



**MASSACHUSETTS GAMING COMMISSION  
PUBLIC MEETING #218**

June 8, 2017  
10:00 a.m.

**Massachusetts Gaming Commission**  
101 Federal Street, 12<sup>th</sup> Floor  
Boston, MA



Massachusetts Gaming Commission

101 Federal Street, 12<sup>th</sup> Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | [www.massgaming.com](http://www.massgaming.com)



**\*U P D A T E D\***  
**(6/7 @ 11:00am)**

**NOTICE OF MEETING and AGENDA**  
**June 8, 2017**

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 8, 2017**  
**10:00 a.m.**  
**Massachusetts Gaming Commission**  
**101 Federal Street, 12<sup>th</sup> Floor**  
**Boston, MA**

**PUBLIC MEETING - #218**

1. Call to order
2. Approval of Minutes
  - a. May 25, 2017 – **VOTE**
3. Administrative Update – Ed Bedrosian, Executive Director
  - a. General Update
  - b. Gaming Service Employee Registration Review Continued – C. Blue, General Counsel and K. Wells, Director – Investigations and Enforcement Bureau
4. Research and Responsible Gaming – Mark Vander Linden, Director
  - a. Special Population Study Contract Awardees Presentations
5. Finance Division – Derek Lennon, Chief Financial and Accounting Officer
  - a. Massachusetts Gaming Commission Fiscal Year 2018 Budget Review – E. Bedrosian, Executive Director
6. Workforce, Supplier and Diversity Development – Jill Griffin, Director
  - a. Portuguese Business Enterprise Update
  - b. Economic Development Fund Discussion – B. Stebbins, Commissioner



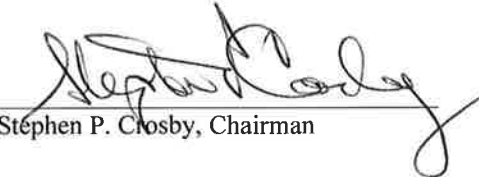
**Massachusetts Gaming Commission**

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7. Legal Division – Catherine Blue, General Counsel
  - a. Racing Medication Emergency Regulations – A. Lightbown, Racing Division Director – **VOTE**
  - b. Small Business Impact Statements and Formal Promulgation – **VOTES**
    - i. 205 CMR 141.00 (updates to surveillance regulations) – Stempeck/Band
    - ii. 205 CMR 143.02 (updates to wide area progressive regulations) – Stempeck/Band/Glennon
    - iii. 205 CMR 115.01 (continuing duty of gaming licensees and qualifiers to update and report certain events) – Grossman/Wells
  - c. Small Business Impact Statement – **VOTE**
    - i. 205 CMR 134.14 (administrative closure) – Grossman/Connelly
8. Racing Division – Alex Lightbown, Director/Chief Veterinarian
  - a. Suffolk Downs request for Race Horse Development Funds – **VOTE**
  - b. Suffolk Downs request for approval of Racing Officials – **VOTE**
  - c. Suffolk Downs request for reduced take out – **VOTE**
9. Commissioner’s Updates
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](http://www.massgaming.com) and emailed to: [regs@sec.state.ma.us](mailto:regs@sec.state.ma.us), [melissa.andrade@state.ma.us](mailto:melissa.andrade@state.ma.us).

6/7/17  
DATE

  
Stephen P. Crosby, Chairman

**Date Posted to Website:** June 7, 2017 at 11:00 a.m.



Massachusetts Gaming Commission



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## Massachusetts Gaming Commission Meeting Minutes

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**Date/Time:** May 25, 2017 – 11:00 a.m.

**Place:** Massachusetts Gaming Commission  
MassMutual Center  
1277 Main Street, Rooms 1 and 2  
Springfield, MA

**Present:** Chairman Stephen P. Crosby  
Commissioner Gayle Cameron  
Commissioner Lloyd Macdonald  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

Time entries are linked to  
corresponding section in  
Commission meeting video

### Call to Order

See transcript page 2

11:00 a.m. Chairman Crosby called to order the 217<sup>th</sup> Commission meeting.

### Approval of Minutes

See transcript pages 2-3

11:00 a.m. *Commissioner Macdonald moved for the approval of the May 10, 2017, Commission meeting minutes subject to any corrections, typographical errors, or nonmaterial matters. Motion seconded by Commissioner Stebbins. Chairman Crosby abstained from the vote as he was only present, via telephone, for part of the meeting. Commissioner Cameron abstained from the vote as she was not present for the meeting. Motion passed 3 to 0.*

### Ombudsman

See transcript page 3-72

11:01 a.m. Ombudsman John Ziemba introduced members of the MGM Springfield team that will present on their first quarter report and provide an update on the residential units that are part of the project commitments. He also noted correspondence received pertaining to a study on signage and traffic.

11:02 a.m. Seth Stratton, MGM Springfield Vice President and General Counsel, noted that progress on the site is generating excitement and energy.

Brian Packer, MGM Springfield Vice President – Construction/Development, provided a construction update for the first quarter which included slides showing construction progress on the overall site, podium, hotel, garage, and topping off ceremony. He also provided a design update which included a 50 percent design review with the City of Springfield, design work on the childcare center, garage addendums, and permits. He reported an opening date of September 2018. He stated that they hope to complete enclosure this fall before the weather becomes a factor. He also stated that the construction market is busy and he worries about the availability of qualified bidders and laborers. He stated that he is in constant dialogue with the unions and they can bring in labor from other regions if staffing becomes a problem.

Courtney Wenleder, MGM Springfield Vice President and CFO, presented on the budget and reported the following: they incurred \$35 million in capital costs which is 30 percent of the budget, they incurred \$8 million in noncapital expenditures, they added several new team members, and for their total project of \$395 million – they are at 40 percent of the total spend. She also reported that they have spent \$43.5 million this quarter.

11:20 a.m. Brian Packer provided a diversity update which included data for women, minority, and veteran business enterprises in the following categories: design and construction commitments, design and consulting commitments, and construction commitments. They exceed their commitment goals in all categories. The Commissioners noted that they were impressed with the numbers. Mr. Packer also reported on diverse construction companies and workforce diversity statistics. He noted their collaboration with the Community Partner's Network and their assistance with keeping the numbers strong.

Mr. Packer also provided a brief update on the current quarter site progress.

11:34 a.m. Seth Stratton provided an update on the residential program. He stated that the goal is to bring enhanced housing opportunities to downtown Springfield. He stated that the City of Springfield asked for the development of 195 State Street to be held so that they could look at another investment in 31 Elm/Court Square. He stated that the City of Springfield is formalizing discussions with another developer and it's out of their hands. He also stated that they will draft an amendment to the Host Community Agreement if a proposal for the development isn't complete prior to the deadline. He stated that this development would be transformative for the city, they are in discussions with the city about their commitments, and they appreciate the patience of the Commission. He stated that they understand that the development will be a mixed-use project with 60 residential units (20% affordable housing), which is more than the promised 54 units.

Chairman Crosby stated that this (residential program) is a critical element to the project, the Commission will be watchful to make sure it happens, and at some point a deadline has to be made.

11:55 a.m. Ombudsman John Ziemba presented on a request for an amendment to the City of Medford's 2016 Community Mitigation Fund. The Commission authorized the hiring of a municipal employee planner for FY17. The City was not able to move forward with the grant. Ombudsman Ziemba requested authority to allow Medford to use the funds instead for a contract employee through FY18.

11:56 a.m. *Commissioner Stebbins moved that the Commission approve the authorization of the designated Medford planning grant and extend it into fiscal year 2018, to allow the City of Medford to use the funds for a contract employee or a consultant for traffic. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

11:59 a.m. Ombudsman Ziemba provided a legislative update on the Race Horse Development Fund which included two legislative proposals that may impact the fund – (1) a proposal to transfer funds to the Department of Agricultural Resources and the Department of Conservation and Recreation, and (2) a proposal to transfer funds to a human trafficking trust fund.

Dr. Alexander Lightbown, Director of Racing, stated these proposals would adversely affect racing in Massachusetts and the money that goes to standardbreds, thoroughbreds, purses, breeders, and horsemen benefits would be less. She noted that the breeders, which operate a three year breeding program, are counting on this money down the road. She noted that \$13 million is currently in the fund, but money will come in and out of this fund. She also noted that Suffolk Downs has put in their request for purse money which is \$2.4 million. She reported that the standardbreds have benefited from this fund and it has been a boon to their program. She stated that she has seen an increase in licenses, breeding and purses.

Commissioner Cameron stated that we have an obligation to protect the racing industry. She stated she would like to see the standardbreds continue with their success and the thoroughbreds have an opportunity to have a place to race and utilize the fund for what it was intended. She recommended designating the Chairman to work with staff to be able to respond to the legislation on behalf of the Commission. Chairman Crosby suggested writing a letter to the legislature. Commissioners Zuniga, Stebbins and Macdonald concurred with Chairman Crosby.

### **Workforce, Supplier and Diversity Development**

See transcript pages 73-145

12:16 p.m. Jill Griffin, Director of Workforce, Supplier and Diversity Development, stated that the Commission received a presentation in March on the MGM Springfield Workforce Development Plan ("Plan"). The Plan was put out for public comment and two comments were received. She stated that the Plan is before the Commission today for a vote.

12:18 p.m. Marikate Murren, Director of Human Resources at MGM Springfield, noted the successful relationship with Holyoke Community College ("HCC") and Springfield Technical Community College ("STCC") in establishing a training school. Commissioner Zuniga inquired about the timeline in the Plan. Ms. Murren reported that the HCC Center for Hospitality and Culinary Arts will open in the summer of 2017, and the Massachusetts Casino Careers Training Institute ("MCCTI") gaming

school will open in January 2018. She stated that it is critical for folks that need a HiSET (GED) or ESOL to work with their education partners (HCC or STCC) to build that capacity. She noted that there will be a few job opportunities that will not require a HiSET. She noted that they are encouraged that most people enrolled in SkillSmart have a HiSET or GED. She stated that they will be encouraging people to get into supportive programs and they will be advertising for the gaming school. Commissioner Zuniga inquired about plan specifics for the 35% employment target for the City of Springfield. Ms. Murren stated that they will be ready within the timeframe to report on specifics and they will be conducting targeted events for the residents. Commissioner Cameron inquired about the opening of the gaming school in January 2018 and if that was a late start. Ms. Murren stated that based upon their experience at National Harbor, it is not a late start. She also noted a partnership with an area college for a casino management program.

[12:35 p.m.](#) *Commissioner Stebbins moved that the Commission approve the MGM Springfield Operational Workforce Development Plan with the provision that within 90 days further details be presented back to the Commission with respect to a specific plan for targeting the 35 percent employment target for the City of Springfield. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

12:36 p.m. The Commission recessed for lunch.

1:08 p.m. The meeting resumed.

[1:08 p.m.](#) Director Jill Griffin stated that the Commission will get an update on the community colleges in Western MA. She introduced Dr. Christina Royal and Jeffrey Hayden from Holyoke Community College, and Dr. John Cook from Springfield Technical Community College.

[1:09 p.m.](#) Dr. Christina Royal, President of Holyoke Community College, stated that she started in January and she looks forward to transforming the economy of Western Massachusetts. She noted her partnership with Springfield Technical Community College and the TWO program – a training and workforce options initiative.

[1:12 p.m.](#) Dr. John Cook, President of Springfield Technical Community College, reported that 85% of their students live within 8 miles of the college, half are their students are graduates of Springfield Public Schools, and they are in a position to contribute to the local economic system. He stated that they are well-positioned, with an array of programs, to meet the needs of MGM. He stated that the scale of job applications will be 14-15,000 and they have about 12,000 students between the two institutions, and more from area colleges. Dr. Royal noted that they can also connect with the unemployed and underemployed for college and career change opportunities. Commissioner Cameron spoke about her experience in Atlantic City and she stated that she hopes to see the same casino/college partnership here in Massachusetts.

Jeff Hayden, from Holyoke Community College, stated that we need to be concerned about two issues for the development of training for casino jobs – recruitment and funding for recruitment. He stated that they need to get more people in the pipeline for education and training. He provided an overview of the following areas that they are working on: SkillSmart program, hospitality and culinary center, new programs, and grant activity.

Mr. Hayden also provided an overview of the gaming school planning which included key dates, recruitment period, and required classes. He noted that there will be mass hiring events in the summer of 2018 for the casino opening in the fall.

Mr. Hayden reported that MGM will provide equipment and materials needed for the gaming school lab, which will be located in the MGM facility. He also reported on direct training, indirect costs, revenue sources, and student contributions. He reported that next steps will include: finalizing a recruitment strategy and schedule for trainings, identifying new financing sources for training, and working on partnerships with other institutions. He stated that they want to help people get a job, get a better job, and do their job better. Mr. Hayden also stated that they looked at other jurisdictions for educational models and they are open to what will work best for their customers.

[2:04 p.m.](#) Chairman Crosby stated that Executive Director Bedrosian suggested moving up the discussion on Gaming Service Employee Registration – agenda item 5b.

### **Administrative Update**

See transcript pages 145-235

2:04 p.m. The Commission took a brief recess.

2:13 p.m. The meeting resumed.

[2:13 p.m.](#) Executive Director Edward Bedrosian Jr. recognized Guy Michael and Robert Carroll who have been with the Commission since the beginning. He stated that they have been instrumental as consultants to the Commission and to him during his first year as Executive Director. He thanked them for their professional service. Chairman Crosby stated that Michael and Carroll were extremely knowledgeable and helpful during the startup of the Commission. Mr. Carroll stated that it was a privilege to help and they will treasure the experience.

[2:16 p.m.](#) Executive Director Bedrosian stated that the Commission started this important topic on Gaming Service Employee Registration a few meetings ago. He stated that staff has met with MGM Springfield on their interpretation of the gaming statute. He stated that while everyone recognizes the underlying policy concerns, they did not come to an agreement. He noted that we received public comments on this issue and we are open to receive more.

[2:20 p.m.](#) Domenic Sarno, Mayor of Springfield, stated that he appreciates the relationship with the Commission. He stated that he is a law-and-order type Mayor. He stated that there are three things needed for poverty reform – family, education, and jobs. He stated that there are many success stories in the building trades on people who have turned their life around. He respects the integrity of the Commission and he appreciates that they have taken a lead on this matter. He stated that it is common sense and fairness to give someone an opportunity if they have earned it. He believes that there is some latitude. He stated that if you give someone an opportunity to bring themselves up, they will bring up their family, their community, and the surrounding area.

- [2:27 p.m.](#) Mike Mathis, President of MGM Springfield, stated that the impact of a criminal background on the licensing and registration process is an important issue. He stated that the amount of time spent on this issue is a testament to the quality of the Commission and staff. He stated that MGM cares about the community and wants to get this issue right. Mr. Mathis recognized public officials at the meeting and introduced the panel of speakers who will be presenting their concerns on this issue. He stated that MGM, the City of Springfield, and stakeholders are asking the Commission to – (1) change its existing practice of imposing the Gaming Act’s section 16b automatic criminal disqualification provisions to non-gaming employees and (2) recognize that it has broad authority to create a registration process. He stated that if the Commission continues with its current practice, MGM will likely give conditional offers of employment to applicants who will be rejected by the Commission. He stated that they have submitted a legal analysis for consideration.
- [2:36 p.m.](#) Hilary Muckleroy, Vice President & Legal Counsel at MGM Resorts International, stated that we all want to maintain the integrity of gaming and provide a safe and secure environment for both patrons and employees. She provided an overview of the state and federal employment law, including the EEOC guidelines for employer’s use of criminal history. She also provided an overview of MGM’s policies around criminal background checks and its hiring process. She stated that they will continue to follow federal and state rules, they will not issue blanket rules such as no felons, and they will conduct individualize assessments. She stated they will look at factors such as the nexus of the crime to the job sought, level of offense, number of incidents, age at time of offense, work history, and rehabilitative efforts. She noted that academic studies have shown that post-conviction employment is a key factor in reducing recidivism rates.
- [2:47 p.m.](#) Richard Devine, Director of Employment and Community Outreach with the Hampden County Sheriff’s Office, stated that for the last 28 years he has worked with returning citizens to help them get jobs. He stated that if someone has a living wage they are less likely to go back to jail. He stated that MGM has living wage jobs with an opportunity to advance. He stated that returning citizens are motivated and appreciate a second chance. He provided an overview of their culinary program, partnerships, and employment tools. He noted that their program is nationally recognized. He stated that people make mistakes and we shouldn’t hold it against them. He stated that MGM is offering hope and living wage jobs and that is what a lot of our folks need. He also stated that he will provide data that was requested by Commissioners pertaining to the number of folks that would be automatically disqualified.
- [2:59 p.m.](#) Chris Judd, Director of Roca, stated that the Roca organization has been in Springfield for seven years and they have served approximately 436 young men ages 17-24. She stated that the young men are in the program because they want to change their lives. She stated that most of the young men have violent crimes on their records and they will be further marginalized without a change to this law. She provided an overview of Roca’s services and stated that their model includes behavioral change, life skills, workforce readiness, and employment.
- [3:03 p.m.](#) Daniel Almadovar stated that he participated in the Roca program and is a member of the local carpenters union. He stated that he has learned many things. He stated

that when he was young he didn't have a plan and wasn't worried about consequences. He stated that he made a mistake and now he is trying to make better decisions. He now has a purpose. He stated that his past actions do not dictate the man that he is today or the man that he wants to be.

[3:07 p.m.](#)

Jafet Robles, a lead organizer for Neighbor to Neighbor, stated that he is a son, father, friend and voice of the community. He thanked the Commission, MGM, and officials for their efforts. He stated that he was born in Puerto Rico and moved to the north end of Springfield, the poorest district in the state. He stated that he struggled with school and ADHD. Social problems plagued his neighborhood and he went down the wrong path. He stated that everyone has intentions to go out and do good things, but hopes are dashed when they can't get jobs. He stated that life is difficult after a conviction and finding work is the most important step to avoiding recidivism, but it is a difficult challenge. He stated that it is like going from a physical cell to a social cell. We made errors in judgment and it continues to follow us. He cited a study that found workers with a criminal record are more productive than workers without a record. He stated that an automatic ban on felons at the casino would hurt Springfield. There is a need for meaningful jobs. He asked the Commission to not force MGM to look at criminal histories before looking at qualifications— if people paid their debt to society, we should give them a second chance.

[3:21 p.m.](#)

Mike Mathis stated that Daniel and Jafet represent thousands of individuals in the community and to the extent that this law creates ambiguity, this is a jump ball for the Commission to provide an opportunity for these folks.

[3:23 p.m.](#)

Attorney Seth Stratton provided a summary of MGM's legal argument, which is included in the Commission's packet. He noted the different concepts in M.G.L. c. 23K between an applicant and a registrant. He stated that their argument is that section 16 applies to applicants for Key Gaming and Gaming employees and registrants are Gaming Service Employees under section 30. He stated that the criteria are different for applicants and registrants and a chart included in the Commission's packet lays out the differences. He stated that applicants are subject to suitability and investigation. He stated that today we are talking about the provision for automatic disqualification and he doesn't believe registrants are subject to this. He noted that the word registration is used in section 16 and registration could include criteria that is set by the Commission which may or may not include criminal history. He stated that they think there is a path to address this matter within the statute.

[3:30 p.m.](#)

Executive Director Bedrosian stated that it's hard to listen to folks and not feel like you want to do something. He stated we disagree on the interpretation of the law and unfortunately, it's not a jump ball, this would require a legislative solution.

[3:32 p.m.](#)

General Counsel Catherine Blue thanked MGM for a good discussion and stated that their points of view have been carefully considered. She stated that staff has looked at this issue for a pathway. She stated that we don't believe that the statute supports MGM's arguments that registrants aren't applicants and that there is an additional category of employees. She agreed with Executive Director Bedrosian that this matter requires a legislative fix that will give guidance to the Commission on what they can and can't do.

[3:36 p.m.](#) There was a discussion on the interpretation of the statute. Commissioner Macdonald stated that he is troubled that our interpretation may cause our licensees to violate employment law. He also stated that he is not convinced by Attorney Stratton's interpretation. He stated that there is ambiguity in the statute and as an administrative agency we have discretion to resolve that ambiguity. He stated that he accepts the recommendation of the staff. Staff is divided but the conclusion is staff recommends seeking a legislative fix. Chairman Crosby stated that we will bring this matter back in two weeks. He thanked the speakers for their contribution to this process.

3:38 p.m. The Commission took a brief recess.

3:57 p.m. The meeting resumed.

