advisory Subcommittee develops recommendations to address community mitigation issues. The Commission has the authority to choose "one representative" of the Commission to be on the Subcommittee. This "representative" could be a member of the Commission, the Executive Director, or a staff member. Last year, the Commission determined that it would designate me for that Subcommittee. If the Commission chooses otherwise, then I would be pleased to provide staff support to whomever is the appointee.

Public Safety Subcommittee:

The Public Safety Subcommittee develops recommendations for regulations to be considered by the Commission to address public safety issues. Last year the Commission designated Commissioner Cameron as the member of the Commission to represent the Commission on the Subcommittee.

Addiction Services Subcommittee:

The Addiction Services Subcommittee develops recommendations for regulations to be considered by the Commission to address issues related to addiction services.

Last year the Commission appointed Mark Vander Linden, Director of Research and Responsible Gambling, as its representative to this Subcommittee.

MEMBERSHIP OF GAMING POLICY ADVISORY COMMITTEES



GAMING POLICY ADVISORY COMMITTEE

The Gaming Policy Advisory Committee is comprised of the Commission chair, Governor's designee as chair, 2 members of the Senate, 2 members of the House, the Commissioner of the Dept. of Public Health or designee, and 8 persons appointed by the Governor (3 gaming licensees, a federally recognized Indian tribe, organized labor, and 3 from the vicinity of each gaming establishment (**host and surrounding communities**)).

COMMUNITY MITIGATION ADVISORY SUBCOMMITTEE

The Community Mitigation Advisory Subcommittee is comprised of members from **each host community**, a Commission representative, a Department of Revenue representative, a Massachusetts Municipal Association, **one member from each local community mitigation advisory committee** and three appointed by the Governor: (i) a community mitigation professional; (ii) a host community small business owner; and (iii) a chamber of commerce member.

LOCAL COMMUNITY MITIGATION ADVISORY COMMITTEE REGION A - EVERETT

LOCAL COMMUNITY MITIGATION ADVISORY COMMITTEE REGION B - SPRINGFIELD

LOCAL COMMUNITY MITIGATION ADVISORY COMMITTEE REGION C -

Each local committee is comprised of a representative from each **host and surrounding community**, each RPA region, and four Commission appointees from the region (a representative from a Chamber of Commerce, an economic development organization and 2 human service providers). Each local committee shall annually elect 1 committee member from those members appointed by surrounding community to represent the local committee in the subcommittee on community mitigation.



Massachusetts Gaming Commission

ROLES AND MEMBERSHIP OF GAMING POLICY ADVISORY SUBCOMMITTEES ON ADDICTION SERVICES AND PUBLIC SAFETY



GAMING POLICY ADVISORY COMMITTEE

The Gaming Policy Advisory Committee is comprised of the chair of the Commission, Governor’s designee as chair, 2 members of the Senate, 2 members of the House, the Commissioner of the Dept. of Public Health or designee, and 8 persons appointed by the Governor (3 gaming licensees, a federally recognized Indian tribe, organized labor, and 3 from the vicinity of each gaming establishment (**host and surrounding communities**)).

MEMBERS OF SUBCOMMITTEE ON ADDICTION SERVICES

The Subcommittee on Addiction Services is comprised of 5 members: a representative from the Department of Public Health’s Bureau of Substance Abuse Services; a representative from the Massachusetts Council on Compulsive Gambling, Inc.; a representative of the Commission; and 2 members appointed by the Governor with professional experience in the area of gambling addictions.

ROLE OF SUBCOMMITTEE ON ADDICTION SERVICES

The Subcommittee shall develop recommendations for regulations to be considered by the Commission in addressing issues related to addiction services as a result of the development of gaming establishments in the Commonwealth including, by not limited to, prevention and intervention strategies.

MEMBERS OF SUBCOMMITTEE ON PUBLIC SAFETY

The Subcommittee on Public Safety is comprised of 7 members: a Commission member, the Secretary of Public Safety or designee, the Attorney General or designee, a representative from the Massachusetts District Attorney Association, the Colonel of the State Police or a designee, a representative from the Massachusetts Chiefs of Police Association, and a representative of a public safety labor union.

ROLE OF SUBCOMMITTEE ON PUBLIC SAFETY

The Subcommittee shall develop recommendations for regulations to be considered by the Commission to address public safety issues as a result of the development of gaming establishments in the Commonwealth including, but not limited to, ways to mitigate the impact of gaming establishments on crimes committed in the Commonwealth. The Subcommittee shall also study the impact of gaming establishments on all aspects of public safety in the Commonwealth.