### **Workforce, Supplier and Diversity Development**

See transcript pages 235-240

[3:58 p.m.](#) Commissioner Bruce Stebbins provided a summary of the Gaming Economic Development Fund. He stated that it is a fund to be created upon the opening of the Category 1 casino facilities. There is an outline in the packet on what the fund can be used for. He stated that they will look at developing strategies that will build off the economic momentum created by the casinos. He stated that a draft invitation letter, also included in the packet, will go out to various entities so that they can think about how they may use the fund. He stated that they plan to send the letter in June and will plan for strategy sessions in September. He noted that money will start flowing into the fund in FY19 and they want to have strategies in place for the legislature to consider. Director Jill Griffin stated that 9.5 percent of the operational casino revenues will go into the fund.

### **Administrative Update**

See transcript pages 241-243

[4:03 p.m.](#) Executive Director Bedrosian stated that he has been focusing on the budget and that he should have an update at the next Commission meeting.

Executive Director Bedrosian reported on a provision in the statute that requires our licensees to send out monthly win/loss statements to player reward card members. He stated that the issue is whether a player has to opt in or opt out of receipt of statements. He stated that statements should be going out unless a player has opted out. The Commission was informed that these statements have not been going out. He stated that we will work with Penn to correct this matter.

### **Commissioner's Update**

See transcript pages 243-247

[4:06 p.m.](#) Chairman Crosby reported that he will be going to the IAGA (International Association of Gaming Advisors) conference and he will present on two panels – technology and responsible gaming. Commissioner Cameron stated that she is going to the IAGA conference and she will present on illegal gambling. She also reported that she attended a conference last week and served on a technology panel. She stated that there was an interesting discussion on racing from the Stronach Group and they will be contacting the Commission with options to consider.

Commissioner Zuniga commented on the MGM Springfield tour and noted that there is tremendous progress on the site. Commissioner Macdonald stated that he was impressed by the openness of the facility to the street along with the marketplace.

**Other Business Not Reasonably Anticipated**

See transcript page 247

4:09 p.m.     *Having no further business, a motion to adjourn was made by Commissioner Macdonald. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

**List of Documents and Other Items Used**

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda dated May 25, 2017
2. Massachusetts Gaming Commission, Draft Meeting Minutes dated May 10, 2017
3. MGM Springfield Quarterly Report – 1<sup>st</sup> Quarter 2017
4. Letter from Frank Fitzgerald to the City of Springfield, dated May 17, 2017 regarding Signage and Specialty Lighting Concept Traffic Study, with attachment (report)
5. Massachusetts Gaming Commission, Memorandum dated May 23, 2017 regarding City of Medford – 2016 Community Mitigation Fund Amendment
6. Race Horse Development Fund Legislative Update
7. Massachusetts Gaming Commission, Memorandum dated May 25, 2017 regarding Summary of the MGM Workforce Development Plan
8. MGM Springfield Workforce Development Plan with public comments
9. Massachusetts Casino Careers Training Institute Update, presentation to the Commission dated May 25, 2017
10. Massachusetts Gaming Commission, Memorandum dated May 22, 2017 regarding Gaming Economic Development Fund, with attachments
11. Massachusetts Gaming Commission, Memorandum dated May 22, 2017 regarding Nongaming Employees
12. Letter from Mike Mathis, President of MGM Springfield, to the Massachusetts Gaming Commission, dated May 22, 2017 regarding automatic criminal background disqualification, with attachments
13. Letter from the Springfield City Council to the Massachusetts Gaming Commission, dated May 24, 2017 regarding automatic criminal background disqualification
14. Letter from Dress for Success to the Massachusetts Gaming Commission, dated May 22, 2017 regarding automatic criminal background disqualification
15. Greater Boston Legal Services CORI and Re-Entry Project, Comments on Gaming Service Employee Registration, dated May 19, 2017
16. Letter from Springfield Technical Community College and Holyoke Community College to the Massachusetts Gaming Commission, dated May 18, 2017 regarding automatic criminal background disqualification
17. Letter from the Urban League of Springfield to the Massachusetts Gaming Commission, Dated May 9, 2017 regarding automatic criminal background disqualification

/s/ Catherine Blue

Catherine Blue, Assistant Secretary

**No Documents**



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

FROM: Mark Vander Linden, Director of Research and Responsible Gaming

DATE: June 8, 2017

RE: Awards for study of gambling behavior among special populations

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In March, 2017 the MGC released a request for proposal (RFP) to study gambling behavior among select populations which may be at elevated risk of experiencing gambling related harm with the introduction of casino gambling in Massachusetts. The specific population groups were identified in *Gambling and Problem Gambling in Massachusetts: Results of a Baseline Population Survey* (2015) and other published research and include: African American/Black, military veterans, immigrants, Asians and Hispanics. The goal of the planned research is to fill in the gaps of existing research and determine appropriate treatment and prevention strategies to mitigate the harm of expanded gaming in Massachusetts to the maximum extent possible.

A total of three proposals were submitted in response to the RFP and reviewed by the Research Design and Analysis Sub-committee (RDASC) of the Gaming Research Advisory Committee. Following a round of questions and clarification, the RDASC unanimously agreed that each proposal was promising and worthy of funding. On May 19, 2017 I recommended funding all three applicants to the Public Health Trust Fund Executive Committee. The Committee agreed with this recommendation. Currently I am finalizing contract negotiations with each applicant with the hope to commence the research before July 1, 2017.

#### UMASS Boston, Institute for Asian American Studies

**Population:** Chinese immigrants

**Research Aims:** The proposed pilot study aims to develop and test methods for recruiting, screening and conducting diagnostic interviews among vulnerable and hard to reach segments of the Boston Chinatown Community. The study aims to reveal new insights about the nature of gambling behavior and problems among residents.

**Research methodology:** Targeted gamblers recruited from community sites (i.e. departure busses from Chinatown to CT casinos and the Boston Chinatown Neighborhood Center [BCNC]) will be invited to participate in a small group informational session on problem gambling. Following the session, they will be asked to complete a brief problem gambling screen (NODS-PERC) and invited to attend an individual qualitative interview.

Targeted spouses of frequent gamblers will be recruited from BCNC and a qualitative interview will focus on the effect of gambling problems on families.



Massachusetts Gaming Commission

**Output:** Inform processes of screening and diagnostic interviews of economically disadvantaged Chinese immigrants who are at risk for or trying to cope with gambling disorders. Data will shed light on types and frequency of gambling and indications of gambling disorders as described in their own cultural and linguistic terms – including family relationships and immigrant experiences. The proposed study lays the groundwork for 1) methodological tools and research partnerships needed to obtain more representative samples of the population so that risk for gambling problems can be systematically assessed, 2) the provision of evidence based knowledge for skills training and development of tools for prevention and treatment of gambling problems.

**Principal investigator:** Carolyn Wong, Ph.D.

**Research partners:** Boston Chinatown Neighborhood Center, Massachusetts Council on Compulsive Gambling

**Budget:** \$34,943

#### JSI Research and Training Institute, Inc.

**Population:** Black/African American

**Research aims:** This proposed study aims to collect the necessary information required to develop a qualitative knowledge base on problem gambling behavior among Blacks in Boston. Combined with the quantitative data collected by SEIGMA, this study allows for the identification of key intervention areas. Specific themes include perceptions about gambling, effects of problem gambling, motivations to gamble, help-seeking behavior pathways.

**Research methodology:** Researchers will work with Black community stakeholders to identify the best ways to recruit and conduct for 6-8 focus groups.

**Output:** The final report is meant to add a qualitative perspective to the existing body of knowledge which is largely quantitative and therefore may not fully reflect the reality of this population. The research team intends to write reports in a manner which will be useful for promoting responsible gambling, improving clinical tools and expanding social marketing toward this subgroup.

**Principal investigator:** Rodolfo R. Vega, Ph.D

**Research partners:** Massachusetts Council on Compulsive Gambling, Kermit Anthony Crawford, Ph.D, Dr. Dharma E. Cortes

**Budget:** \$36,007



Massachusetts Gaming Commission

**Bedford VA Research Corp., Inc.**

**Population:** Military veterans

**Research aims:** This proposed study aims to evaluate the reliability and validity of the Brief Bio-Social Gambling Screen BBGS gambling screen to detect problem gambling among VA patients in Primary Care Behavior Health (PCBH) clinics. The study further aims to evaluate the prevalence of problem gambling among veterans and its co-occurrence with other medical and mental health problems.

**Research methodology:** The study will modify the current Bedford VAMC PCBH clinical intake protocol by adding an additional brief screening section for problem gambling. After each clinical interview, all information collected will be entered into the veterans' medical records in the Computerized Patient Record System (CPRS).

**Output:** Findings will be used to develop and refine screening practices in the Bedford VA PCBH. Veterans who endorse gambling problems would be eligible to immediately receive gambling treatment at the Bedford VAMC PCBH or request a referral to the Bedford Behavioral Addictions Clinic. Findings will be disseminated to grow outreach efforts to engage more military veterans in treatment at VA hospitals in Massachusetts.

**Principal investigator:** Shane W. Kraus, Ph.D

**Research partners:** Massachusetts Council on Compulsive Gambling, Mark Potenza, MD, PhD; Kendra Pugh, MA; Tu A. Ngo, Ph.D. MPH; Steven Shirk, PhD;

**Budget:** \$33,930



Massachusetts Gaming Commission

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# **A qualitative study on recreational and problem gambling among African Americans in Massachusetts**

**Presentation**

**to the**

**Massachusetts Gaming Commission**

**Thursday June 8, 2017**

# Overview

- Research Team
- Participating sites
- The problem
- The approach
- Research questions
- Your questions

# Research Team

- Rodolfo R Vega, Ph.D. JSI Research & Training Institute, Inc.
- Mr. Philip Kopel, Researcher at The Massachusetts Council on Compulsive Gambling
- Dr. Kermit Crawford, Director of the Center for Multicultural Health at Boston University Medical Campus
- Dr. Dharma E Cortes, Cambridge Health Alliance, Harvard School of Medicine

# Collaborating sites

- The Dimock Center, Roxbury, MA
- Mattapan Community Health Center, Mattapan, MA
- Children Services of Roxbury, Inc.
- Unity First, Springfield, MA

# The problem

- The prevalence rates of gambling among Blacks are lower than among other racial and ethnic groups, although Blacks that gamble do so more frequently than Whites (40% vs 35%).
- The Black community is especially vulnerable to problem gambling.
- About 5.8% of the Black community has a gambling problem, which is four times higher than that of the White community (1.4%).
- In addition to this, 12.8% of members of the Black community are “At Risk” gamblers.

# The approach

- To set the foundation of a knowledge base to expand, complement, and achieve an in-depth level of understanding of the key findings of the field of recreational and problem gambling among Black residents in Massachusetts.

# The approach

- The research design is a qualitative study comprised of six to eight discussion groups.

# The approach

The proposed research will:

- Pilot test ways to identify problem gamblers
- Identify best ways to access and recruit problem gamblers
- Pilot open-ended questions and focus group guidelines
- Identify recurrent gambling patterns observed in the Black community
- Identify relevant community-based experiences influencing problematic gambling behaviors

# Participants

Black residents in Massachusetts, who are 21 years and over.

# Demographics

**Table 1: Massachusetts Cities with 10,000 or more Black Persons<sup>2</sup>**

	<b>Total population</b>	<b>Blacks or African American</b>	<b>Percentage</b>
<b>Boston</b>	617,594	150,437	22.4%
<b>Springfield</b>	153,060	34,073	19.6%
<b>Brockton</b>	93,810	29,276	29.8%
<b>Worcester</b>	181,045	21,056	10.2%
<b>Randolph</b>	32,112	12,308	37.1%
<b>Cambridge</b>	105,162	12,253	11.0%
<b>Lynn</b>	90,329	11,540	10.5%

# Demographics

**Table 2: Cities Where Blacks are at Least 10% of the Total Population<sup>3</sup>**

	<b>Total Population</b>	<b>Black or African American</b>	<b>Percentage</b>
<b>Randolph</b>	32,112	12,308	37.1%
<b>Brockton</b>	93,810	29,276	29.8%
<b>Boston</b>	617,594	150,437	22.4%
<b>Springfield</b>	153,060	34,073	19.6%
<b>Malden</b>	59,450	8,796	14.3%
<b>Milton</b>	27,003	3,872	13.7%
<b>Everett</b>	41,667	5,962	13.6%
<b>Cambridge</b>	105,162	12,253	11%
<b>Lynn</b>	90,329	11,540	10.5%
<b>Worcester</b>	181,045	21,056	10.2%

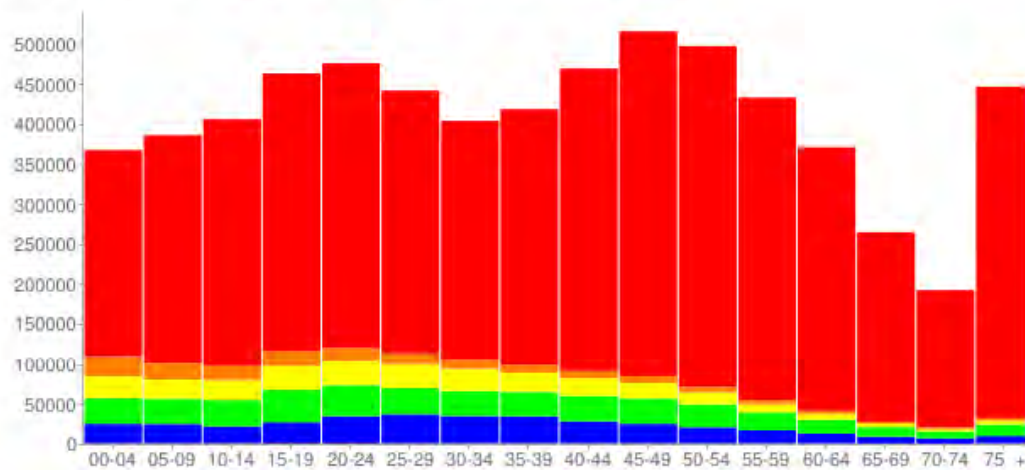
Source: 2010 Decennial Census

# Demographics

## CensusViewer - Graphs & Tables: Race by Age

Population by Race, 2010 Census	Counts	Percentages	Color
American Indian and Alaska native alone	18,850	0.29%	Dark Purple
Asian alone	349,768	5.34%	Blue
Black or African American alone	434,398	6.63%	Green
Native Hawaiian and Other Pacific native alone	2,223	0.03%	Dark Green
Some other race alone	305,151	4.66%	Yellow
Two or more races	172,003	2.63%	Orange
White alone	5,265,236	80.41%	Red

Graph: Population by Age and Race - Massachusetts



<http://censusviewer.com/state/MA>

# Theoretical framework

- Help-seeking behavior
- Idioms of distress
- Grounded Theory

# Research questions

- What are the consequences of problem or at-risk gambling among Blacks?
- What are the effects that problem gambling has on the life context of Blacks?
- What factors (e.g., social, recreational, lucrative) motivate members of the Black community to gamble?
- What are the most common help seeking behavior patterns for problem gambling among Blacks?

# Themes

This information will be collected through focus groups and will concentrate on the following themes:

- Perceptions about gambling within the Black community
- Effects of problem gambling on the life context of Blacks
- Motivations to gamble
- Help seeking behavior pathways

# Key milestones

	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Submit IRB approval</b>												
<b>Participant recruitment and conducting of interviews</b>												
<b>Conduct focus groups</b>												
<b>Transcribe interviews</b>												
<b>Data analysis</b>												
<b>Develop final report</b>												

# Conclusions

This study will produce a knowledge base comprised of qualitative data, that combined with the extensive amount of quantitative data collected by the SEIGMA team, can be used to:

- inform the creation of screening tools,
- clinical instruments,
- evidence-based therapeutic modalities,
- social marketing campaigns, and
- identify health seeking behavior pathways

# Conclusions

This knowledge base will provide the tools to create evidence-based, culturally competent interventions to develop intervention opportunities to address problem gambling among Black residents.



## MASSACHUSETTS GAMING COMMISSION

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### MEMORANDUM

**To:** Chairman Crosby and Commissioners Cameron, Macdonald, Stebbins and Zuniga  
**From:** Edward Bedrosian, Jr. and Derek Lennon  
**Date:** 6/8/2017  
**Re:** Fiscal Year 2018 (FY18) Initial Budget Recommendations

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### Summary

The Massachusetts Gaming Commission's (MGC) initial Fiscal Year 2018 (FY18) budget and assessment projections are composed of the following:

#### Gaming

- \$18.75M for gaming regulatory costs including funding for 69.5 full-time equivalents (FTEs), 3.5 of which are new positions during FY18;
- \$1.66M assessment from the Commonwealth indirect costs;
- \$3.67M assessment for the Office of the Attorney General's (AGO) gaming operations inclusive of Massachusetts State Police (MSP) assigned to the AGO;
- \$4.99M assessment for the research and responsible gaming agenda inclusive of DPH costs which will be funded from the Public Health Trust Fund in future years;
- \$75K for the Alcohol and Beverage Control Commission (ABCC); and,
- \$29.15M combined total of the Gaming Control Fund Budget.

#### Racing

- \$2.7M for racing regulatory costs including funding for seven (7) FTEs;
- \$163.4K assessment from the Commonwealth for indirect costs;
- \$2.86M combined total of regulated racing costs.

#### Total

- \$31.74M – Total Gaming Assessments (\$29.15) plus Total Racing Costs (\$2.86M).
- This funds ~76.5 FTEs.

A list of the MGC's spending and revenue projections by appropriation is attached to this document (Attachment A).

The MGC, under 205 CMR 121.00 will assess gaming licensees the difference between its Gaming Control Fund (1050-0001) budget and anticipated revenues in FY17. The MGC's gaming regulatory costs combined with the statutorily required assessments are projected to be \$29.15M, and



Massachusetts Gaming Commission

revenues are anticipated to be ~\$4.69M, which would leave an assessment of \$24.46M 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 FY15-FY16.

### Regulatory vs. Statutory Costs

It is important to distinguish among the different components of the proposed Gaming Control Fund for FY18 and understand the difference between regulatory and statutory costs. The composition of the \$29.15M can be broken up into two areas. The first area comprises the regulatory costs of the Massachusetts Gaming Commission to regulate category 1 and 2 facilities. The regulatory costs are directly within control of the Gaming Commission. The second area, comprises statutory costs that are assessments contained in the Expanded Gaming Act but are not within the budgetary discretion of the Gaming Commission. The statutory costs are the responsibility of our licensees to pay. The break out of regulatory versus statutorily required is illustrated in the chart below:

Item	Amount	Notes
<b>Regulatory Costs</b>		
MGC Regulatory Costs	18,759,583.75	Costs of MGC to Regulate Category 1 and 2 facilities.
<b>Statutorily Required</b>		
Office of the Attorney General	3,668,416.98	Up to \$3M for AGO operations (~\$2.6M in FY18) and a separate reimbursement for their share of MSP costs.
Research and Responsible Gaming	4,989,606.34	Includes DPH responsible gaming funding. In future years this entire budget will be part of Public Health Trust Fund.
Commonwealth Assessed Indirect Costs	1,659,949.80	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	
<b>Total Statutory Costs</b>	<b>10,392,973.12</b>	

The statutorily required costs in FY18 are projected to be \$10.39M and include

- \$3.67M for the costs of the Attorney General's Office (C. 12 § 11M),
- \$4.99M 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
- \$1.66M for Commonwealth of Massachusetts Assessed Indirect Costs (ANF Bulletin 5).

The Commission's regulatory FY18 budget projections total \$18.76M, and fund 11 divisions. The funding level of each division along with the change from the previous year is laid out in further detail later in this memorandum.



Massachusetts Gaming Commission

### Gaming Control Budget FY18 Compared to FY17

The MGCs currently approved FY17 budget for the Gaming Control Fund is \$27.07M. The MGC is recommending an FY18 budget of \$29.15M, that includes both regulatory and statutory costs. The Gaming Control Fund's total budget increase is ~7.7%. However, the MGC's regulatory costs only grew by ~1.5% from \$18.48M in FY17 to \$18.76M in FY18 while the statutorily required costs grew by ~21% from \$8.58M in FY17 to \$10.39M in FY18. The table below explains significant changes by regulatory vs statutorily required costs between fiscal years.

Fund	Grouping Name	Current Year Amount	Next Year Amount	Variance	% Change	Explanation
<b>Gaming Control Fund (1050-0001)</b>						
	MGC Regulatory Costs	18,484,154.63	18,759,583.75	275,429.12	1.49%	Revised cost allocation plan to reflect larger portion of time spent on racing activities. Addition of 3.5 FTEs, increase of over 1% in fringe rate, decrease in consultants by \$600K, increase of MSP costs by \$843.6K (includes 2 months' salary of 19 troopers for Springfield and 1 in IEB, OT increase and annualization of salaries in IEB and Plainville).
<b>Statutorily Required Costs</b>						
	Indirect	1,635,476.20	1,659,949.80	24,473.60	1.50%	Corresponds to costs in AA, CC, HH, and JJ MGC regulatory spending.
	Research and Responsible Gaming/PHTF	4,498,929.33	4,989,606.34	490,677.01	10.91%	Reduction of .5 FTE, reduction in research agenda by over \$100K, increase in DPH ISA by ~\$600K.
	Office of Attorney General and AGO MSP	2,376,844.36	3,668,416.98	1,291,572.62	54.34%	Additional 5 FTEs, \$500K in office improvements, salary of 4 additional MSP troopers and \$100K in MSP OT.
	Alcohol and Beverage Control Commission	75,000.00	75,000.00	-	0.00%	
Total Statutorily Required Costs		8,586,249.89	10,392,973.12	1,806,723.23	21.04%	
<b>10500001 Total</b>		<b>27,070,404.52</b>	<b>29,152,556.87</b>	<b>2,082,152.35</b>	<b>7.69%</b>	

The chart below breaks the costs above out in a little more detail by object class within each grouping:

Fund	Grouping Name	Obj Class	Obj Class Name	Current Year Amount	Next Year Amount	Variance	% Var	Explanation
<b>(1050-0001) Gaming Control Fund</b>								
<i>MGC Regulatory Costs</i>								
		AA	REGULAR EMPLOYEE COMPENSATION	6,007,876	5,950,131	(57,745)	-1%	Cost allocation plan for shared services revised. 3.5 new FTEs included in this number.
		BB	REGULAR EMPLOYEE RELATED EXPEN	71,900	78,400	6,500	9%	
		CC	SPECIAL EMPLOYEES	106,863	-	(106,863)	-100%	Elimination of contract employees.
		DD	PENSION & INSURANCE RELATED EX	2,173,259	2,208,050	34,791	2%	Fringe Rate went up from 33.5% to 34.88%.



Massachusetts Gaming Commission

						-Workforce development flyer printing, -Increases for subscriptions (Instatrac, Westlaw, Nat. Student Loan, Hire Authority, Lexis Nexis) -Increase in travel agent costs for licensing and finance for anticipated licensing reviews and for regulatory needs for ANF -Career Development and Required Trainings for MGC.
EE	ADMINISTRATIVE EXPENSES	592,826	647,724	54,898	9%	
GG	ENERGY COSTS AND SPACE RENTAL	1,221,983	1,247,229	25,247	2%	Escalator in lease agreement.
HH	CONSULTANT SVCS (TO DEPTS)	1,324,603	727,000	(597,603)	-45%	Decrease in outside counsel \$127K, decrease in gaming consultants tribal and regulatory \$240K, decrease in general consultants \$100K, Women in Trade and WF coordinator shifted to grants resulted in decrease of \$150K.
JJ	OPERATIONAL SERVICES	3,179,186	4,022,785	843,599	27%	Annualization of costs of troopers and increase in OT for MSP of \$100K.
KK	EQUIPMENT PURCHASE	8,400	78,444	70,044	834%	2 New finger print machines for printing of MGM employees, Electronic Gaming Device verification equipment.
LL	EQUIPMENT LEASE- MAINTAIN/REPAR	29,684	32,107	2,423	8%	Planned addition of a leased copier for an owned one at replacement stage.
NN	INFRASTRUCTURE:	-	1,000	1,000	-	
PP	STATE AID/POL SUB	125,000	150,000	25,000	20%	Re-alignment of grants for supplier and workforce development.
UU	IT Non-Payroll Expenses	3,642,576	3,616,714	(25,863)	-1%	
<b>MGC Regulatory Costs Total</b>		<b>18,484,155</b>	<b>18,759,584</b>	<b>275,429</b>	<b>1%</b>	
<b>Indirect Costs</b>						
EE	ADMINISTRATIVE EXPENSES	1,635,476	1,659,950	24,474	1%	Corresponds to AA, CC, HH and JJ spending.
<b>Indirect Total</b>		<b>1,635,476</b>	<b>1,659,950</b>	<b>24,474</b>	<b>1%</b>	
<b>Research and Responsible Gaming/PHTF</b>						
AA	REGULAR EMPLOYEE COMPENSATION	322,465	205,318	(117,148)	-36%	Reduction of .5FTE and shifting of all DPH costs to State Aid Item.
BB	REGULAR EMPLOYEE RELATED EXPEN	9,000	6,000	(3,000)	-33%	Shifting of all DPH costs to State Aid item.
CC	SPECIAL EMPLOYEES	20,000	-	(20,000)	-100%	Shifting of all DPH costs to State Aid item.
DD	PENSION & INSURANCE RELATED EX	113,745	74,592	(39,153)	-34%	Reduction of .5FTE and shifting of all DPH costs to State Aid Item.
EE	ADMINISTRATIVE EXPENSES	25,719	8,000	(17,719)	-69%	Shifting of all DPH costs to State Aid item.
FF	FACILITY OPERATIONAL EXPENSES	500	500	-	0%	
HH	CONSULTANT SVCS (TO DEPTS)	1,427,500	1,380,000	(47,500)	-3%	Shifting of all DPH costs to State Aid item.
JJ	OPERATIONAL SERVICES	20,000	-	(20,000)	-100%	
MM	PURCHASED CLIENT/PROGRAM SVCS	40,000	25,000	(15,000)	-38%	Reduction in Reviewers.
PP	STATE AID/POL SUB	2,455,000	3,215,197	760,197	31%	DPH ISA costs all shifted here and increase of \$550K for Public Health Trust Fund.
UU	IT Non-Payroll Expenses	65,000	75,000	10,000	15%	
<b>Research and Responsible Gaming/PHTF Total</b>		<b>4,498,929</b>	<b>4,989,606</b>	<b>490,677</b>	<b>11%</b>	
<b>Office of Attorney General and AGO MSP</b>						
JJ	OPERATIONAL SERVICES	472,304	1,068,417	596,113	126%	Increase of 4 troopers and \$100K increase in OT.
OO	(blank)	1,904,541	2,600,000	695,459	37%	Addition of 5 FTEs and Office Build Outs of \$500K.
<b>Office of Attorney General and AGO MSP Total</b>		<b>2,376,844</b>	<b>3,668,417</b>	<b>1,291,573</b>	<b>54%</b>	
<b>Alcohol and Beverage Control Commission</b>						
OO	(blank)	75,000	75,000	-	0%	
<b>Alcohol and Beverage Control Commission Total</b>		<b>75,000</b>	<b>75,000</b>	<b>-</b>	<b>0%</b>	
<b>10500001 Total</b>		<b>27,070,405</b>	<b>29,152,557</b>	<b>2,082,152</b>	<b>8%</b>	



### Massachusetts Gaming Commission

### **FY18 Regulatory Budget Development Process and Recommendations**

In FY18, 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.

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 FY18 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 16, 2017 at the MGC office. The meeting 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.

Below is a summary by appropriation of spending anticipated for the MGC Regulatory costs of the Gaming Control Fund and the Racing Oversight and Development Fund. Immediately following each summary is a chart that demonstrates significant variances between FY17 and FY18 for 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. 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 MGC Regulatory portion of the Gaming Control Trust funds 11 divisions/bureaus. Each division's/bureau's 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. This item funds 69.5 FTEs. The FY18 recommended spending level includes funding for ~3.5 new positions in the IEB, as well as funding for the positions approved in the FY17 spending plan. Through an updated cost allocation plan, ~4 FTEs were transferred from the Gaming Control Fund to the Racing Oversight and Development Fund. In addition, while we determine the Research and Responsible Gaming/Public Health Trust Fund (PHTF) component of the Gaming Control Fund to be a statutorily required funding source, 2 MGC FTEs in that unit are included in the 69.5 FTE count. As one would expect the fiscal year prior to opening a facility, the increases are found in the IEB and licensing divisions.

Below is a chart that shows the FY17 currently approved budget by division compared to FY18 proposed budget for the Regulatory portion of the Gaming Control Fund with a brief explanation for any large discrepancies. Further details for budgets by each division are provided in attachments B and C:



Massachusetts Gaming Commission

Fund	Grouping Name	Unit	Unit Name	Current Year Amount	Next Year Amount	Variance	% Var	Explanation
<b>(1050-0001) Gaming Control Fund</b>								
<i>MGC Regulatory Costs</i>								
		1000	Finance and Administration	2,164,548	2,008,544	(156,003)	-7%	Shift in salaries and fringe benefits to Racing through cost allocation
		1100	Human Resources	591,405	488,902	(102,503)	-17%	Shift in salaries and fringe benefits to Racing
		1200	Legal	1,363,444	1,223,859	(139,585)	-10%	Shift in salaries and fringe benefits to Racing through cost allocation as well as \$127K reduction in Outside Counsel budgeted items
		1300	Executive Director	804,808	876,698	71,890	9%	Reduction of \$220K in consultant costs, offset by organizational realignment of 2.7 FTEs from Commissioners item to E.D. item
		1400	Information Technology	4,485,946	4,457,067	(28,879)	-1%	
		1500	Commissioners	1,366,586	882,571	(484,016)	-35%	Shift of 2.7 FTEs to Executive Director's item, as well as reduction of 1 FTE, and reduction in contracts by \$35K.
		1600	Workforce and Supplier Diversity	583,301	453,370	(129,931)	-22%	Reduction of .5 FTE, shifted \$150K in grants to Community Mitigation Fund
		1800	Communications	372,789	359,155	(13,634)	-4%	Shift in salaries and fringe benefits to Racing through cost allocation
		1900	Ombudsman	485,238	442,378	(42,859)	-9%	Reduction of \$50K in contracts. One amount rolled up for potential contracts under Executive Director.
		5000	Investigations and Enforcement Bureau	5,714,561	6,969,889	1,255,328	22%	Addition of 3.5 FTEs, elimination of all contracted staff. Annualization of MSP costs of \$260K, addition of 19 MSP for MGM and one for background unit for last two months of fiscal year \$448K and an additional \$137.5K of MSP OT for background checks and opening of MGM facility. \$40K for additional equipment needed at MGM (fingerprint machinery, Electronic Gaming Device authentication equipment.
		7000	Licensing Division	551,528	597,150	45,622	8%	Travel, supplies and temp help for licensing operations associated with opening of MGM Springfield
<i>MGC Regulatory Costs Total</i>				18,484,155	18,759,584	275,429	1%	

The Research and Responsible Gaming/PHTF budget is considered a Statutorily required component of the Gaming Control Fund due to the fact that it will be funded from the Public Health Trust Fund (PHTF) once category 1 facilities become operational and taxes from gross gaming revenue begin to fund the PHTF. However, I have included a brief chart of that budget comparing FY17 to FY18 below because 2 MGC employees are funded from that budget.

<i>Research and Responsible Gaming/PHTF</i>							
	1700	Problem Gambling	4,498,929	4,989,606	490,677	11%	Reduction of .5 FTE, decrease of research by \$100K, and increase in DPH ISA by ~ \$600K.

### 10500003 Racing Development and Oversight Trust Fund

This item funds the operations of the Racing division. The majority of funding from this appropriation is payroll, seasonal payroll, and fringe related costs. However, the MGC performed an updated cost allocation plan, which shifted the cost of approximately (four) 4 FTEs from Gaming to Racing, and for the first time since the Racing operations were part of the Gaming Commission, the state troopers assigned to racing will be funded from the racing budget. These two items resulted in a significant increase to the Racing Development and Oversight Fund. Other costs of the



Massachusetts Gaming Commission

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 totaling \$235K.

Below is a chart that shows the FY17 currently approved budget by division compared to FY18 proposed budget for the Regulatory portion of the Gaming Control Fund with a brief explanation for any large discrepancies. Further details for budgets by each division are provided in attachments B and C:

Fund	Grouping Name	Unit	Unit Name	Current Year Amount	Next Year Amount	Variance	% Var	Explanation
<b>(1050-0003) Racing Oversight and Development Fund</b>								
-	<i>MGC Regulatory Costs</i>			-				
		1000	Finance and Administration	33,534	223,481	189,947	566%	Shift in salaries and fringe benefits from Gaming through cost allocation
		1100	Human Resources	23,044	114,221	91,177	396%	Shift in salaries and fringe benefits from Gaming through cost allocation
		1200	Legal	10,260	49,774	39,514	385%	Shift in salaries and fringe benefits from Gaming through cost allocation
		1300	Executive Director	12,599	48,958	36,358	289%	Shift in salaries and fringe benefits from Gaming through cost allocation
		1400	Information Technology	13,159	46,745	33,585	255%	Shift in salaries and fringe benefits from Gaming through cost allocation
		1500	Commissioners	41,725	73,473	31,748	76%	Shift in salaries and fringe benefits from Gaming through cost allocation
		1800	Communications	-	15,367	15,367	-	Shift in salaries and fringe benefits from Gaming through cost allocation
		3000	Racing Division	1,341,931	1,854,555	512,624	38%	Paying for MSP Costs as well as increase in drug testing
		7000	Licensing Division	-	1,350	1,350	-	Shift in salaries and fringe benefits from Gaming through cost allocation
	<i>MGC Regulatory Costs Total</i>			1,476,253	2,427,923	951,670	64%	

### Funding Exposures not Included in FY18 Budget Proposal

FY18 was a particularly challenging budget year given the potential opening of MGM Springfield in September of 2018, less than 90 days into FY19. If MGM Springfield stays on schedule, the IEB may need gaming agents and state police for part of FY18 to begin opening preparations. Finance may need an additional tax verification professional for table games. Rather than speculating on the appropriate timing for additional staff, staff proposes an assessment towards the end of calendar year 2017 to determine if MGM Springfield is on schedule. This will allow for a more concrete determination on whether or not MGC will need additional personnel in FY18. In addition, we have built in the minimum required by our insurance policy for litigation costs in the legal budget. Staff anticipates the figure to grow above the amount funded in this budget.

It is important for the Commission to be aware that there both regulatory and public safety costs that are anticipated for the FY18 budget year that are not included in this proposal. A state police complement was built into the IEBs budget for the two months staff anticipates having troopers assigned to MGC in FY18; however, there are costs the MSP will bear as a result of the MGC taking troopers from their ranks and further discussion on how to fund these costs is required. The costs not included in this budget have been discussed with our licensees, as well as the rationale for not including the costs. Staff intends on returning to the Commission towards the end of calendar year



Massachusetts Gaming Commission

2017 to address both the public safety and regulatory funding exposures as the landscape and timeline for the opening of MGM Springfield becomes more concrete and better estimates/options for funding are available.

### 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 FY18, the commission will utilize 205 CMR 121.01 3(c) to assess ~\$24.45M 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%	\$9,535,923.44
Wynn	3,242	168	1,008	4,250	46.03%	\$11,257,721.37
Penn	1,250	-	-	1,383	14.98%	\$3,663,712.06
	7,492	268	1,608	9,233	100.00%	\$24,457,356.87

\*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 2017.

### Conclusion

Staff is proposing an FY18 Gaming Control Fund budget of \$29.15M for Regulatory and Statutorily Required Costs and an FY18 Racing Oversight and Development Fund budget of \$2.59M for Regulatory and Statutorily Required Costs. Staff seeks the Commission's guidance on further spending recommendations and to post the budget for public comment prior to the next public meeting.

Staff would like to remind the Commissioners that there are both public safety and regulatory funding exposures not built into this budget that will need to be addressed prior to the end of calendar year 2017.

#### Attachments:

Attachment A: FY18 Listing of Accounts Spending and Revenue

Attachment B: Next Year Budget All Departments for Commission

Attachment C: Next Year Budget by Object Class for Commission



Massachusetts Gaming Commission

2018

Item Name	FY18 Budget
<b>10500001 Gaming Control Fund</b>	
<b>MGC Regulatory Cost</b>	
AA REGULAR EMPLOYEE COMPENSATION	5,950,131.49
BB REGULAR EMPLOYEE RELATED EXPEN	78,400.00
CC SPECIAL EMPLOYEES	-
DD PENSION & INSURANCE RELATED EX	2,208,049.75
EE ADMINISTRATIVE EXPENSES	647,723.64
GG ENERGY COSTS AND SPACE RENTAL	1,247,229.38
HH CONSULTANT SVCS (TO DEPTS)	727,000.00
JJ OPERATIONAL SERVICES	4,022,785.01
KK Equipment Purchase	78,444.00
LL EQUIPMENT LEASE-MAINTAIN/REPAR	32,106.80
NN INFRASTRUCTURE:	1,000.00
PP STATE AID/POL SUB	150,000.00
UU IT Non-Payroll Expenses	3,616,713.68
<b>MGC Regulatory Cost Subtotal:</b>	<b>18,759,583.75</b>
<b>EE--Indirect Costs</b>	<b>1,659,949.80</b>
<b>Office of Attorney General</b>	
ISA to AGO	2,600,000.00
AGO State Police	1,068,416.98
<b>Office of Attorney General Subtotal:</b>	<b>3,668,416.98</b>
<b>Research and Responsible Gaming/Public Health Trust Fund</b>	
AA REGULAR EMPLOYEE COMPENSATION	205,317.50
BB REGULAR EMPLOYEE RELATED EXPEN	6,000.00
CC SPECIAL EMPLOYEES	-
DD PENSION & INSURANCE RELATED EX	74,591.84
EE ADMINISTRATIVE EXPENSES	8,000.00
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	500.00
HH CONSULTANT SVCS (TO DEPTS)	1,380,000.00
JJ OPERATIONAL SERVICES	-
MM PURCHASED CLIENT/PROGRAM SVCS	25,000.00
PP STATE AID/POL SUB	3,215,197.00
UU IT Non-Payroll Expenses	75,000.00
<b>Research and Responsible Gaming/Public Health Trust Fund Subtotal:</b>	<b>4,989,606.34</b>
<b>ISA to ABCC</b>	<b>75,000.00</b>
<b>Gaming Control Fund Total Costs</b>	<b>29,152,556.87</b>
<b>Gaming Control Fund Revenues</b>	

## 2018

Item Name	FY18 Budget
Gaming Control Fund Beginning Balance 0500	-
Region A slot Machine Fee 0500	1,945,200.00
Region B Slot Machine Fee 0500	1,800,000.00
Slots Parlor Slot Machine Fee 0500	750,000.00
Gaming Employee License Fees (GEL) 3000	30,000.00
Key Gaming Executive (GKE) 3000	35,000.00
Key Gaming Employee (GKS) 3000	20,000.00
Non-Gaming Vendor (NGV) 3000	30,000.00
Vendor Gaming Primary (VGP) 3000	45,000.00
Vendor Gaming Secondary (VGS) 3000	40,000.00
Gaming School License (GSB)	-
Gaming Service Employee License (SER) 3000	-
Subcontractor ID Initial License (SUB) 3000	-
Temporary License Initial License (TEM) 3000	-
Veterans Initial License (VET) 3000	-
Assessment 0500	24,457,356.87
Misc 0500	-
<b>Gaming Control Fund Revenue Total</b>	<b>29,152,556.87</b>
<b>1050003 Racing Oversight and Development Trust Fund</b>	
AA REGULAR EMPLOYEE COMPENSATION	712,760.73
BB REGULAR EMPLOYEE RELATED EXPEN	12,000.00
CC SPECIAL EMPLOYEES	360,000.00
DD PENSION & INSURANCE RELATED EX	266,307.72
EE ADMINISTRATIVE EXPENSES	34,555.00
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	2,000.00
HH CONSULTANT SVCS (TO DEPTS)	25,000.00
JJ OPERATIONAL SERVICES	815,300.00
KK EQUIPMENT PURCHASES	-
LL EQUIPMENT LEASE-MAINTAIN/REPAR	2,000.00
MM PURCHASED CLIENT/PROGRAM SVCS	155,000.00
UU IT Non-Payroll Expenses	43,000.00
Regulatory Costs	2,427,923.45
Indirect Costs	163,398.45
<b>Spending Total</b>	<b>2,591,321.90</b>
<b>Racing Oversight and Development Revenues</b>	
Plainridge Assessment 4800	110,000.00
Plainridge Daily License Fee 3003	145,000.00
Plainridge Occupational License 3003/3004	40,000.00
Plainridge Racing Development Oversight Live 0131	20,000.00
Plainridge Racing Development Oversight Simulcast 0131	130,000.00
Racing Oversight and Development Balance Forward 0131	-
Raynham Assessment 4800	100,000.00