ROLES OF GAMING POLICY ADVISORY COMMITTEES



GAMING POLICY ADVISORY COMMITTEE

The Committee shall designate subcommittees to examine community mitigation, compulsive gambling, and gaming impacts on cultural facilities and tourism. The Committee shall meet at least once annually for the purpose of discussing matters of gaming policy. The Committee shall advise the Commission on the development of its annual gaming research agenda.

COMMUNITY MITIGATION ADVISORY SUBCOMMITTEE

The Subcommittee shall develop recommendations to address community mitigation issues including but not limited to how funds may be expended from the Community Mitigation Fund and the impact of gaming establishments on the host and surrounding communities. The Subcommittee will receive input from Local Community Mitigation Advisory Committees; review annually the expenditures of Community Mitigation Funds and propose regulations to the Commission upon which the Subcommittee shall review prior to promulgation.

LOCAL COMMUNITY MITIGATION ADVISORY COMMITTEE REGION A - EVERETT

LOCAL COMMUNITY MITIGATION ADVISORY COMMITTEE REGION B - SPRINGFIELD

LOCAL COMMUNITY MITIGATION ADVISORY COMMITTEE REGION C -

Each Local Community Mitigation Advisory Committee may provide information and develop recommendations for the Community Mitigation Advisory Subcommittee on any issues related to the gaming establishment located in its region including, but not limited to: (i) issues of community mitigation; (ii) ways in which funds may be expended from the Community Mitigation Fund; and (iii) the impact of the gaming establishments on the host and surrounding communities. Additionally, each Local Community Mitigation Advisory Committee may present information to the Commission consistent with the rules of the Commission on any issues related to the gaming establishment located in its region.



Massachusetts Gaming Commission



Division of Racing

TO: Steve Crosby, Chairman
Gayle Cameron, Commissioner
Lloyd Macdonald, Commissioner
Bruce Stebbins, Commissioner
Enrique Zuniga, Commissioner

FROM: Alexandra Lightbown, Director of Racing

CC: Edward Bedrosian, Executive Director
Catherine Blue, General Counsel

DATE: June 20, 2016

RE: Suffolk Downs Key Operating Personnel and Racing Officials

Dear Commissioners:

Suffolk Downs' Chief Operating Official Chip Tuttle has submitted a request for approval of their Key Operating Personnel and Racing Officials dated June 20, 2016. They are in the process of applying for their 2016 licenses and getting the approval of the Stewards. The State police are conducting their background checks.

Recommendation: That the Commission approve the request of Suffolk Downs to approve their June 20, 2016 list of Key Operating Personnel and Racing Officials, pending satisfactory completion of licensure by the Massachusetts Gaming Commission Racing Division and satisfactory completion of their background checks by the Massachusetts State Police.



Massachusetts Gaming Commission



June 20, 2016

Alexandra Lightbown, DVM
Director of Racing, Chief Veterinarian and Operations Manager
Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Dear Dr. Lightbown:

Sterling Suffolk Racecourse LLC respectfully requests approval of the following key operating personnel and racing officials for the 2016 racing season:

KEY OPERATING PERSONNEL

WALTER GUSTAVSON - Timer/Clocker
JANINE SAVOIE - Horsemen's Bookkeeper

RACING OFFICIALS

TOM CREEL - Racing Secretary
JOHN MORRISSEY - Steward
GERARD STANISLAWZYK - Assistant Racing Secretary
NOELLE RAND - Placing Judge
JAMES DOWNING - Placing Judge
WALTER GUSTAVSON - Placing Judge
GEORGE BAILEY - Paddock Judge
WOODARD TUTTLE - Horse Identifier
CHRIS O'BRIEN - Stall Superintendent
ANTHONY RANNO - Starter
RODOLFO BAEZ - Clerk of Scales
VANESSA HIRD - Veterinarian
CONRAD BOULTON - Veterinarian
DAVID LEZELL - Outrider
CATHERINE CHUMBLEY - Outrider
FRED FOLEY - Jockeys' Room Custodian
CHRISTOPHER CREEL - Stakes Co-ordinator

Sincerely,

Chip Tuttle
Chief Operating Officer

Telephone: 617-567-3900
525 McClellan Highway, East Boston, Massachusetts 02128

Made in Massachusetts



Division of Racing

TO: Steve Crosby, Chairman
Gayle Cameron, Commissioner
Lloyd Macdonald, Commissioner
Bruce Stebbins, Commissioner
Enrique Zuniga, Commissioner

FROM: Alexandra Lightbown, Director of Racing

CC: Edward Bedrosian, Executive Director
Catherine Blue, General Counsel

DATE: June 20, 2016

RE: Suffolk Downs Take Out Reduction Request

Dear Commissioners:

Suffolk Downs' Chief Operating Official Chip Tuttle has submitted a request to reduce the take out to 15% on all wagers-Win Place Show and exotics. This will not impact the statutory amounts owed to the Massachusetts Gaming Commission or Massachusetts Thoroughbred Breeders.