**2018**

Item Name	FY18 Budget
Raynham Daily License Fee 3003	145,000.00
Raynham Racing Development Oversight Simulcast 0131	140,000.00
Suffolk Assessment 4800	500,000.00
Suffolk Commission Racing Development Oversight Simulcast 0	130,000.00
Suffolk Daily License Fee 3003	80,000.00
Suffolk Occupational License 3003/3004	35,000.00
Suffolk Racing Development Oversight Live 0131	20,000.00
Suffolk TVG Commission Live 0131	15,000.00
Suffolk TVG Commission Simulcast 0131	120,000.00
Suffolk Twin Spires Commission Live 0131	12,000.00
Suffolk Twin Spires Commission Simulcast 0131	90,000.00
Suffolk Xpress Bet Commission Live 0131	10,000.00
Suffolk Xpress Bet Commission Simulcast 0131	40,000.00
Suffolk NYRA Bet Commission Live 0131	6,000.00
Suffolk NYRA Bet Commission Simulcast 0131	17,000.00
Wonderland Assessment 4800	40,000.00
Wonderland Daily License Fee 3003	80,000.00
Wonderland Racing Development Oversight Simulcast 0131	50,000.00
Plainridge fine 2700	15,000.00
Suffolk Fine 2700	7,000.00
Plainridge Unclaimed wagers 5009	160,000.00
Suffolk Unclaimed wagers 5009	210,000.00
Raynham Unclaimed wagers 5009	170,000.00
Wonderland Unclaimed wagers 5009	20,000.00
Misc 0131	500.00
<b>Racing Oversight and Development Fund Revenue Total</b>	<b>2,657,500.00</b>

# Next Year Budget All Departments for Commission

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1000	Finance and Administration							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Salaries	\$500,089.89	\$364,080.20	(\$136,009.69)	-27.20%
			<b>Obj Class Totals:</b>				<b>\$500,089.89</b>	<b>\$364,080.20</b>	<b>(\$136,009.69)</b>	<b>-27.20%</b>
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel	\$0.00	\$2,000.00	\$2,000.00	#Div/0!
		B02	In-State Travel		Travel	In-State Travel	\$2,000.00	\$1,000.00	(\$1,000.00)	-50.00%
			<b>Obj Class Totals:</b>				<b>\$2,000.00</b>	<b>\$3,000.00</b>	<b>\$1,000.00</b>	<b>50.00%</b>
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 34.88%	\$167,530.11	\$126,991.17	(\$40,538.94)	-24.20%
					Taxes	Tax rate of 1.45%	\$8,351.50	\$5,279.16	(\$3,072.34)	-36.79%
			<b>Obj Class Totals:</b>				<b>\$175,881.61</b>	<b>\$132,270.33</b>	<b>(\$43,611.28)</b>	<b>-24.80%</b>
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		Supplies	Adoni Spring Water	\$5,000.00	\$2,500.00	(\$2,500.00)	-50.00%
					Supplies	Cam Office Supplies	\$10,000.00	\$10,000.00	\$0.00	0.00%
					Supplies	W.B. Mason	\$25,000.00	\$25,000.00	\$0.00	0.00%
		E02	Printing Expenses & Supplies		Printing	Sir Speedy	\$3,950.00	\$3,950.00	\$0.00	0.00%
		E05	Postage Chargeback		Postage	ITD PAD Chargeback for postal Services	\$2,600.00	\$2,664.00	\$64.00	2.46%
		E06	Postage		Postage	Postage for Ashburton Mail Room	\$2,400.00	\$2,400.00	\$0.00	0.00%
					Postage	Postage for Pitney Bowes, Fed Ex, UPS	\$1,500.00	\$1,500.00	\$0.00	0.00%
		E15	Bottled Water		Water	Quench	\$500.00	\$684.00	\$184.00	36.80%
		E18	State Single Audit Chargeback		FY 17 Chargeback Single State Audit	Chargeback	\$250.00	\$300.00	\$50.00	20.00%
		E19	Fees, Fines, Licenses, Permits & Chargebacks		Fees, Fines, Licensed, Chargebakcs	EZ Pass	\$0.00	\$300.00	\$300.00	#Div/0!
		E20	Motor Vehicle Chargeback		OVM	Motorized Vehicle Chargeback--Leases of ford fusion and ford escape	\$12,689.64	\$12,689.64	\$0.00	0.00%
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees		Laz Parking	Parking at 33 Arch St. 13 spaces	\$70,200.00	\$54,000.00	(\$16,200.00)	-23.08%
		E30	Credit Card Purchases		Credit Card	Credit Card Incidental Purchases	\$0.00	\$500.00	\$500.00	#Div/0!
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel	Travel Agency Fees	\$0.00	\$5,000.00	\$5,000.00	#Div/0!
		EE2	Conference, Training and Registration Fees		Conference Registrations	Registration Fees	\$0.00	\$5,000.00	\$5,000.00	#Div/0!

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1000	Finance and Administration							
				<b>Obj Class Totals:</b>			\$134,089.64	\$126,487.64	(\$7,602.00)	-5.67%
			GG	ENERGY COSTS AND SPACE RENTAL						
			G01	Space Rental	Office Lease	101 Federal St. 12 months	\$1,161,267.18	\$1,182,473.94	\$21,206.76	1.83%
					Rent	Umass Office Rent	\$0.00	\$2,540.00	\$2,540.00	#Div/0!
			G03	Electricity	Electricity	101 Federal St. 12 months	\$32,635.44	\$32,635.44	\$0.00	0.00%
			G05	Fuel For Vehicles		Wex Bank/Gulf	\$0.00	\$1,500.00	\$1,500.00	#Div/0!
				<b>Obj Class Totals:</b>			\$1,193,902.62	\$1,219,149.38	\$25,246.76	2.11%
			HH	CONSULTANT SVCS (TO DEPTS)						
			H09	Attorneys/Legal Services	Insurance	Comprehensive Insurance Policy	\$125,000.00	\$86,450.00	(\$38,550.00)	-30.84%
			H19	Management Consultants		CPA Firm for Annual Audits consistent with Generally Accepted Auditing Standards	\$0.00	\$38,550.00	\$38,550.00	#Div/0!
				<b>Obj Class Totals:</b>			\$125,000.00	\$125,000.00	\$0.00	0.00%
			JJ	OPERATIONAL SERVICES						
			JJ2	Auxiliary Services	Courier	USA Couriers	\$500.00	\$200.00	(\$300.00)	-60.00%
					Shredding	ProShred	\$1,500.00	\$750.00	(\$750.00)	-50.00%
				<b>Obj Class Totals:</b>			\$2,000.00	\$950.00	(\$1,050.00)	-52.50%
			LL	EQUIPMENT LEASE-MAINTAIN/REPAR						
			L24	Motorized Vehicle Equipment Rental or Lease	Rental Cars	Enterprise Car Rental	\$2,500.00	\$500.00	(\$2,000.00)	-80.00%
			L25	Office Equipment Rental or Lease	Printing	Pitney Bowes	\$200.00	\$532.80	\$332.80	166.40%
			L26	Printing/Photocopy & Micrographics Equip Rent/Lease	Copier	Canon Financial Services Recurring Payment of \$5.4K for 13th floor Recurring Payment of \$4.8K IEB Per Click costs of \$2.5K	\$7,500.00	\$12,738.00	\$5,238.00	69.84%
			L46	Print, Photocopying & Micrograph Equipment Maint/Repair	Copier	Canon USA/Maintenance & Repair	\$3,000.00	\$3,000.00	\$0.00	0.00%
					Xerox Leases	Xerox Leases Recurring Payments of \$11.1K for 3 machines Per Click costs of \$4.2K (avg of this year)	\$16,483.80	\$15,336.00	(\$1,147.80)	-6.96%
				<b>Obj Class Totals:</b>			\$29,683.80	\$32,106.80	\$2,423.00	8.16%
			NN	INFRASTRUCTURE:						
			N50	Non-Major Facility Infrastructure Maintenance and Repair	Repairs	Office/Building Repairs	\$0.00	\$1,000.00	\$1,000.00	#Div/0!
				<b>Obj Class Totals:</b>			\$0.00	\$1,000.00	\$1,000.00	#Div/0!
			UU	IT Non-Payroll Expenses						
			U10	Information Tech (IT) Equipment Maintenance & Repair	Cable	Cable/Comcast	\$1,900.00	\$4,500.00	\$2,600.00	136.84%
				<b>Obj Class Totals:</b>			\$1,900.00	\$4,500.00	\$2,600.00	136.84%
				<b>Division/Bureau Totals:</b>			\$2,164,547.56	\$2,008,544.35	(\$156,003.21)	-7.21%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission			MGC Regulatory Costs						
		1100	Human Resources							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Employee Salaries	\$233,446.08	\$157,680.34	(\$75,765.74)	-32.46%
					Raises	2.0% COLA/Bonus Incentives Agency Wide	\$127,272.43	\$121,971.16	(\$5,301.27)	-4.17%
			Obj Class Totals:				\$360,718.51	\$279,651.50	(\$81,067.01)	-22.47%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B02	In-State Travel		Travel	In State Travel	\$1,000.00	\$1,000.00	\$0.00	0.00%
			Obj Class Totals:				\$1,000.00	\$1,000.00	\$0.00	0.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 34.88%	\$78,204.44	\$54,998.90	(\$23,205.54)	-29.67%
					Payroll Taxes & Fringe on Raises	Payroll Taxes & Fringe on Raises	\$56,180.53	\$44,312.12	(\$11,868.41)	-21.13%
					Taxes	Tax rate of 1.45%	\$3,898.55	\$2,286.36	(\$1,612.19)	-41.35%
		D15	Workers' Compensation Chargebacks		Worker's Comp Chargeback	Worker's Comp Chargeback	\$49,000.00	\$50,000.00	\$1,000.00	2.04%
			Obj Class Totals:				\$187,283.52	\$151,597.38	(\$35,686.14)	-19.05%
		EE	ADMINISTRATIVE EXPENSES							
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Subscriptions, Memberships & Licensing Fees SHRM, NEHRA, The Partnership	\$2,000.00	\$2,000.00	\$0.00	0.00%
		E19	Fees, Fines, Licenses, Permits & Chargebacks		Licenses	Fees, Fines, Licenses, Permits & Chargebacks for HRCMS and HRD	\$2,653.00	\$2,653.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees		Training	Conference, Training and Registration Fees Career Development and Training •Diversity training for additional staff •Management Training •Business writing class for all new gaming agents •Senior MGT lunch and learns sessions (Betty Hoffman, on	\$3,000.00	\$13,000.00	\$10,000.00	333.33%
					ISA with EOHHS	EOHHS Professional Development (MasSP Trainings)	\$0.00	\$12,000.00	\$12,000.00	#Div/0!
		EE9	Employee Recognition Chargeback		Employee Morale	Employee Recognition Program	\$10,000.00	\$5,000.00	(\$5,000.00)	-50.00%
			Obj Class Totals:				\$17,653.00	\$34,653.00	\$17,000.00	96.30%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H09	Attorneys/Legal Services		Worker's Comp	Workers Comp Litigation Fees	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$5,000.00	\$5,000.00	\$0.00	0.00%
		JJ	OPERATIONAL SERVICES							
		JJ2	Auxiliary Services		EAP	Crisis Management EAP program	\$2,000.00	\$2,000.00	\$0.00	0.00%
					HR Investigations	HR Investigations	\$15,000.00	\$10,000.00	(\$5,000.00)	-33.33%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1100	Human Resources							
			JJ2	Auxiliary Services	Testing	The Hire Authority	\$2,750.00	\$5,000.00	\$2,250.00	81.82%
			<b>Obj Class Totals:</b>				<b>\$19,750.00</b>	<b>\$17,000.00</b>	<b>(\$2,750.00)</b>	<b>-13.92%</b>
			<b>Division/Bureau Totals:</b>				<b>\$591,405.03</b>	<b>\$488,901.88</b>	<b>(\$102,503.15)</b>	<b>-17.33%</b>
		1200	Legal							
			AA	REGULAR EMPLOYEE COMPENSATION						
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries	\$496,797.94	\$479,248.37	(\$17,549.57)	-3.53%
			<b>Obj Class Totals:</b>				<b>\$496,797.94</b>	<b>\$479,248.37</b>	<b>(\$17,549.57)</b>	<b>-3.53%</b>
			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	\$5,000.00	\$2,500.00	100.00%
			B02	In-State Travel	Travel	In State Travel	\$2,000.00	\$2,000.00	\$0.00	0.00%
			B05	Conference, Training, Registration and Membership Dues and L	Professional Licenses	Professional and Bar Licenses	\$2,000.00	\$2,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$6,500.00</b>	<b>\$9,000.00</b>	<b>\$2,500.00</b>	<b>38.46%</b>
			DD	PENSION & INSURANCE RELATED EX						
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 34.88%	\$157,246.64	\$167,161.83	\$9,915.19	6.31%
					Taxes	Tax rate of 1.45%	\$8,296.53	\$6,949.10	(\$1,347.43)	-16.24%
			<b>Obj Class Totals:</b>				<b>\$165,543.17</b>	<b>\$174,110.93</b>	<b>\$8,567.76</b>	<b>5.18%</b>
			EE	ADMINISTRATIVE EXPENSES						
			E01	Office & Administrative Supplies	Supplies	Office Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%
			E12	Subscriptions, Memberships & Licensing Fees	Subscriptions	Subscriptions and Memberships Westlaw ABA	\$5,000.00	\$7,000.00	\$2,000.00	40.00%
			E13	Advertising Expenses	Reg Advertising	Advertising of Regs and Meetings	\$5,000.00	\$5,000.00	\$0.00	0.00%
			E41	Out Of State Travel Expen on Behalf of State Employ	Travel	Conference/Trainings	\$10,000.00	\$10,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$25,000.00</b>	<b>\$27,000.00</b>	<b>\$2,000.00</b>	<b>8.00%</b>
			HH	CONSULTANT SVCS (TO DEPTS)						
			H09	Attorneys/Legal Services	Litigation Defense	Outside Counsel Litigation Defense	\$400,000.00	\$400,000.00	\$0.00	0.00%
					Litigation Defense	Outside Counsel Review of PRR	\$31,600.00	\$0.00	(\$31,600.00)	-100.00%
					Outside Counsel	General Practice, Regulations, Laws, etc.	\$176,003.14	\$80,000.00	(\$96,003.14)	-54.55%
					Outside Counsel	Labor Employment Law	\$20,000.00	\$20,000.00	\$0.00	0.00%
			H19	Management Consultants	Hearing Officer	Hearing Officer	\$32,000.00	\$32,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$659,603.14</b>	<b>\$532,000.00</b>	<b>(\$127,603.14)</b>	<b>-19.35%</b>
			JJ	OPERATIONAL SERVICES						
			JJ1	Legal Support Services	Litigation Defense	Target Litigation	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
						Offsite Storage	\$0.00	\$2,500.00	\$2,500.00	#Div/0!

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1200	Legal							
				<b>Obj Class Totals:</b>			\$10,000.00	\$2,500.00	(\$7,500.00)	-75.00%
				<b>Division/Bureau Totals:</b>			\$1,363,444.25	\$1,223,859.30	(\$139,584.95)	-10.24%
		1300	Executive Director							
			AA	REGULAR EMPLOYEE COMPENSATION						
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries	\$378,640.38	\$589,524.27	\$210,883.89	55.70%
				<b>Obj Class Totals:</b>			\$378,640.38	\$589,524.27	\$210,883.89	55.70%
			BB	REGULAR EMPLOYEE RELATED EXPEN						
			B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Two conferences Out of State	\$6,000.00	\$6,000.00	\$0.00	0.00%
			B02	In-State Travel	Travel	In-State Mileage and Rental Cars	\$2,000.00	\$2,000.00	\$0.00	0.00%
				<b>Obj Class Totals:</b>			\$8,000.00	\$8,000.00	\$0.00	0.00%
			DD	PENSION & INSURANCE RELATED EX						
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 34.88%	\$126,844.53	\$211,446.64	\$84,602.11	66.70%
					Taxes	Tax rate of 1.45%	\$6,323.29	\$2,727.53	(\$3,595.76)	-56.87%
				<b>Obj Class Totals:</b>			\$133,167.82	\$214,174.18	\$81,006.36	60.83%
			EE	ADMINISTRATIVE EXPENSES						
			E30	Credit Card Purchases	Credit Card	Credit Card Purchases	\$15,000.00	\$15,000.00	\$0.00	0.00%
			EE2	Conference, Training and Registration Fees	Gaming Forum	Gaming Forum TBD	\$10,000.00	\$10,000.00	\$0.00	0.00%
				<b>Obj Class Totals:</b>			\$25,000.00	\$25,000.00	\$0.00	0.00%
			HH	CONSULTANT SVCS (TO DEPTS)						
			H19	Management Consultants	Gaming Consultant	Gaming Consultant for Legal, and General Matters	\$180,000.00	\$0.00	(\$180,000.00)	-100.00%
					Strategic Consultant	General Consultant needs for OPM, Commissioners or Executive Director	\$20,000.00	\$40,000.00	\$20,000.00	100.00%
					Tribal Consultant	Gaming Consultant for Tribal Matters	\$60,000.00	\$0.00	(\$60,000.00)	-100.00%
				<b>Obj Class Totals:</b>			\$260,000.00	\$40,000.00	(\$220,000.00)	-84.62%
				<b>Division/Bureau Totals:</b>			\$804,808.20	\$876,698.45	\$71,890.25	8.93%
		1400	Information Technology							
			AA	REGULAR EMPLOYEE COMPENSATION						
			A01	Salaries: Inclusive	Employee Compensation	Employee Salaries	\$563,295.91	\$560,397.81	(\$2,898.10)	-0.51%
				<b>Obj Class Totals:</b>			\$563,295.91	\$560,397.81	(\$2,898.10)	-0.51%
			BB	REGULAR EMPLOYEE RELATED EXPEN						
			B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out of State Travel G2E/Gartner	\$6,000.00	\$4,000.00	(\$2,000.00)	-33.33%
			B02	In-State Travel	Travel	In-state travel	\$3,000.00	\$2,000.00	(\$1,000.00)	-33.33%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1400	Information Technology							
				<b>Obj Class Totals:</b>			\$9,000.00	\$6,000.00	(\$3,000.00)	-33.33%
		DD		PENSION & INSURANCE RELATED EX						
		D09		Fringe Benefit Cost Recoupment	Fringe	Fringe rate of 34.88%	\$188,704.13	\$195,466.76	\$6,762.63	3.58%
					Taxes	Tax rate of 1.45%	\$9,407.04	\$8,125.77	(\$1,281.27)	-13.62%
				<b>Obj Class Totals:</b>			\$198,111.17	\$203,592.53	\$5,481.36	2.77%
		EE		ADMINISTRATIVE EXPENSES						
		E41		Out Of State Travel Expen on Behalf of State Employ	Travel	Travel Agent Expenses	\$6,000.00	\$6,000.00	\$0.00	0.00%
		E56		Secretariat Central Services Chargeback	IT Support	ANF Chargeback for IT services (Help Desk Charges \$659.79 per desktop)	\$52,783.00	\$52,783.00	\$0.00	0.00%
				<b>Obj Class Totals:</b>			\$58,783.00	\$58,783.00	\$0.00	0.00%
		GG		ENERGY COSTS AND SPACE RENTAL						
		G01		Space Rental	Data Center	Markley Data Center Costs (Rack Space \$10.8K, Electricity \$13.2K, and Fiber \$4K)	\$28,080.00	\$28,080.00	\$0.00	0.00%
				<b>Obj Class Totals:</b>			\$28,080.00	\$28,080.00	\$0.00	0.00%
		UU		IT Non-Payroll Expenses						
		U01		Telecommunications Services Data	Plainridge IT	VPN Accounts	\$8,100.00	\$8,100.00	\$0.00	0.00%
					Plainridge Video	Video Circuit for Boston & Plainville for Surveillance and CMS	\$96,124.00	\$76,500.00	(\$19,624.00)	-20.42%
		U02		Telecommunications Services - Voice	Cable	Comcast Internet (Gaming Lab) and Cable Service (Meeting Rooms)	\$4,800.00	\$4,800.00	\$0.00	0.00%
					Cellular Service	Cell Phone Service	\$64,985.00	\$65,985.00	\$1,000.00	1.54%
					Phone Lines	Conference Bridge Lines	\$1,980.00	\$1,980.00	\$0.00	0.00%
					Phone Lines	DSCI phone services	\$9,000.00	\$9,000.00	\$0.00	0.00%
					Phone Lines	MCI Fax Line	\$480.00	\$500.00	\$20.00	4.17%
					Phone Lines	Windstream WAN for Data Connection \$1.5K/month	\$18,000.00	\$18,000.00	\$0.00	0.00%
					Phone Lines	Measured Business Lines	\$6,540.00	\$6,550.00	\$10.00	0.15%
		U04		Information Technology Chargeback	Internet	MAGNET (Internet Access -2x50Mbps @ \$3,686/month, 1x20Mbps @ \$3138/month, 1x0.06units @ \$105.30/month)	\$127,384.00	\$118,454.00	(\$8,930.00)	-7.01%
					IT Support	ANF Chargeback for Space at Chelsea and Springfield	\$89,000.00	\$89,000.00	\$0.00	0.00%
					OSC Chargeback	MMARS Chargeback	\$10,636.00	\$10,000.00	(\$636.00)	-5.98%
		U05		Information Technology (IT) Temp Staff Augmentation Profs	CMS	CMS - IGT Intelligen	\$2,262,544.68	\$2,262,544.68	\$0.00	0.00%
					Consultant	IT Consultants Gartner	\$42,900.00	\$30,000.00	(\$12,900.00)	-30.07%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1400	Information Technology							
		U05	Information Technology (IT) Temp Staff Augmentation Profs	Consulting		IT Consulting Support @ \$100/hr (Advizex and Soltrix) \$25K for GLI Testing	\$50,000.00	\$75,000.00	\$25,000.00	50.00%
				LMS		Licensing System Continual Upgrades to Phase 1 and Phase 2 Development	\$500,000.00	\$500,000.00	\$0.00	0.00%
				Training		Technical Training	\$10,000.00	\$10,000.00	\$0.00	0.00%
				Training		User Training - EMC System Training	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
		U06	Information Technology (IT) Cabling	Phone		FTG Phone lines maintenance etc.	\$15,000.00	\$14,000.00	(\$1,000.00)	-6.67%
		U07	Information Technology (IT) Equipment	Hardware		Gaming Technology Laboratory Equipment	\$5,000.00	\$5,000.00	\$0.00	0.00%
				Maintenance		VMWare Mainteance	\$19,185.00	\$21,000.00	\$1,815.00	9.46%
				Miscellaneous		Miscellaneous Equipment--Equipment for new troopers and gaming agents	\$20,000.00	\$30,000.00	\$10,000.00	50.00%
				Printers		Printers @\$250/printer	\$2,500.00	\$2,000.00	(\$500.00)	-20.00%
				Servers		Servers and Storage	\$50,000.00	\$40,000.00	(\$10,000.00)	-20.00%
				Software		Adobe, Sharepoint, Office 365, Project, Vizio, Dragon, Winzip	\$50,000.00	\$50,000.00	\$0.00	0.00%
				Software		CodeGuard MGC Website Backup Service	\$1,764.00	\$2,000.00	\$236.00	13.38%
				Software		Kobitron - GLI Testing Platform	\$1,500.00	\$1,500.00	\$0.00	0.00%
				Software		Prezi Software	\$3,180.00	\$3,300.00	\$120.00	3.77%
		U09	Information Technology (IT) Equip Rental Or Lease	Leases		HP Leases	\$89,714.00	\$89,500.00	(\$214.00)	-0.24%
				Mobile Devices		Mobile Device Management (@ \$3.95/year/unit)	\$4,029.00	\$4,000.00	(\$29.00)	-0.72%
		U10	Information Tech (IT) Equipment Maintenance & Repair	Maintenace			\$2,980.00	\$0.00	(\$2,980.00)	-100.00%
				Maintenance		Aruba Maintenance	\$925.50	\$1,000.00	\$74.50	8.05%
				Maintenance		EMC Maintenance	\$50,000.00	\$50,000.00	\$0.00	0.00%
				Maintenance		Printer Maintenance	\$425.00	\$500.00	\$75.00	17.65%
			Obj Class Totals:				\$3,628,676.18	\$3,600,213.68	(\$28,462.50)	-0.78%
			Division/Bureau Totals:				\$4,485,946.26	\$4,457,067.02	(\$28,879.24)	-0.64%
		1500	Commissioners							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	Employee Compensation		Employee Compensation	\$884,653.65	\$558,769.76	(\$325,883.89)	-36.84%
			Obj Class Totals:				\$884,653.65	\$558,769.76	(\$325,883.89)	-36.84%
		BB	REGULAR EMPLOYEE RELATED EXPEN							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
	1500	Commissioners								
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel Reimbursements	Travel Reimbursements --In State (6 Commission Meetings a Year, Site Visits) --Out of Pocket Out of State Expenses	\$10,000.00	\$10,000.00	\$0.00	0.00%
		Obj Class Totals:					\$10,000.00	\$10,000.00	\$0.00	0.00%
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%		\$296,358.97	\$194,898.89	(\$101,460.08)	-34.24%
				Taxes	Tax rate of 1.45%		\$14,773.72	\$8,102.16	(\$6,671.56)	-45.16%
		Obj Class Totals:					\$311,132.69	\$203,001.05	(\$108,131.64)	-34.75%
	EE	ADMINISTRATIVE EXPENSES								
	E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Trade Journals		\$3,000.00	\$3,000.00	\$0.00	0.00%
	E22	Temp Use Space/Confer-Incidental Includes Reservation Fees		75-101 Parking Garage	Parking 75-101		\$28,200.00	\$28,200.00	\$0.00	0.00%
				Meeting Space	Temporary Space \$1.2/mtg @ 6mtgs		\$7,500.00	\$7,500.00	\$0.00	0.00%
	E30	Credit Card Purchases		Credit Card	Allowable Credit Card Expenses		\$12,500.00	\$12,500.00	\$0.00	0.00%
	EE2	Conference, Training and Registration Fees		Registration Fees	Conference/Trainings		\$5,000.00	\$5,000.00	\$0.00	0.00%
		Obj Class Totals:					\$56,200.00	\$56,200.00	\$0.00	0.00%
	HH	CONSULTANT SVCS (TO DEPTS)								
	H19	Management Consultants		Consultants Reviews	Consultants		\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
		Obj Class Totals:					\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
	JJ	OPERATIONAL SERVICES								
	J33	Photographic & Micrographic Services		Stenographer	Court Reports and Stenography \$2.1K/mtg		\$54,600.00	\$54,600.00	\$0.00	0.00%
		Obj Class Totals:					\$54,600.00	\$54,600.00	\$0.00	0.00%
	Division/Bureau Totals:						\$1,366,586.34	\$882,570.81	(\$484,015.53)	-35.42%
	1600	Workforce and Supplier Diversity								
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive		Employee Compensation	Employee Salaries		\$192,279.28	\$187,317.58	(\$4,961.70)	-2.58%
		Obj Class Totals:					\$192,279.28	\$187,317.58	(\$4,961.70)	-2.58%
	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 --Las Vegas Gaming Conference G2E		\$3,000.00	\$1,000.00	(\$2,000.00)	-66.67%
	B02	In-State Travel		Travel	In-state Travel AOC as well as site visits of licensees		\$2,000.00	\$3,000.00	\$1,000.00	50.00%
		Obj Class Totals:					\$5,000.00	\$4,000.00	(\$1,000.00)	-20.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		1600	Workforce and Supplier Diversity							
		CC	SPECIAL EMPLOYEES							
		C04	Contracted Seasonal Employees		Interns		\$6,862.80	\$0.00	(\$6,862.80)	-100.00%
			Obj Class Totals:				\$6,862.80	\$0.00	(\$6,862.80)	-100.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 34.88%	\$65,875.10	\$65,336.37	(\$538.73)	-0.82%
					Taxes	Tax rate of 1.45%	\$3,283.92	\$2,716.10	(\$567.82)	-17.29%
			Obj Class Totals:				\$69,159.02	\$68,052.47	(\$1,106.55)	-1.60%
		EE	ADMINISTRATIVE EXPENSES							
		E02	Printing Expenses & Supplies		Printing	Flyer printing/Workforce Development	\$2,000.00	\$10,000.00	\$8,000.00	400.00%
		E12	Subscriptions, Memberships & Licensing Fees		Administrative Expenses	Marketing Sponsorships of Diversity and Opportunity Events --Best Corp (Workforce Event) --Colette Phillips Get Connected (Series of Diversity Events) --Dudley Square Sponsorship --Target Springfield Events	\$25,000.00	\$25,000.00	\$0.00	0.00%
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees		Conferences	Access Opportunity Meetings	\$7,000.00	\$7,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel	Travel Agent	\$1,000.00	\$2,000.00	\$1,000.00	100.00%
			Obj Class Totals:				\$35,000.00	\$44,000.00	\$9,000.00	25.71%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H19	Management Consultants		Consultants	MCCTI Statewide WF Coordinator	\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
		HH3	Media Design, Editorial and Communication		Consultants Media Design	Women in Construction Outreach	\$100,000.00	\$0.00	(\$100,000.00)	-100.00%
			Obj Class Totals:				\$150,000.00	\$0.00	(\$150,000.00)	-100.00%
		PP	STATE AID/POL SUB							
		P01	Grants To Public Entities		Grants	Worforce Development and Diversity Grants --Women In construction Outreach --WF Coordinator Community Colleges --Gaming Training Schools --Regional WF Collaborations	\$125,000.00	\$150,000.00	\$25,000.00	20.00%
			Obj Class Totals:				\$125,000.00	\$150,000.00	\$25,000.00	20.00%
			Division/Bureau Totals:				\$583,301.10	\$453,370.05	(\$129,931.05)	-22.28%
		1800	Communications							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Regular Salaries	\$209,210.02	\$197,428.90	(\$11,781.12)	-5.63%
			Obj Class Totals:				\$209,210.02	\$197,428.90	(\$11,781.12)	-5.63%
		BB	REGULAR EMPLOYEE RELATED EXPEN							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
	1800	Communications								
		B02	In-State Travel		Travel Reimbursement	In-State Travel Reimbursement	\$3,900.00	\$3,900.00	\$0.00	0.00%
		Obj Class Totals:					\$3,900.00	\$3,900.00	\$0.00	0.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 34.88%	\$70,085.36	\$68,863.20	(\$1,222.16)	-1.74%
					Taxes	Tax rate of 1.45%	\$3,493.81	\$2,862.72	(\$631.09)	-18.06%
		Obj Class Totals:					\$73,579.17	\$71,725.92	(\$1,853.25)	-2.52%
		EE	ADMINISTRATIVE EXPENSES							
		E02	Printing Expenses & Supplies		Printing	Printing	\$6,100.00	\$6,100.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Subscriptions, Licensing, Memberships	\$25,000.00	\$25,000.00	\$0.00	0.00%
		Obj Class Totals:					\$31,100.00	\$31,100.00	\$0.00	0.00%
		HH	CONSULTANT SVCS (TO DEPTS)							
		HH3	Media Design, Editorial and Communication		Streaming	Pyxis Streaming & Production of Public Meetings	\$0.00	\$0.00	\$0.00	#Num!
					Website Design	Marketing & Website Design	\$25,000.00	\$25,000.00	\$0.00	0.00%
		Obj Class Totals:					\$25,000.00	\$25,000.00	\$0.00	0.00%
		JJ	OPERATIONAL SERVICES							
		JJ2	Auxiliary Services		Streaming	Streaming & Production of Public Meetings	\$30,000.00	\$30,000.00	\$0.00	0.00%
		Obj Class Totals:					\$30,000.00	\$30,000.00	\$0.00	0.00%
	Division/Bureau Totals:						\$372,789.19	\$359,154.82	(\$13,634.37)	-3.66%
	1900	Ombudsman								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Regular Employees	\$314,594.66	\$313,488.00	(\$1,106.66)	-0.35%
		Obj Class Totals:					\$314,594.66	\$313,488.00	(\$1,106.66)	-0.35%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B02	In-State Travel		In State Travel Reimbursement	In-State Travel Reimbursement and Out of State --Visits to Other Licensee Sites	\$0.00	\$4,000.00	\$4,000.00	#Div/0!
		Obj Class Totals:					\$0.00	\$4,000.00	\$4,000.00	#Div/0!
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$105,389.21	\$109,344.61	\$3,955.40	3.75%
					Taxes	Tax rate of 1.45%	\$5,253.73	\$4,545.58	(\$708.15)	-13.48%
		Obj Class Totals:					\$110,642.94	\$113,890.19	\$3,247.25	2.93%
		EE	ADMINISTRATIVE EXPENSES							
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions/Mem berships	Instatrac subscription	\$0.00	\$5,000.00	\$5,000.00	#Div/0!

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
	1900	Ombudsman								
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees		Conferences and Incidentals	Gaming Policy Advisory Committee	\$0.00	\$6,000.00	\$6,000.00	#Div/0!
		Obj Class Totals:					\$0.00	\$11,000.00	\$11,000.00	#Div/0!
		HH	CONSULTANT SVCS (TO DEPTS)							
		H19	Management Consultants		Construction Consultants	Construction, Economic Development, Planning, Design, etc consultants	\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
		Obj Class Totals:					\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
		JJ	OPERATIONAL SERVICES							
		JJ1	Legal Support Services		Stenographers	4 GPAC meetings 8 Local Community mitigation advisory meetings	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
		Obj Class Totals:					\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
	Division/Bureau Totals:						\$485,237.60	\$442,378.19	(\$42,859.41)	-8.83%
	5000	Investigations and Enforcement Bureau								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Regular Salaries	\$1,717,026.32	\$2,012,550.36	\$295,524.04	17.21%
		A08	Overtime Pay		Overtime	Overtime for Gaming Agents.	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
		Obj Class Totals:					\$1,717,026.32	\$2,022,550.36	\$305,524.04	17.79%
		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	\$15,000.00	\$0.00	0.00%
		B02	In-State Travel		Travel	In-state-travel reimbursements for gaming enforcement agents and non-state police staff	\$4,000.00	\$8,000.00	\$4,000.00	100.00%
		Obj Class Totals:					\$19,000.00	\$23,000.00	\$4,000.00	21.05%
		CC	SPECIAL EMPLOYEES							
		C23	Management, Business Professionals & Admin Services		Contracted Employees	Contracted Investigators	\$100,000.00	\$0.00	(\$100,000.00)	-100.00%
		Obj Class Totals:					\$100,000.00	\$0.00	(\$100,000.00)	-100.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88% on AA	\$577,716.32	\$701,977.57	\$124,261.25	21.51%
					Taxes	Tax rate of 1.45% on AA	\$28,799.60	\$29,181.98	\$382.38	1.33%
					Taxes	Tax Rate of 1.45% on Contracted Staff	\$4,783.30	\$0.00	(\$4,783.30)	-100.00%
		Obj Class Totals:					\$611,299.22	\$731,159.55	\$119,860.33	19.61%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		Supplies	Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		5000	Investigations and Enforcement Bureau							
		E12	Subscriptions, Memberships & Licensing Fees		Subscriptions	Lexis Nexis,Hire Authority, Nat.Student Loan Increase of \$500/month for GOLD Subscription Service	\$49,000.00	\$55,000.00	\$6,000.00	12.24%
		E30	Credit Card Purchases		Credit Card	Credit Card Purchases	\$15,000.00	\$15,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel Agent	Travel Agent for Trainings and Investigations	\$100,000.00	\$100,000.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees		Registrations	Training/Conference Registration Fees.	\$25,000.00	\$30,000.00	\$5,000.00	20.00%
		Obj Class Totals:					\$194,000.00	\$205,000.00	\$11,000.00	5.67%
		JJ	OPERATIONAL SERVICES							
		J01	Accreditation Review Costs		Temp Services		\$7,500.00	\$0.00	(\$7,500.00)	-100.00%
		J25	Laboratory & Pharmaceutical Services		Finger Prints State Police	Chargeback for Finger Print Costs for Licenses @ \$50/set and ~4.5K prints	\$175,000.00	\$175,000.00	\$0.00	0.00%
					Plainville Police Salaries	Plainville Police Salaries	\$271,120.15	\$273,000.00	\$1,879.85	0.69%
					State Police	MGC Salaries for MGC Investigations and Background Unit 1DLT 1LT 6 TRP 4 TDY TRPs June 2018 \$9,024.17	\$889,331.94	\$969,003.97	\$79,672.03	8.96%
					State Police	MGC State Police Troopers Plainville Straight Time and Payroll Taxes	\$1,088,506.30	\$1,283,085.53	\$194,579.23	17.88%
					State Police OT & Travel	MGC OT and Travel for Investigations and Plainville Troopers	\$612,500.00	\$750,000.00	\$137,500.00	22.45%
					State Police	MSP Staff Costs at MGM 19 FTEs coming on at different times: LT--1/1/18 Start Sergeants--5/1/18 Start Troopers--5/1/18 Start	\$0.00	\$448,768.12	\$448,768.12	#Div/0!
		J28	Law Enforcement		Lease Vehicles	Plainville Law Enforcement Vehicles	\$8,877.39	\$8,877.39	\$0.00	0.00%
		Obj Class Totals:					\$3,052,835.78	\$3,907,735.01	\$854,899.23	28.00%
		KK	EQUIPMENT PURCHASE							
		K07	Office Furnishings		Gaming Equipment	4 Kobetron--\$1.5K/machine 2 Electronic Fingerprint Machine and Software--\$22K/machine ID Checker--\$1.6K Various--\$2K	\$8,400.00	\$53,444.00	\$45,044.00	536.24%
					Office Equipment	Configuration and build-out of IEB space due to increased staffing	\$0.00	\$15,000.00	\$15,000.00	#Div/0!
		Obj Class Totals:					\$8,400.00	\$68,444.00	\$60,044.00	714.81%
		UU	IT Non-Payroll Expenses							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission	MGC Regulatory Costs								
		5000	Investigations and Enforcement Bureau							
			U02	Telecommunications Services - Voice	Mobile Devices	Wifi Cards for Staff \$50/month	\$12,000.00	\$12,000.00	\$0.00	0.00%
			Obj Class Totals:				\$12,000.00	\$12,000.00	\$0.00	0.00%
			Division/Bureau Totals:				\$5,714,561.32	\$6,969,888.92	\$1,255,327.60	21.97%
		7000	Licensing Division							
			AA	REGULAR EMPLOYEE COMPENSATION						
			A01	Salaries: Inclusive	Employee Compensation	Regular Employee Salaries	\$390,569.51	\$397,674.74	\$7,105.23	1.82%
			Obj Class Totals:				\$390,569.51	\$397,674.74	\$7,105.23	1.82%
			BB	REGULAR EMPLOYEE RELATED EXPEN						
			B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	Travel	Out-of State Travel Reimbursements	\$7,500.00	\$2,500.00	(\$5,000.00)	-66.67%
			B02	In-State Travel	Travel	MGM Opening/Hiring Events	\$0.00	\$4,000.00	\$4,000.00	#Div/0!
			Obj Class Totals:				\$7,500.00	\$6,500.00	(\$1,000.00)	-13.33%
			DD	PENSION & INSURANCE RELATED EX						
			D09	Fringe Benefit Cost Recoupment	Fringe	Fringe Rate of 34.88%	\$130,931.24	\$138,708.95	\$7,777.71	5.94%
					Taxes	Tax Rate of 1.45%	\$6,527.03	\$5,766.28	(\$760.75)	-11.66%
			Obj Class Totals:				\$137,458.27	\$144,475.23	\$7,016.96	5.10%
			EE	ADMINISTRATIVE EXPENSES						
			E02	Printing Expenses & Supplies	Supplies	Supplies for new employees and temporary operations in Springfield	\$5,000.00	\$10,000.00	\$5,000.00	100.00%
			E06	Postage	Postage	Federal Express Charges	\$1,000.00	\$1,500.00	\$500.00	50.00%
			E41	Out Of State Travel Expen on Behalf of State Employ	Travel Agent	Great Getaways G2E for meetings with Vendors and Licensing of Primaries	\$5,000.00	\$12,000.00	\$7,000.00	140.00%
			EE2	Conference, Training and Registration Fees	Conferences	Conference, Training & Registration.	\$5,000.00	\$5,000.00	\$0.00	0.00%
			Obj Class Totals:				\$16,000.00	\$28,500.00	\$12,500.00	78.13%
			JJ	OPERATIONAL SERVICES						
			J46	Temporary Help Services	Temp Help Services	Temp Help to assist with processing application during MGM opening	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
			Obj Class Totals:				\$0.00	\$10,000.00	\$10,000.00	#Div/0!
			KK	EQUIPMENT PURCHASE						
			K07	Office Furnishings	Equipment Purchases	Equipment for new employees	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
			Obj Class Totals:				\$0.00	\$10,000.00	\$10,000.00	#Div/0!
			Division/Bureau Totals:				\$551,527.78	\$597,149.97	\$45,622.19	8.27%
	MGC Regulatory Costs		Totals:				\$18,484,154.63	\$18,759,583.76	\$275,429.13	1.49%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Indirect									
		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	\$1,659,949.80	\$24,473.60	1.50%
			Obj Class Totals:				\$1,635,476.20	\$1,659,949.80	\$24,473.60	1.50%
			Division/Bureau Totals:				\$1,635,476.20	\$1,659,949.80	\$24,473.60	1.50%
	Indirect		Totals:				\$1,635,476.20	\$1,659,949.80	\$24,473.60	1.50%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Research and Responsible Gaming/PHTF									
	1700	Problem Gambling								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		DPH ISA Salary	DPH ISA Salary	\$90,000.00	\$0.00	(\$90,000.00)	-100.00%
					Employee Compensation	Employee Salaries	\$232,465.30	\$205,317.50	(\$27,147.80)	-11.68%
			<b>Obj Class Totals:</b>				<b>\$322,465.30</b>	<b>\$205,317.50</b>	<b>(\$117,147.80)</b>	<b>-36.33%</b>
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		ISA DPH	DPH ISA Travel	\$3,000.00	\$0.00	(\$3,000.00)	-100.00%
					Travel	Out of State Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
		B02	In-State Travel		Travel	In-State-Travel Reimbursements	\$3,000.00	\$3,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$9,000.00</b>	<b>\$6,000.00</b>	<b>(\$3,000.00)</b>	<b>-33.33%</b>
		CC	SPECIAL EMPLOYEES							
		C23	Management, Business Professionals & Admin Services		ISA DPH	DPH ISA 120 day employee	\$20,000.00	\$0.00	(\$20,000.00)	-100.00%
			<b>Obj Class Totals:</b>				<b>\$20,000.00</b>	<b>\$0.00</b>	<b>(\$20,000.00)</b>	<b>-100.00%</b>
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		DPH ISA Fringe rate of 33.5%	DPH ISA Fringe rate of 34.88%	\$30,150.00	\$0.00	(\$30,150.00)	-100.00%
					Fringe	Fringe rate of 34.88%	\$77,875.86	\$71,614.74	(\$6,261.12)	-8.04%
					ISA Taxes	Tax rate of 1.45%	\$1,837.00	\$0.00	(\$1,837.00)	-100.00%
					Taxes	Tax rate of 1.45%	\$3,882.17	\$2,977.10	(\$905.07)	-23.31%
			<b>Obj Class Totals:</b>				<b>\$113,745.03</b>	<b>\$74,591.84</b>	<b>(\$39,153.19)</b>	<b>-34.42%</b>
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		ISA DPH	ISA DPH Supplies	\$500.00	\$0.00	(\$500.00)	-100.00%
		E16	Indirect Cost Recoupment		ISA DPH	ISA Indirect Charges	\$13,394.00	\$0.00	(\$13,394.00)	-100.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel Agency Fees	Great Getaways	\$0.00	\$4,000.00	\$4,000.00	#Div/0!
		E98	Reimbursement for Traval and Other Expenses for Board Member		Council Travel	Conference Attendance for Council on Compulsive Gambling	\$1,825.00	\$0.00	(\$1,825.00)	-100.00%
		EE2	Conference, Training and Registration Fees		Conferences	Conference, Training & Registration Fees	\$7,000.00	\$4,000.00	(\$3,000.00)	-42.86%
					ISA DPH	DPH ISA Conference Membership and Registration Fees	\$3,000.00	\$0.00	(\$3,000.00)	-100.00%
			<b>Obj Class Totals:</b>				<b>\$25,719.00</b>	<b>\$8,000.00</b>	<b>(\$17,719.00)</b>	<b>-68.89%</b>
		FF	FACILITY OPERATIONAL EXPENSES							
		F16	Library & Teaching Supplies & Materials		Books	Library/reference books	\$500.00	\$500.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$500.00</b>	<b>\$500.00</b>	<b>\$0.00</b>	<b>0.00%</b>
		HH	CONSULTANT SVCS (TO DEPTS)							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Research and Responsible Gaming/PHTF									
	1700	Problem Gambling								
		H09	Attorneys/Legal Services		Crime Analysis	Crime Analyst	\$30,000.00	\$50,000.00	\$20,000.00	66.67%
		H23	Program Coordinators		Branding	GameSense media buys etc. MORE Advertising	\$200,000.00	\$150,000.00	(\$50,000.00)	-25.00%
					Consultants	Cambridge Health Alliance contract costs	\$510,000.00	\$400,000.00	(\$110,000.00)	-21.57%
					Council Members Stipends	Council Members Stipends	\$0.00	\$0.00	\$0.00	#Num!
					Mass Council	Mass Council on Compulsive Gambling including 4 employees to man Game Sense booth at Penn --Staffed 16 hrs per day --VSE --Play My Way --Required by Statute Chapter 194, Section 9	\$580,000.00	\$640,000.00	\$60,000.00	10.34%
					Special Study	Public Health Trust Fund requested study of a sub-population	\$100,000.00	\$100,000.00	\$0.00	0.00%
					GRAC/RDASC/Research Consultants	Bruce Cohen--\$20K Other Consultants on Stipends max of \$20K Peer Review process for research agenda	\$0.00	\$40,000.00	\$40,000.00	#Div/0!
		H98	Reim Trav/Exp For Consultant Services		Council Travel	Mass Council Travel	\$7,500.00	\$0.00	(\$7,500.00)	-100.00%
					<b>Obj Class Totals:</b>		<b>\$1,427,500.00</b>	<b>\$1,380,000.00</b>	<b>(\$47,500.00)</b>	<b>-3.33%</b>
	JJ		OPERATIONAL SERVICES							
		J62	Contracted (Non-employees) Advisory Board or Commission Mem		Council Member Stipends	Council Members Stipends	\$20,000.00	\$0.00	(\$20,000.00)	-100.00%
					<b>Obj Class Totals:</b>		<b>\$20,000.00</b>	<b>\$0.00</b>	<b>(\$20,000.00)</b>	<b>-100.00%</b>
	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	\$15,000.00	(\$10,000.00)	-40.00%
					Problem Gambling	Problem Gambling Solutions--Jeff Marotta reviewing applications and consultations	\$15,000.00	\$10,000.00	(\$5,000.00)	-33.33%
					<b>Obj Class Totals:</b>		<b>\$40,000.00</b>	<b>\$25,000.00</b>	<b>(\$15,000.00)</b>	<b>-37.50%</b>
	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	\$75,000.00	(\$75,000.00)	-50.00%
					DPH ISA Strategic Planning Grants	DPH ISA Strategic Planning Grants	\$325,000.00	\$0.00	(\$325,000.00)	-100.00%
					Umass	Magic Core/Optional--Cohort Study	\$1,080,000.00	\$1,200,000.00	\$120,000.00	11.11%
					DPH ISA	DPH ISA for operations and grants from public health trust fund. Balance remaining from \$5M after research agenda is accounted for.	\$0.00	\$1,140,197.00	\$1,140,197.00	#Div/0!