Recommendation: That the Commission approve the request of Suffolk Downs to reduce the take out to 15% on all wagers-Win Place Show and exotics.



Massachusetts Gaming Commission



June 20, 2016

Dr. Alexandra R. Lightbown, Director of Racing
Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Dear Dr. Lightbown:

I want to notify the Commission that Suffolk Downs is seeking approval to lower the takeout during our 2016 live racing season to 15% on all wagers (WPS and exotics) as part of an effort to promote wagering handle. We believe that this generated additional interest in our races among price sensitive bettors in 2015.

The reduction would reduce the margin for parimutuel outlets offering wagering on our races but would not impact the statutory contributions from wagering to the Commonwealth, the MTBA, etc as those percentages would remain the same.


As always, we are happy to answer any questions or provide additional information.

Sincerely,

A handwritten signature in cursive script that reads "Chip Tuttle".

Chip Tuttle
Chief Operating Officer

Telephone: 617-567-3900
525 McClellan Highway, East Boston, Massachusetts 02128

Made in Massachusetts 



MEMORANDUM

TO: Chairman Crosby, Commissioners Cameron,
Macdonald, Stebbins and Zuniga

FROM: Jill Lacey Griffin, Director of Workforce, Supplier,
and Diversity Development

CC: Ed Bedrosian, Executive Director, Catherine Blue,
General Counsel, Todd Grossman, Deputy General
Counsel

DATE: June 13, 2016

RE: Supplier Diversity Certification and Retroactive Reporting for Construction and
Operations

In accordance with 205 CMR 135.02 (1): *Project Schedules and Reporting*, the Commission may create guidelines “to aid the commission in its review and monitoring of the project.” I recommend that the Commission adopt and implement the guidelines below regarding supplier diversity reporting during the design, construction and operations of the Category 1 gaming establishments.

By way of background, the gaming licensees each provided to the Commission for approval “an affirmative action program of equal opportunity whereby the licensee establishes specific goals for the utilization of minorities, women and veterans on construction jobs and for contracting with minority, women or veteran owned businesses during either design or construction.” 205 CMR 135.02(3). Further, a gaming licensee is required to report on a quarterly basis “the number of contracts, total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises for design and construction of the gaming establishment and related infrastructure, and the total number and value of all subcontracts awarded to a minority, women and veteran owned business, and a comparison of these reports with the goals established by the gaming licensee and commission pursuant to M.G.L. c. 23K, § 21(a)(21).” 205 CMR 135.02(5)(f).



Massachusetts Gaming Commission

Additionally, 139.04: describes Reports and Information to Be Filed with the Commission during operations. (3) Pursuant to M.G.L. c. 23K, § 21(a)(24), a detailed annual, and at other times as directed by the commission, statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises in: (c) Contracts for every good and service procured by the gaming establishment. The annual statistical report shall also identify the amounts so contracted as a percentage of the total dollar amounts contracted with and actually paid to all firms.

To add clarity to this process, I recommend that the following guidelines be issued:

- *While a company is in the process of obtaining supplier diversity certification, the business cannot be counted by a gaming licensee as a Minority Business Enterprise (“MBE”), Women’s Business Enterprise (“WBE”), or a Veteran’s Business Enterprise (“VBE”) towards the diversity goal requirement outlined in 205 CMR 135.02(3). The company can, however, be noted in the gaming licensee’s report as a company that is in the process of obtaining certification.*
- *As soon as a company can confirm certification as an MBE, WBE, and/or VBE by one of the certification entities approved by the Commission in accordance with 205 CMR 135.01, the gaming licensee may retroactively add the dollar value paid to that company to its overall diversity spend from the date of the initial payment initiated to the company under that contract.*
- *If this process is utilized, however, the gaming licensee shall maintain clear records evidencing when the company commenced work on the project. Such records shall be subject to audit by the Commission. Records could include a contract, record of payments, and proof of diversity certification.*
- *The gaming licensee shall notify the Director of Workforce, Supplier Development in writing the company name and dollar value applied towards diversity spend calculations.*

Certification as an MBE/WBE/VBE by any agency other than those recognized in 205 CMR 135.01 (CWE, GNEMSDC, MA SDO, Vetbiz.org, or the Licensing Division of the Commission) shall not confer MBE, WBE, or VBE status on a company for purposes of participation credit.