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change	
10500001	Mass. Gaming Commission	Research and Responsible Gaming/PHTF									
		1700	Problem Gambling								
			P06	Other Financial Assistance to State Authorities	Umass	Seigma/Umass core--Baseline Study on-going	\$900,000.00	\$800,000.00	(\$100,000.00)	-11.11%	
		Obj Class Totals:					\$2,455,000.00	\$3,215,197.00	\$760,197.00	30.97%	
		UU	IT Non-Payroll Expenses								
		U07	Information Technology (IT) Equipment	Play Management	Development of Play Management Software	\$65,000.00	\$65,000.00	\$0.00	0.00%		
				ITRAK	Development of ITRAK and Migration from Current Process	\$0.00	\$10,000.00	\$10,000.00	#Div/0!		
		Obj Class Totals:					\$65,000.00	\$75,000.00	\$10,000.00	15.38%	
		Division/Bureau Totals:					\$4,498,929.33	\$4,989,606.34	\$490,677.01	10.91%	
		Research and Responsible Gaming/PHTF			Totals:		\$4,498,929.33	\$4,989,606.34	\$490,677.01	10.91%	

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Office of Attorney General and AGO MSP									
	9000	Office of the Attorney General								
	JJ	OPERATIONAL SERVICES								
	J25	Laboratory & Pharmaceutical Services			State Police	AGO State Police OT	\$250,000.00	\$350,000.00	\$100,000.00	40.00%
					State Police	AGO Straight Time Troopers and Payroll Taxes 4 FTEs for FY18	\$222,303.76	\$501,256.98	\$278,953.22	125.48%
					State Police	MSP Staff Costs at AGO for 2 additional troopers for 26 pay periods in FY18 bringing total for the MSP AGO Gaming Unit to 6 FTEs	\$0.00	\$217,160.00	\$217,160.00	#Div/0!
		Obj Class Totals:					\$472,303.76	\$1,068,416.98	\$596,113.22	126.21%
	OO									
	O99				Attorney General	18 FTEs, various percentages of an additional nine (9) supervisor and support positions ~5.5 FTEs, \$500K in office space buildout including \$400K of an approximate \$1M renovation of MSP space, travel, conferences, and investigative costs.	\$1,904,540.60	\$2,600,000.00	\$695,459.40	36.52%
		Obj Class Totals:					\$1,904,540.60	\$2,600,000.00	\$695,459.40	36.52%
		Division/Bureau Totals:					\$2,376,844.36	\$3,668,416.98	\$1,291,572.62	54.34%
	Office of Attorney General and AGO MSP	Totals:					\$2,376,844.36	\$3,668,416.98	\$1,291,572.62	54.34%



Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
Appropriation Totals							\$27,070,404.52	\$29,152,556.88	\$2,082,152.36	7.69%
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	1000	Finance and Administration								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Admin Employees Salaries	\$24,808.99	\$163,926.80	\$139,117.81	560.76%
		Obj Class Totals:					\$24,808.99	\$163,926.80	\$139,117.81	560.76%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$8,311.01	\$57,177.67	\$48,866.66	587.97%
					Taxes	Tax Rate of 1.45%	\$414.31	\$2,376.94	\$1,962.63	473.71%
		Obj Class Totals:					\$8,725.32	\$59,554.61	\$50,829.29	582.55%
	Division/Bureau Totals:						\$33,534.31	\$223,481.41	\$189,947.10	566.43%
	1100	Human Resources								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	HR Employees Salaries	\$6,131.76	\$83,782.66	\$77,650.90	1266.37%
					Cost of Living Increases Agency Wide	Cost of Living Increases Agency Wide	\$11,066.66	\$0.00	(\$11,066.66)	-100.00%
		A14	Stipends, Bonus Pay & Awards		Bonus incentives	Bonus incentives	\$3,688.89	\$0.00	(\$3,688.89)	-100.00%
		Obj Class Totals:					\$20,887.31	\$83,782.66	\$62,895.35	301.12%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$2,054.14	\$29,223.39	\$27,169.25	1322.66%
					Taxes	Tax Rate of 1.45%	\$102.40	\$1,214.85	\$1,112.45	1086.38%
		Obj Class Totals:					\$2,156.54	\$30,438.24	\$28,281.70	1311.44%
	Division/Bureau Totals:						\$23,043.85	\$114,220.90	\$91,177.05	395.67%
	1200	Legal								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Legal Employees Salaries	\$7,590.34	\$36,509.62	\$28,919.28	381.00%
		Obj Class Totals:					\$7,590.34	\$36,509.62	\$28,919.28	381.00%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$2,542.76	\$12,734.56	\$10,191.80	400.82%
					Taxes	Tax Rate of 1.45%	\$126.76	\$529.39	\$402.63	317.63%
		Obj Class Totals:					\$2,669.52	\$13,263.95	\$10,594.43	396.87%
	Division/Bureau Totals:						\$10,259.86	\$49,773.57	\$39,513.71	385.13%
	1300	Executive Director								
		AA	REGULAR EMPLOYEE COMPENSATION							

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	1300	Executive Director								
		A01	Salaries: Inclusive		Employee Compensation	Exec. Dir. Employees Salaries	\$9,321.15	\$35,911.23	\$26,590.08	285.27%
		Obj Class Totals:					\$9,321.15	\$35,911.23	\$26,590.08	285.27%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$3,122.59	\$12,525.83	\$9,403.24	301.14%
					Taxes	Tax Rate of 1.45%	\$155.66	\$520.71	\$365.05	234.52%
		Obj Class Totals:					\$3,278.25	\$13,046.54	\$9,768.29	297.97%
		Division/Bureau Totals:					\$12,599.40	\$48,957.77	\$36,358.37	288.57%
	1400	Information Technology								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	IT Employees Salaries	\$9,735.42	\$34,287.81	\$24,552.39	252.20%
		Obj Class Totals:					\$9,735.42	\$34,287.81	\$24,552.39	252.20%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$3,261.37	\$11,959.58	\$8,698.21	266.70%
					Taxes	Tax Rate of 1.45%	\$162.58	\$497.17	\$334.59	205.80%
		Obj Class Totals:					\$3,423.95	\$12,456.75	\$9,032.80	263.81%
		Division/Bureau Totals:					\$13,159.37	\$46,744.56	\$33,585.19	255.22%
	1500	Commissioners								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Commissioners Employees Salaries	\$30,868.79	\$53,893.50	\$23,024.71	74.59%
		Obj Class Totals:					\$30,868.79	\$53,893.50	\$23,024.71	74.59%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$10,341.04	\$18,798.05	\$8,457.01	81.78%
					Taxes	Tax Rate of 1.45%	\$515.51	\$781.46	\$265.95	51.59%
		Obj Class Totals:					\$10,856.55	\$19,579.51	\$8,722.96	80.35%
		Division/Bureau Totals:					\$41,725.34	\$73,473.01	\$31,747.67	76.09%
	1800	Communications								
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Communications Employees Salaries	\$0.00	\$11,272.11	\$11,272.11	#Div/0!
		Obj Class Totals:					\$0.00	\$11,272.11	\$11,272.11	#Div/0!
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe rate of 34.88%	\$0.00	\$3,931.71	\$3,931.71	#Div/0!
					Taxes	Tax rate of 1.45%	\$0.00	\$163.44	\$163.44	#Div/0!
		Obj Class Totals:					\$0.00	\$4,095.15	\$4,095.15	#Div/0!

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
		1800	Communications							
		Division/Bureau Totals:					\$0.00	\$15,367.26	\$15,367.26	#Div/0!
		3000	Racing Division							
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive		Employee Compensation	Regular Employee Salaries	\$280,432.22	\$293,177.00	\$12,744.78	4.54%
		Obj Class Totals:					\$280,432.22	\$293,177.00	\$12,744.78	4.54%
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI		Travel	Out of State Travel Reimbursement	\$10,000.00	\$10,000.00	\$0.00	0.00%
		B02	In-State Travel		Travel	In State Travel Reimbursement	\$2,000.00	\$2,000.00	\$0.00	0.00%
		Obj Class Totals:					\$12,000.00	\$12,000.00	\$0.00	0.00%
		CC	SPECIAL EMPLOYEES							
		C04	Contracted Seasonal Employees		Seasonals	Seasonal salaries for Plainridge at 35 weeks	\$330,000.00	\$360,000.00	\$30,000.00	9.09%
		Obj Class Totals:					\$330,000.00	\$360,000.00	\$30,000.00	9.09%
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$93,944.79	\$102,260.14	\$8,315.35	8.85%
					Taxes	Tax Rate of 1.45%	\$4,683.22	\$4,251.07	(\$432.15)	-9.23%
					Taxes for Seasonals	Taxes for Seasonals @1.45%	\$5,511.00	\$6,012.00	\$501.00	9.09%
		Obj Class Totals:					\$104,139.01	\$112,523.21	\$8,384.20	8.05%
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies		Supplies	W.B. Mason	\$6,000.00	\$6,000.00	\$0.00	0.00%
		E02	Printing Expenses & Supplies		Printing	Sir Speedy	\$500.00	\$500.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees		Memberships	AA Dority/Organization of Racing Investigators	\$1,005.00	\$1,005.00	\$0.00	0.00%
					Memberships	Assoc. of Racing Regulators	\$17,005.00	\$18,700.00	\$1,695.00	9.97%
		E13	Advertising Expenses		Public Hearing Notices	Boston Globe	\$1,000.00	\$1,000.00	\$0.00	0.00%
					Public Hearing Notices	Boston Herald	\$700.00	\$700.00	\$0.00	0.00%
					Public Hearing Notices	Dow Jones/Cape Cod Times	\$150.00	\$150.00	\$0.00	0.00%
					Public Hearing Notices	Sun Chronical	\$300.00	\$300.00	\$0.00	0.00%
		E15	Bottled Water		Water	Belmont Springs/DS Waters of America	\$200.00	\$200.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ		Travel Agent	Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees		Conferences	Assoc. of Racing Comm./Delaware Racing/Thoroughbred Racing	\$3,000.00	\$3,000.00	\$0.00	0.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	3000	Racing Division								
			<b>Obj Class Totals:</b>				\$32,860.00	\$34,555.00	\$1,695.00	5.16%
		FF	FACILITY OPERATIONAL EXPENSES							
		F05	Laboratory Supplies		Vet Supplies	Gloves, scrubs etc.	\$2,000.00	\$2,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				\$2,000.00	\$2,000.00	\$0.00	0.00%
		HH	CONSULTANT SVCS (TO DEPTS)							
		H19	Management Consultants		Hearing Officer	David Murray	\$25,000.00	\$25,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				\$25,000.00	\$25,000.00	\$0.00	0.00%
		JJ	OPERATIONAL SERVICES							
		J10	Auxiliary Financial Services		Credit Cards	Bank of America credit card terminal fees	\$1,000.00	\$1,000.00	\$0.00	0.00%
		J25	Laboratory & Pharmaceutical Services		Testing	Health Resources Corp.	\$1,800.00	\$1,800.00	\$0.00	0.00%
		J28	Law Enforcement			Mass State Police Straight and OT	\$0.00	\$465,000.00	\$465,000.00	#Div/0!
		JJ1	Legal Support Services		Stenographer	Catuagno Court Reporting	\$6,500.00	\$6,500.00	\$0.00	0.00%
		JJ2	Auxiliary Services		Autopsies	Trustees of Tufts College	\$22,000.00	\$22,000.00	\$0.00	0.00%
					Testing Lab	HFL Sports Science	\$7,000.00	\$7,000.00	\$0.00	0.00%
					Testing Lab	Industrial Laboratories	\$200,000.00	\$312,000.00	\$112,000.00	56.00%
			<b>Obj Class Totals:</b>				\$238,300.00	\$815,300.00	\$577,000.00	242.13%
		LL	EQUIPMENT LEASE-MAINTAIN/REPAR							
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease		Copier Lease	Canon Financial Solutions	\$1,500.00	\$0.00	(\$1,500.00)	-100.00%
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair		Maintenance Contract	K & A Industries	\$2,000.00	\$2,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				\$3,500.00	\$2,000.00	(\$1,500.00)	-42.86%
		MM	PURCHASED CLIENT/PROGRAM SVCS							
		M03	Purchased Human & Social Services For Clients/Non Medical		Hardship Payments	Economic Hardship Payments	\$20,000.00	\$20,000.00	\$0.00	0.00%
					Legislative Mandate	Eighth Pole	\$80,000.00	\$0.00	(\$80,000.00)	-100.00%
					Legislative Mandate	Jockey's Guild	\$65,000.00	\$65,000.00	\$0.00	0.00%
		M04	Services Purch Support of Human/Social Services for Clients		ISA	ISA with DPH Compulsive Gambling	\$70,000.00	\$70,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				\$235,000.00	\$155,000.00	(\$80,000.00)	-34.04%
		UU	IT Non-Payroll Expenses							
		U02	Telecommunications Services - Voice		Phones	Verizon/AT&T	\$15,000.00	\$15,000.00	\$0.00	0.00%
		U05	Information Technology (IT) Temp Staff Augmentation Profs		Chrims	Arthur Evans	\$62,500.00	\$16,000.00	(\$46,500.00)	-74.40%
		U09	Information Technology (IT) Equip Rental Or Lease		Computer Leases	Ontario Investments	\$1,200.00	\$12,000.00	\$10,800.00	900.00%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	3000	Racing Division								
		Obj Class Totals:					\$78,700.00	\$43,000.00	(\$35,700.00)	-45.36%
		Division/Bureau Totals:					\$1,341,931.23	\$1,854,555.21	\$512,623.98	38.20%
	7000	Licensing Division								
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment		Fringe	Fringe Rate of 34.88%	\$0.00	\$1,295.88	\$1,295.88	#Div/0!
					Taxes	Tax Rate of 1.45%	\$0.00	\$53.88	\$53.88	#Div/0!
		Obj Class Totals:					\$0.00	\$1,349.76	\$1,349.76	#Div/0!
		Division/Bureau Totals:					\$0.00	\$1,349.76	\$1,349.76	#Div/0!
	MGC Regulatory Costs	Totals:					\$1,476,253.36	\$2,427,923.45	\$951,670.09	64.47%

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	Indirect									
		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	\$0.00	\$163,398.45	\$163,398.45	#Div/0!
			Obj Class Totals:				\$0.00	\$163,398.45	\$163,398.45	#Div/0!
			Division/Bureau Totals:				\$0.00	\$163,398.45	\$163,398.45	#Div/0!
	Indirect		Totals:				\$0.00	\$163,398.45	\$163,398.45	#Div/0!

Approp	Budget Grouping	Division/ Bureau	Object Class	Object_name	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
Appropriation Totals							\$1,476,253.36	\$2,591,321.90	\$1,115,068.54	75.53%

# Next Year Budget By Object Class for Commission

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	1000	Employee Compensation	Salaries	\$500,089.89	\$364,080.20	(\$136,009.69)	-27.20%
				1100	Employee Compensation	Employee Salaries	\$233,446.08	\$157,680.34	(\$75,765.74)	-32.46%
				1100	Raises	2.0% COLA/Bonus Incentives Agency Wide	\$127,272.43	\$121,971.16	(\$5,301.27)	-4.17%
				1200	Employee Compensation	Employee Salaries	\$496,797.94	\$479,248.37	(\$17,549.57)	-3.53%
				1300	Employee Compensation	Employee Salaries	\$378,640.38	\$589,524.27	\$210,883.89	55.70%
				1400	Employee Compensation	Employee Salaries	\$563,295.91	\$560,397.81	(\$2,898.10)	-0.51%
				1500	Employee Compensation	Employee Compensation	\$884,653.65	\$558,769.76	(\$325,883.89)	-36.84%
				1600	Employee Compensation	Employee Salaries	\$192,279.28	\$187,317.58	(\$4,961.70)	-2.58%
				1800	Employee Compensation	Regular Salaries	\$209,210.02	\$197,428.90	(\$11,781.12)	-5.63%
				1900	Employee Compensation	Regular Employees	\$314,594.66	\$313,488.00	(\$1,106.66)	-0.35%
				5000	Employee Compensation	Regular Salaries	\$1,717,026.32	\$2,012,550.36	\$295,524.04	17.21%
				7000	Employee Compensation	Regular Employee Salaries	\$390,569.51	\$397,674.74	\$7,105.23	1.82%
		A08	Overtime Pay	5000	Overtime	Overtime for Gaming Agents.	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
			<b>Obj Class Totals:</b>				<b>\$6,007,876.07</b>	<b>\$5,950,131.49</b>	<b>(\$57,744.58)</b>	<b>-0.96%</b>
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	1000	Travel	Out of State Travel	\$0.00	\$2,000.00	\$2,000.00	#Div/0!
				1200	Travel	Out of State Travel and Training	\$2,500.00	\$5,000.00	\$2,500.00	100.00%
				1300	Travel	Two conferences Out of State	\$6,000.00	\$6,000.00	\$0.00	0.00%
				1400	Travel	Out of State Travel G2E/Gartner	\$6,000.00	\$4,000.00	(\$2,000.00)	-33.33%
				1500	Travel Reimbursements	Travel Reimbursements --In State (6 Commission Meetings a Year, Site Visits) --Out of Pocket Out of State Expenses	\$10,000.00	\$10,000.00	\$0.00	0.00%
				1600	Travel	Other Out of State Travel-Inclusive Airfare, Hotel, Lodging --Las Vegas Gaming Conference G2E	\$3,000.00	\$1,000.00	(\$2,000.00)	-66.67%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	5000	Travel	Out of state travel reimbursements for gaming enforcement agents and non-state police staff	\$15,000.00	\$15,000.00	\$0.00	0.00%
				7000	Travel	Out-of State Travel Reimbursements	\$7,500.00	\$2,500.00	(\$5,000.00)	-66.67%
		B02	In-State Travel	1000	Travel	In-State Travel	\$2,000.00	\$1,000.00	(\$1,000.00)	-50.00%
				1100	Travel	In State Travel	\$1,000.00	\$1,000.00	\$0.00	0.00%
				1200	Travel	In State Travel	\$2,000.00	\$2,000.00	\$0.00	0.00%
				1300	Travel	In-State Mileage and Rental Cars	\$2,000.00	\$2,000.00	\$0.00	0.00%
				1400	Travel	In-state travel	\$3,000.00	\$2,000.00	(\$1,000.00)	-33.33%
				1600	Travel	In-state Travel AOC as well as site visits of licensees	\$2,000.00	\$3,000.00	\$1,000.00	50.00%
				1800	Travel Reimbursement	In-State Travel Reimbursement	\$3,900.00	\$3,900.00	\$0.00	0.00%
				1900	In State Travel Reimbursement	In-State Travel Reimbursement and Out of State --Visits to Other Licensee Sites	\$0.00	\$4,000.00	\$4,000.00	#Div/0!
				5000	Travel	In-state-travel reimbursements for gaming enforcement agents and non-state police staff	\$4,000.00	\$8,000.00	\$4,000.00	100.00%
				7000	Travel	MGM Opening/Hiring Events	\$0.00	\$4,000.00	\$4,000.00	#Div/0!
		B05	Conference, Training, Registration and Membership Dues and L	1200	Professional Licenses	Professional and Bar Licenses	\$2,000.00	\$2,000.00	\$0.00	0.00%
		<b>Obj Class Totals:</b>					<b>\$71,900.00</b>	<b>\$78,400.00</b>	<b>\$6,500.00</b>	<b>9.04%</b>
		CC	SPECIAL EMPLOYEES							
		C04	Contracted Seasonal Employees	1600	Interns		\$6,862.80	\$0.00	(\$6,862.80)	-100.00%
		C23	Management, Business Professionals & Admin Services	5000	Contracted Employees	Contracted Investigators	\$100,000.00	\$0.00	(\$100,000.00)	-100.00%
		<b>Obj Class Totals:</b>					<b>\$106,862.80</b>	<b>\$0.00</b>	<b>(\$106,862.80)</b>	<b>-100.00%</b>
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	1000	Fringe	Fringe rate of 34.88%	\$167,530.11	\$126,991.17	(\$40,538.94)	-24.20%
				1000	Taxes	Tax rate of 1.45%	\$8,351.50	\$5,279.16	(\$3,072.34)	-36.79%
				1100	Fringe	Fringe rate of 34.88%	\$78,204.44	\$54,998.90	(\$23,205.54)	-29.67%
				1100	Payroll Taxes & Fringe on Raises	Payroll Taxes & Fringe on Raises	\$56,180.53	\$44,312.12	(\$11,868.41)	-21.13%
				1100	Taxes	Tax rate of 1.45%	\$3,898.55	\$2,286.36	(\$1,612.19)	-41.35%
				1200	Fringe	Fringe rate of 34.88%	\$157,246.64	\$167,161.83	\$9,915.19	6.31%
				1200	Taxes	Tax rate of 1.45%	\$8,296.53	\$6,949.10	(\$1,347.43)	-16.24%
				1300	Fringe	Fringe rate of 34.88%	\$126,844.53	\$211,446.64	\$84,602.11	66.70%
				1300	Taxes	Tax rate of 1.45%	\$6,323.29	\$2,727.53	(\$3,595.76)	-56.87%
				1400	Fringe	Fringe rate of 34.88%	\$188,704.13	\$195,466.76	\$6,762.63	3.58%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		D09	Fringe Benefit Cost Recoupment	1400	Taxes	Tax rate of 1.45%	\$9,407.04	\$8,125.77	(\$1,281.27)	-13.62%
				1500	Fringe	Fringe Rate of 34.88%	\$296,358.97	\$194,898.89	(\$101,460.08)	-34.24%
				1500	Taxes	Tax rate of 1.45%	\$14,773.72	\$8,102.16	(\$6,671.56)	-45.16%
				1600	Fringe	Fringe rate of 34.88%	\$65,875.10	\$65,336.37	(\$538.73)	-0.82%
				1600	Taxes	Tax rate of 1.45%	\$3,283.92	\$2,716.10	(\$567.82)	-17.29%
				1800	Fringe	Fringe rate of 34.88%	\$70,085.36	\$68,863.20	(\$1,222.16)	-1.74%
				1800	Taxes	Tax rate of 1.45%	\$3,493.81	\$2,862.72	(\$631.09)	-18.06%
				1900	Fringe	Fringe Rate of 34.88%	\$105,389.21	\$109,344.61	\$3,955.40	3.75%
				1900	Taxes	Tax rate of 1.45%	\$5,253.73	\$4,545.58	(\$708.15)	-13.48%
				5000	Fringe	Fringe Rate of 34.88% on AA	\$577,716.32	\$701,977.57	\$124,261.25	21.51%
				5000	Taxes	Tax rate of 1.45% on AA	\$28,799.60	\$29,181.98	\$382.38	1.33%
				5000	Taxes	Tax Rate of 1.45% on Contracted Staff	\$4,783.30	\$0.00	(\$4,783.30)	-100.00%
				7000	Fringe	Fringe Rate of 34.88%	\$130,931.24	\$138,708.95	\$7,777.71	5.94%
				7000	Taxes	Tax Rate of 1.45%	\$6,527.03	\$5,766.28	(\$760.75)	-11.66%
		D15	Workers' Compensation Chargebacks	1100	Worker's Comp Chargeback	Worker's Comp Chargeback	\$49,000.00	\$50,000.00	\$1,000.00	2.04%
		<b>Obj Class Totals:</b>					<b>\$2,173,258.60</b>	<b>\$2,208,049.76</b>	<b>\$34,791.16</b>	<b>1.60%</b>
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies	1000	Supplies	Adoni Spring Water	\$5,000.00	\$2,500.00	(\$2,500.00)	-50.00%
				1000	Supplies	Cam Office Supplies	\$10,000.00	\$10,000.00	\$0.00	0.00%
				1000	Supplies	W.B. Mason	\$25,000.00	\$25,000.00	\$0.00	0.00%
				1200	Supplies	Office Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%
				5000	Supplies	Supplies	\$5,000.00	\$5,000.00	\$0.00	0.00%
		E02	Printing Expenses & Supplies	1000	Printing	Sir Speedy	\$3,950.00	\$3,950.00	\$0.00	0.00%
				1600	Printing	Flyer printing/Workforce Development	\$2,000.00	\$10,000.00	\$8,000.00	400.00%
				1800	Printing	Printing	\$6,100.00	\$6,100.00	\$0.00	0.00%
				7000	Supplies	Supplies for new employees and temporary operations in Springfield	\$5,000.00	\$10,000.00	\$5,000.00	100.00%
		E05	Postage Chargeback	1000	Postage	ITD PAD Chargeback for postal Services	\$2,600.00	\$2,664.00	\$64.00	2.46%
		E06	Postage	1000	Postage	Postage for Ashburton Mail Room	\$2,400.00	\$2,400.00	\$0.00	0.00%
				1000	Postage	Postage for Pitney Bowes, Fed Ex, UPS	\$1,500.00	\$1,500.00	\$0.00	0.00%
				7000	Postage	Federal Express Charges	\$1,000.00	\$1,500.00	\$500.00	50.00%
		E12	Subscriptions, Memberships & Licensing Fees	1100	Subscriptions	Subscriptions, Memberships & Licensing Fees SHRM, NEHRA, The Partnership	\$2,000.00	\$2,000.00	\$0.00	0.00%
				1200	Subscriptions	Subscriptions and Memberships Westlaw ABA	\$5,000.00	\$7,000.00	\$2,000.00	40.00%
				1500	Subscriptions	Trade Journals	\$3,000.00	\$3,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		E12	Subscriptions, Memberships & Licensing Fees	1600	Administrative Expenses	Marketing Sponsorships of Diversity and Opportunity Events --Best Corp (Workforce Event) --Colette Phillips Get Connected (Series of Diversity Events) --Dudley Square Sponsorship --Target Springfield Events	\$25,000.00	\$25,000.00	\$0.00	0.00%
				1800	Subscriptions	Subscriptions, Licensing, Memberships	\$25,000.00	\$25,000.00	\$0.00	0.00%
				1900	Subscriptions/Memberships	Instatrac subscription	\$0.00	\$5,000.00	\$5,000.00	#Div/0!
				5000	Subscriptions	Lexis Nexis,Hire Authority, Nat.Student Loan Increase of \$500/month for GOLD Subscription Service	\$49,000.00	\$55,000.00	\$6,000.00	12.24%
		E13	Advertising Expenses	1200	Reg Advertising	Advertising of Regs and Meetings	\$5,000.00	\$5,000.00	\$0.00	0.00%
		E15	Bottled Water	1000	Water	Quench	\$500.00	\$684.00	\$184.00	36.80%
		E18	State Single Audit Chargeback	1000	FY 17 Chargeback Single State Audit	Chargeback	\$250.00	\$300.00	\$50.00	20.00%
		E19	Fees, Fines, Licenses, Permits & Chargebacks	1000	Fees, Fines, Licensed, Chargebakcs	EZ Pass	\$0.00	\$300.00	\$300.00	#Div/0!
				1100	Licenses	Fees, Fines, Licenses, Permits & Chargebacks for HRCMS and HRD	\$2,653.00	\$2,653.00	\$0.00	0.00%
		E20	Motor Vehicle Chargeback	1000	OVM	Motorized Vehicle Chargeback--Leases of ford fusion and ford escape	\$12,689.64	\$12,689.64	\$0.00	0.00%
		E22	Temp Use Space/Confer-Incidental Includes Reservation Fees	1000	Laz Parking	Parking at 33 Arch St. 13 spaces	\$70,200.00	\$54,000.00	(\$16,200.00)	-23.08%
				1500	75-101 Parking Garage	Parking 75-101	\$28,200.00	\$28,200.00	\$0.00	0.00%
				1500	Meeting Space	Temporary Space \$1.2/mtg @ 6mtgs	\$7,500.00	\$7,500.00	\$0.00	0.00%
				1600	Conferences	Access Opportunity Meetings	\$7,000.00	\$7,000.00	\$0.00	0.00%
				1900	Conferences and Incidentals	Gaming Policy Advisory Committee	\$0.00	\$6,000.00	\$6,000.00	#Div/0!
		E30	Credit Card Purchases	1000	Credit Card	Credit Card Incidental Purchases	\$0.00	\$500.00	\$500.00	#Div/0!
				1300	Credit Card	Credit Card Purchases	\$15,000.00	\$15,000.00	\$0.00	0.00%
				1500	Credit Card	Allowable Credit Card Expenses	\$12,500.00	\$12,500.00	\$0.00	0.00%
				5000	Credit Card	Credit Card Purchases	\$15,000.00	\$15,000.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ	1000	Travel	Travel Agency Fees	\$0.00	\$5,000.00	\$5,000.00	#Div/0!
				1200	Travel	Conference/Trainings	\$10,000.00	\$10,000.00	\$0.00	0.00%
				1400	Travel	Travel Agent Expenses	\$6,000.00	\$6,000.00	\$0.00	0.00%
				1600	Travel	Travel Agent	\$1,000.00	\$2,000.00	\$1,000.00	100.00%
				5000	Travel Agent	Travel Agent for Trainings and Investigations	\$100,000.00	\$100,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		E41	Out Of State Travel Expen on Behalf of State Employ	7000	Travel Agent	Great Getaways G2E for meetings with Vendors and Licensing of Primaries	\$5,000.00	\$12,000.00	\$7,000.00	140.00%
		E56	Secretariat Central Services Chargeback	1400	IT Support	ANF Chargeback for IT services (Help Desk Charges \$659.79 per desktop)	\$52,783.00	\$52,783.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees	1000	Conference Registrations	Registration Fees	\$0.00	\$5,000.00	\$5,000.00	#Div/0!
				1100	Training	Conference, Training and Registration Fees Career Development and Training •Diversity training for additional staff •Management Training •Business writing class for all new gaming agents •Senior MGT lunch and learns sessions (Betty Hoffman, on	\$3,000.00	\$13,000.00	\$10,000.00	333.33%
				1100	ISA with EOHHS	EOHHS Professional Development (MasSP Trainings)	\$0.00	\$12,000.00	\$12,000.00	#Div/0!
				1300	Gaming Forum	Gaming Forum TBD	\$10,000.00	\$10,000.00	\$0.00	0.00%
				1500	Registration Fees	Conference/Trainings	\$5,000.00	\$5,000.00	\$0.00	0.00%
				5000	Registrations	Training/Conference Registration Fees.	\$25,000.00	\$30,000.00	\$5,000.00	20.00%
				7000	Conferences	Conference, Training & Registration.	\$5,000.00	\$5,000.00	\$0.00	0.00%
		EE9	Employee Recognition Chargeback	1100	Employee Morale	Employee Recognition Program	\$10,000.00	\$5,000.00	(\$5,000.00)	-50.00%
		<b>Obj Class Totals:</b>					<b>\$592,825.64</b>	<b>\$647,723.64</b>	<b>\$54,898.00</b>	<b>9.26%</b>
	GG	ENERGY COSTS AND SPACE RENTAL								
	G01	Space Rental		1000	Office Lease	101 Federal St. 12 months	\$1,161,267.18	\$1,182,473.94	\$21,206.76	1.83%
				1000	Rent	Umass Office Rent	\$0.00	\$2,540.00	\$2,540.00	#Div/0!
				1400	Data Center	Markley Data Center Costs (Rack Space \$10.8K, Electricity \$13.2K, and Fiber \$4K)	\$28,080.00	\$28,080.00	\$0.00	0.00%
	G03	Electricity		1000	Electricity	101 Federal St. 12 months	\$32,635.44	\$32,635.44	\$0.00	0.00%
	G05	Fuel For Vehicles		1000		Wex Bank/Gulf	\$0.00	\$1,500.00	\$1,500.00	#Div/0!
		<b>Obj Class Totals:</b>					<b>\$1,221,982.62</b>	<b>\$1,247,229.38</b>	<b>\$25,246.76</b>	<b>2.07%</b>
	HH	CONSULTANT SVCS (TO DEPTS)								
	H09	Attorneys/Legal Services		1000	Insurance	Comprehensive Insurance Policy	\$125,000.00	\$86,450.00	(\$38,550.00)	-30.84%
				1100	Worker's Comp	Workers Comp Litigation Fees	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1200	Litigation Defense	Outside Counsel Litigation Defense	\$400,000.00	\$400,000.00	\$0.00	0.00%
				1200	Litigation Defense	Outside Counsel Review of PRR	\$31,600.00	\$0.00	(\$31,600.00)	-100.00%
				1200	Outside Counsel	General Practice, Regulations, Laws, etc.	\$176,003.14	\$80,000.00	(\$96,003.14)	-54.55%
				1200	Outside Counsel	Labor Employment Law	\$20,000.00	\$20,000.00	\$0.00	0.00%
	H19	Management Consultants		1000		CPA Firm for Annual Audits consistent with Generally Accepted Auditing Standards	\$0.00	\$38,550.00	\$38,550.00	#Div/0!
				1200	Hearing Officer	Hearing Officer	\$32,000.00	\$32,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		H19	Management Consultants	1300	Gaming Consultant	Gaming Consultant for Legal, and General Matters	\$180,000.00	\$0.00	(\$180,000.00)	-100.00%
				1300	Strategic Consultant	General Consultant needs for OPM, Commissioners or Executive Director	\$20,000.00	\$40,000.00	\$20,000.00	100.00%
				1300	Tribal Consultant	Gaming Consultant for Tribal Matters	\$60,000.00	\$0.00	(\$60,000.00)	-100.00%
				1500	Consultants Reviews	Consultants	\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
				1600	Consultants	MCCTI Statewide WF Coordinator	\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
				1900	Construction Consultants	Construction, Economic Development, Planning, Design, etc consultants	\$50,000.00	\$0.00	(\$50,000.00)	-100.00%
		HH3	Media Design, Editorial and Communication	1600	Consultants Media Design	Women in Construction Outreach	\$100,000.00	\$0.00	(\$100,000.00)	-100.00%
				1800	Streaming	Pyxis Streaming & Production of Public Meetings	\$0.00	\$0.00	\$0.00	#Num!
				1800	Website Design	Marketing & Website Design	\$25,000.00	\$25,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$1,324,603.14</b>	<b>\$727,000.00</b>	<b>(\$597,603.14)</b>	<b>-45.12%</b>
	JJ		OPERATIONAL SERVICES							
		J01	Accreditation Review Costs	5000	Temp Services		\$7,500.00	\$0.00	(\$7,500.00)	-100.00%
		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	\$175,000.00	\$0.00	0.00%
				5000	Plainville Police Salaries	Plainville Police Salaries	\$271,120.15	\$273,000.00	\$1,879.85	0.69%
				5000	State Police	MGC Salaries for MGC Investigations and Background Unit 1DLT 1LT 6 TRP 4 TDY TRPs June 2018 \$9,024.17	\$889,331.94	\$969,003.97	\$79,672.03	8.96%
				5000	State Police	MGC State Police Troopers Plainville Straight Time and Payroll Taxes	\$1,088,506.30	\$1,283,085.53	\$194,579.23	17.88%
				5000	State Police OT & Travel	MGC OT and Travel for Investigations and Plainville Troopers	\$612,500.00	\$750,000.00	\$137,500.00	22.45%
				5000	State Police	MSP Staff Costs at MGM 19 FTEs coming on at different times: LT--1/1/18 Start Sergeants--5/1/18 Start Troopers--5/1/18 Start	\$0.00	\$448,768.12	\$448,768.12	#Div/0!
		J28	Law Enforcement	5000	Lease Vehicles	Plainville Law Enforcement Vehicles	\$8,877.39	\$8,877.39	\$0.00	0.00%
		J33	Photographic & Micrographic Services	1500	Stenographer	Court Reports and Stenography \$2.1K/mtg	\$54,600.00	\$54,600.00	\$0.00	0.00%
		J46	Temporary Help Services	7000	Temp Help Services	Temp Help to assist with processing application during MGM opening	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
		JJ1	Legal Support Services	1200	Litigation Defense	Target Litigation	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
				1200		Offsite Storage	\$0.00	\$2,500.00	\$2,500.00	#Div/0!