Massachusetts Gaming Commission

Griffin, Jill (MGC)

Subject: FW: 'supplier diversity reporting guidelines'

From: Fabiano, Sondra [<mailto:fabianooil@verizon.net>]

Sent: Tuesday, June 14, 2016 5:28 PM

To: MGCcomments (MGC)

Subject: 'supplier diversity reporting guidelines'

A Request for Public Comment: Proposed updates to guidelines relative to supplier diversity reporting

What is the time limit that uncertified companies can be noted in the gaming licensee's report as being "in the process" of obtaining certification?

Before the commission votes on this matter can they be presented with examples as to why this proposal is being presented? What is driving this amendment?

How will this amendment impact companies that are certified?

Thank you,

Sondra L. Fabiano

President

Fabiano Oil Corp

160 Williams St, Wrentham, MA 02093

P-508-243-8872 – F-508-384-0173

Email: fabianooil@verizon.net



June 15, 2016

VIA ELECTRONIC MAIL

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

Re: Blue Tarp reDevelopment LLC Comments on Supplier Diversity Certification and Retroactive Reporting for Construction and Operations

To Whom It May Concern:

In response to the Massachusetts Gaming Commission's (the "Commission") request for comments on proposed Supplier Diversity Certification and Retroactive Reporting for Construction and Operations Guidelines ("Diversity Guidelines"), Blue Tarp reDevelopment LLC ("MGM Springfield") submits the following comments to the Commission. As further set forth below, MGM Springfield fully supports the proposed Diversity Guidelines and urges the Commission to adopt Director Griffin's recommendations as presented to the Commission on June 9, 2016.

As a licensee, MGM Springfield is required to have an affirmative action program of equal opportunity with specific goals for contracting with minority, women or veteran owned businesses during either design or construction and operations. G.L. c. 23K, § 21(a)(21) and 205 CMR 135.02(5)(f). MGM Springfield's Diversity Plan was approved on January 22, 2015 with the goals for contracting with minority, women or veteran owned businesses established at 10%, 5% and 2% respectively. These goals are also incorporated into MGM Springfield's Host Community Agreement with the City of Springfield. Through May 31, 2016, the design and construction commitment to minority, women or veteran owned businesses is 16%, 9% and 5.3%, respectively, of \$134.1 million in total commitments.

The Diversity Guidelines proposed by director Griffin will allow a gaming licensee to capture the full amount paid to *certified* minority, women or veteran owned businesses in circumstances where such a business obtains certification after commencing work on the project. Under the proposal, a gaming licensee may retroactively add the dollar amount attributable to that company to its overall diversity spend from the time a contract for the subject goods or services was executed. The proposed Guidelines will ensure that all dollars paid to certified minority, women or veteran owned businesses

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are fully accounted for and reported in a transparent manner consistent with MGM Springfield's Diversity Plan, the Commission's Regulations and the Gaming Act.

This proposal will also serve to incentivize businesses to pursue certification, therefore enhancing participation of minority, women or veteran owned businesses by allowing companies to begin work while their certifications are pending. In addition, the Guidelines will serve as an incentive for licensees to continue diversity outreach efforts throughout the entire project. At the same time, the proposed Guidelines recognize the accelerated timetable for casino developments and finite opportunity for construction and design work. Finally, as pointed out by Commissioner Zuniga at the June 9, 2016 Commission Public Hearing, there is little potential for misuse of the proposed Guidelines considering the enhanced reporting requirements and scrutiny that the Commission applies to reporting under the Diversity Plans. In the end, the proposed Diversity Guidelines will more accurately measure the diversity of a project's design and construction contractors and it will allow the licensees the greatest opportunity to exceed diversity goals consistent with performance to date.

Thank you for the opportunity to comment on the proposed Diversity Guidelines. MGM Springfield is happy to provide any additional information on this important initiative.

Sincerely,

Brian Packer

Vice President, Construction

cc:

Seth Stratton, Vice President & General Counsel
Chelan Brown, Diversity Specialist