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		JJ1	Legal Support Services	1900	Stenographers	4 GPAC meetings 8 Local Community mitigation advisory meetings	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
		JJ2	Auxiliary Services	1000	Courier	USA Couriers	\$500.00	\$200.00	(\$300.00)	-60.00%
				1000	Shredding	ProShred	\$1,500.00	\$750.00	(\$750.00)	-50.00%
				1100	EAP	Crisis Management EAP program	\$2,000.00	\$2,000.00	\$0.00	0.00%
				1100	HR Investigations	HR Investigations	\$15,000.00	\$10,000.00	(\$5,000.00)	-33.33%
				1100	Testing	The Hire Authority	\$2,750.00	\$5,000.00	\$2,250.00	81.82%
				1800	Streaming	Streaming & Production of Public Meetings	\$30,000.00	\$30,000.00	\$0.00	0.00%
		<b>Obj Class Totals:</b>					<b>\$3,179,185.78</b>	<b>\$4,022,785.01</b>	<b>\$843,599.23</b>	<b>26.54%</b>
		KK	EQUIPMENT PURCHASE							
		K07	Office Furnishings	5000	Gaming Equipment	4 Kobetron--\$1.5K/machine 2 Electronic Fingerprint Machine and Software--\$22K/machine ID Checker--\$1.6K Various--\$2K	\$8,400.00	\$53,444.00	\$45,044.00	536.24%
				5000	Office Equipment	Configuration and build-out of IEB space due to increased staffing	\$0.00	\$15,000.00	\$15,000.00	#Div/0!
				7000	Equipment Purchases	Equipment for new employees	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
		<b>Obj Class Totals:</b>					<b>\$8,400.00</b>	<b>\$78,444.00</b>	<b>\$70,044.00</b>	<b>833.86%</b>
		LL	EQUIPMENT LEASE-MAINTAIN/REPAR							
		L24	Motorized Vehicle Equipment Rental or Lease	1000	Rental Cars	Enterprise Car Rental	\$2,500.00	\$500.00	(\$2,000.00)	-80.00%
		L25	Office Equipment Rental or Lease	1000	Printing	Pitney Bowes	\$200.00	\$532.80	\$332.80	166.40%
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease	1000	Copier	Canon Financial Services Recurring Payment of \$5.4K for 13th floor Recurring Payment of \$4.8K IEB Per Click costs of \$2.5K	\$7,500.00	\$12,738.00	\$5,238.00	69.84%
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair	1000	Copier	Canon USA/Maintenance & Repair	\$3,000.00	\$3,000.00	\$0.00	0.00%
				1000	Xerox Leases	Xerox Leases Recurring Payments of \$11.1K for 3 machines Per Click costs of \$4.2K (avg of this year)	\$16,483.80	\$15,336.00	(\$1,147.80)	-6.96%
		<b>Obj Class Totals:</b>					<b>\$29,683.80</b>	<b>\$32,106.80</b>	<b>\$2,423.00</b>	<b>8.16%</b>
		NN	INFRASTRUCTURE:							
		N50	Non-Major Facility Infrastructure Maintenance and Repair	1000	Repairs	Office/Building Repairs	\$0.00	\$1,000.00	\$1,000.00	#Div/0!
		<b>Obj Class Totals:</b>					<b>\$0.00</b>	<b>\$1,000.00</b>	<b>\$1,000.00</b>	<b>#Div/0!</b>
		PP	STATE AID/POL SUB							

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		P01	Grants To Public Entities	1600	Grants	Worforce Development and Diversity Grants --Women In construction Outreach --WF Coordinator Community Colleges --Gaming Training Schools --Regional WF Collaborations	\$125,000.00	\$150,000.00	\$25,000.00	20.00%
Obj Class Totals:							\$125,000.00	\$150,000.00	\$25,000.00	20.00%
		UU	IT Non-Payroll Expenses							
		U01	Telecommunications Services Data	1400	Plainridge IT	VPN Accounts	\$8,100.00	\$8,100.00	\$0.00	0.00%
				1400	Plainridge Video	Video Circuit for Boston & Plainville for Surveillance and CMS	\$96,124.00	\$76,500.00	(\$19,624.00)	-20.42%
		U02	Telecommunications Services - Voice	1400	Cable	Comcast Internet (Gaming Lab) and Cable Service (Meeting Rooms)	\$4,800.00	\$4,800.00	\$0.00	0.00%
				1400	Cellular Service	Cell Phone Service	\$64,985.00	\$65,985.00	\$1,000.00	1.54%
				1400	Phone Lines	Conference Bridge Lines	\$1,980.00	\$1,980.00	\$0.00	0.00%
				1400	Phone Lines	DSCI phone services	\$9,000.00	\$9,000.00	\$0.00	0.00%
				1400	Phone Lines	MCI Fax Line	\$480.00	\$500.00	\$20.00	4.17%
				1400	Phone Lines	Windstream WAN for Data Connection \$1.5K/month	\$18,000.00	\$18,000.00	\$0.00	0.00%
				1400	Phone Lines	Measured Business Lines	\$6,540.00	\$6,550.00	\$10.00	0.15%
				5000	Mobile Devices	Wifi Cards for Staff \$50/month	\$12,000.00	\$12,000.00	\$0.00	0.00%
		U04	Information Technology Chargeback	1400	Internet	MAGNET (Internet Access -2x50Mbps @ \$3,686/month, 1x20Mbps @ \$3138/month, 1x0.06units @ \$105.30/month)	\$127,384.00	\$118,454.00	(\$8,930.00)	-7.01%
				1400	IT Support	ANF Chargeback for Space at Chelsea and Springfield	\$89,000.00	\$89,000.00	\$0.00	0.00%
				1400	OSC Chargeback	MMARS Chargeback	\$10,636.00	\$10,000.00	(\$636.00)	-5.98%
		U05	Information Technology (IT) Temp Staff Augmentation Profs	1400	CMS	CMS - IGT Intelligen	\$2,262,544.68	\$2,262,544.68	\$0.00	0.00%
				1400	Consultant	IT Consultants Gartner	\$42,900.00	\$30,000.00	(\$12,900.00)	-30.07%
				1400	Consulting	IT Consulting Support @ \$100/hr (Advizex and Soltrix) \$25K for GLI Testing	\$50,000.00	\$75,000.00	\$25,000.00	50.00%
				1400	LMS	Licensing System Continual Upgrades to Phase 1 and Phase 2 Development	\$500,000.00	\$500,000.00	\$0.00	0.00%
				1400	Training	Technical Training	\$10,000.00	\$10,000.00	\$0.00	0.00%
				1400	Training	User Training - EMC System Training	\$10,000.00	\$0.00	(\$10,000.00)	-100.00%
		U06	Information Technology (IT) Cabling	1400	Phone	FTG Phone lines maintenance etc.	\$15,000.00	\$14,000.00	(\$1,000.00)	-6.67%
		U07	Information Technology (IT) Equipment	1400	Hardware	Gaming Technology Laboratory Equipment	\$5,000.00	\$5,000.00	\$0.00	0.00%
				1400	Maintenance	VMWare Mainteance	\$19,185.00	\$21,000.00	\$1,815.00	9.46%
				1400	Miscellaneous	Miscellaneous Equipment--Equipment for new troopers and gaming agents	\$20,000.00	\$30,000.00	\$10,000.00	50.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	MGC Regulatory Costs									
		U07	Information Technology (IT) Equipment	1400	Printers	Printers @\$250/printer	\$2,500.00	\$2,000.00	(\$500.00)	-20.00%
				1400	Servers	Servers and Storage	\$50,000.00	\$40,000.00	(\$10,000.00)	-20.00%
				1400	Software	Adobe, Sharepoint, Office 365, Project, Vizio, Dragon, Winzip	\$50,000.00	\$50,000.00	\$0.00	0.00%
				1400	Software	CodeGuard MGC Website Backup Service	\$1,764.00	\$2,000.00	\$236.00	13.38%
				1400	Software	Kobitron - GLI Testing Platform	\$1,500.00	\$1,500.00	\$0.00	0.00%
				1400	Software	Prezi Software	\$3,180.00	\$3,300.00	\$120.00	3.77%
		U09	Information Technology (IT) Equip Rental Or Lease	1400	Leases	HP Leases	\$89,714.00	\$89,500.00	(\$214.00)	-0.24%
				1400	Mobile Devices	Mobile Device Management (@ \$3.95/year/unit)	\$4,029.00	\$4,000.00	(\$29.00)	-0.72%
		U10	Information Tech (IT) Equipment Maintenance & Repair	1000	Cable	Cable/Comcast	\$1,900.00	\$4,500.00	\$2,600.00	136.84%
				1400	Maintenace		\$2,980.00	\$0.00	(\$2,980.00)	-100.00%
				1400	Maintenance	Aruba Maintenance	\$925.50	\$1,000.00	\$74.50	8.05%
				1400	Maintenance	EMC Maintenance	\$50,000.00	\$50,000.00	\$0.00	0.00%
				1400	Maintenance	Printer Maintenance	\$425.00	\$500.00	\$75.00	17.65%
		<b>Obj Class Totals:</b>					<b>\$3,642,576.18</b>	<b>\$3,616,713.68</b>	<b>(\$25,862.50)</b>	<b>-0.71%</b>
	MGC Regulatory Costs	<b>Totals:</b>					<b>\$18,484,154.63</b>	<b>\$18,759,583.76</b>	<b>\$275,429.13</b>	<b>1.49%</b>

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Indirect									
		EE	ADMINISTRATIVE EXPENSES							
		E16	Indirect Cost Recoupment	2000	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$1,635,476.20	\$1,659,949.80	\$24,473.60	1.50%
			Obj Class Totals:				\$1,635,476.20	\$1,659,949.80	\$24,473.60	1.50%
	Indirect		Totals:				\$1,635,476.20	\$1,659,949.80	\$24,473.60	1.50%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Research and Responsible Gaming/PHTF									
		AA	REGULAR EMPLOYEE COMPENSATION							
		A01	Salaries: Inclusive	1700	DPH ISA Salary	DPH ISA Salary	\$90,000.00	\$0.00	(\$90,000.00)	-100.00%
				1700	Employee Compensation	Employee Salaries	\$232,465.30	\$205,317.50	(\$27,147.80)	-11.68%
			<b>Obj Class Totals:</b>				<b>\$322,465.30</b>	<b>\$205,317.50</b>	<b>(\$117,147.80)</b>	<b>-36.33%</b>
		BB	REGULAR EMPLOYEE RELATED EXPEN							
		B01	Other Out Of State Travel - INCLUSIVE: AIRFARE, HOTEL, LODGI	1700	ISA DPH	DPH ISA Travel	\$3,000.00	\$0.00	(\$3,000.00)	-100.00%
				1700	Travel	Out of State Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
		B02	In-State Travel	1700	Travel	In-State-Travel Reimbursements	\$3,000.00	\$3,000.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$9,000.00</b>	<b>\$6,000.00</b>	<b>(\$3,000.00)</b>	<b>-33.33%</b>
		CC	SPECIAL EMPLOYEES							
		C23	Management, Business Professionals & Admin Services	1700	ISA DPH	DPH ISA 120 day employee	\$20,000.00	\$0.00	(\$20,000.00)	-100.00%
			<b>Obj Class Totals:</b>				<b>\$20,000.00</b>	<b>\$0.00</b>	<b>(\$20,000.00)</b>	<b>-100.00%</b>
		DD	PENSION & INSURANCE RELATED EX							
		D09	Fringe Benefit Cost Recoupment	1700	DPH ISA Fringe rate of 33.5%	DPH ISA Fringe rate of 34.88%	\$30,150.00	\$0.00	(\$30,150.00)	-100.00%
				1700	Fringe	Fringe rate of 34.88%	\$77,875.86	\$71,614.74	(\$6,261.12)	-8.04%
				1700	ISA Taxes	Tax rate of 1.45%	\$1,837.00	\$0.00	(\$1,837.00)	-100.00%
				1700	Taxes	Tax rate of 1.45%	\$3,882.17	\$2,977.10	(\$905.07)	-23.31%
			<b>Obj Class Totals:</b>				<b>\$113,745.03</b>	<b>\$74,591.84</b>	<b>(\$39,153.19)</b>	<b>-34.42%</b>
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies	1700	ISA DPH	ISA DPH Supplies	\$500.00	\$0.00	(\$500.00)	-100.00%
		E16	Indirect Cost Recoupment	1700	ISA DPH	ISA Indirect Charges	\$13,394.00	\$0.00	(\$13,394.00)	-100.00%
		E41	Out Of State Travel Expen on Behalf of State Employ	1700	Travel Agency Fees	Great Getaways	\$0.00	\$4,000.00	\$4,000.00	#Div/0!
		E98	Reimbursement for Traval and Other Expenses for Board Member	1700	Council Travel	Conference Attendance for Council on Compulsive Gambling	\$1,825.00	\$0.00	(\$1,825.00)	-100.00%
		EE2	Conference, Training and Registration Fees	1700	Conferences	Conference, Training & Registration Fees	\$7,000.00	\$4,000.00	(\$3,000.00)	-42.86%
				1700	ISA DPH	DPH ISA Conference Membership and Registration Fees	\$3,000.00	\$0.00	(\$3,000.00)	-100.00%
			<b>Obj Class Totals:</b>				<b>\$25,719.00</b>	<b>\$8,000.00</b>	<b>(\$17,719.00)</b>	<b>-68.89%</b>
		FF	FACILITY OPERATIONAL EXPENSES							
		F16	Library & Teaching Supplies & Materials	1700	Books	Library/reference books	\$500.00	\$500.00	\$0.00	0.00%
			<b>Obj Class Totals:</b>				<b>\$500.00</b>	<b>\$500.00</b>	<b>\$0.00</b>	<b>0.00%</b>
		HH	CONSULTANT SVCS (TO DEPTS)							
		H09	Attorneys/Legal Services	1700	Crime Analysis	Crime Analyst	\$30,000.00	\$50,000.00	\$20,000.00	66.67%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission		Research and Responsible Gaming/PHTF							
		H23	Program Coordinators	1700	Branding	GameSense media buys etc. MORE Advertising	\$200,000.00	\$150,000.00	(\$50,000.00)	-25.00%
				1700	Consultants	Cambridge Health Alliance contract costs	\$510,000.00	\$400,000.00	(\$110,000.00)	-21.57%
				1700	Council Members Stipends	Council Members Stipends	\$0.00	\$0.00	\$0.00	#Num!
				1700	Mass Council	Mass Council on Compulsive Gambling including 4 employees to man Game Sense booth at Penn --Staffed 16 hrs per day --VSE --Play My Way --Required by Statute Chapter 194, Section 9	\$580,000.00	\$640,000.00	\$60,000.00	10.34%
				1700	Special Study	Public Health Trust Fund requested study of a sub-population	\$100,000.00	\$100,000.00	\$0.00	0.00%
				1700	GRAC/RDASC/Research Consultants	Bruce Cohen--\$20K Other Consultants on Stipends max of \$20K Peer Review process for research agenda	\$0.00	\$40,000.00	\$40,000.00	#Div/0!
		H98	Reim Trav/Exp For Consultant Services	1700	Council Travel	Mass Council Travel	\$7,500.00	\$0.00	(\$7,500.00)	-100.00%
			<b>Obj Class Totals:</b>				<b>\$1,427,500.00</b>	<b>\$1,380,000.00</b>	<b>(\$47,500.00)</b>	<b>-3.33%</b>
		JJ	OPERATIONAL SERVICES							
		J62	Contracted (Non-employees) Advisory Board or Commission Mem	1700	Council Member Stipends	Council Members Stipends	\$20,000.00	\$0.00	(\$20,000.00)	-100.00%
			<b>Obj Class Totals:</b>				<b>\$20,000.00</b>	<b>\$0.00</b>	<b>(\$20,000.00)</b>	<b>-100.00%</b>
		MM	PURCHASED CLIENT/PROGRAM SVCS							
		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	\$15,000.00	(\$10,000.00)	-40.00%
				1700	Problem Gambling	Problem Gambling Solutions--Jeff Marotta reviewing applications and consultations	\$15,000.00	\$10,000.00	(\$5,000.00)	-33.33%
			<b>Obj Class Totals:</b>				<b>\$40,000.00</b>	<b>\$25,000.00</b>	<b>(\$15,000.00)</b>	<b>-37.50%</b>
		PP	STATE AID/POL SUB							
		P01	Grants To Public Entities	1700	Data Storage Grant	Final Component of Research Agenda data storage of player data to not-for-profit entity	\$150,000.00	\$75,000.00	(\$75,000.00)	-50.00%
				1700	DPH ISA Strategic Planning Grants	DPH ISA Strategic Planning Grants	\$325,000.00	\$0.00	(\$325,000.00)	-100.00%
				1700	Umass	Magic Core/Optional--Cohort Study	\$1,080,000.00	\$1,200,000.00	\$120,000.00	11.11%
				1700	DPH ISA	DPH ISA for operations and grants from public health trust fund. Balance remaining from \$5M after research agenda is accounted for.	\$0.00	\$1,140,197.00	\$1,140,197.00	#Div/0!
		P06	Other Financial Assistance to State Authorities	1700	Umass	Seigma/Umass core--Baseline Study on-going	\$900,000.00	\$800,000.00	(\$100,000.00)	-11.11%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Research and Responsible Gaming/PHTF									
Obj Class Totals:							\$2,455,000.00	\$3,215,197.00	\$760,197.00	30.97%
		UU	IT Non-Payroll Expenses							
		U07	Information Technology (IT) Equipment	1700	Play Management	Development of Play Management Software	\$65,000.00	\$65,000.00	\$0.00	0.00%
				1700	ITRAK	Development of ITRAK and Migration from Current Process	\$0.00	\$10,000.00	\$10,000.00	#Div/0!
Obj Class Totals:							\$65,000.00	\$75,000.00	\$10,000.00	15.38%
	Research and Responsible Gaming/PHTF		Totals:				\$4,498,929.33	\$4,989,606.34	\$490,677.01	10.91%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
			Office of Attorney General and AGO MSP							
		JJ	OPERATIONAL SERVICES							
		J25	Laboratory & Pharmaceutical Services	9000	State Police	AGO State Police OT	\$250,000.00	\$350,000.00	\$100,000.00	40.00%
				9000	State Police	AGO Straight Time Troopers and Payroll Taxes 4 FTEs for FY18	\$222,303.76	\$501,256.98	\$278,953.22	125.48%
				9000	State Police	MSP Staff Costs at AGO for 2 additional troopers for 26 pay periods in FY18 bringing total for the MSP AGO Gaming Unit to 6 FTEs	\$0.00	\$217,160.00	\$217,160.00	#Div/0!
			Obj Class Totals:				\$472,303.76	\$1,068,416.98	\$596,113.22	126.21%
		OO								
		O99		9000	Attorney General	18 FTEs, various percentages of an additional nine (9) supervisor and support positions ~5.5 FTEs, \$500K in office space buildout including \$400K of an approximate \$1M renovation of MSP space, travel, conferences, and investigative costs.	\$1,904,540.60	\$2,600,000.00	\$695,459.40	36.52%
			Obj Class Totals:				\$1,904,540.60	\$2,600,000.00	\$695,459.40	36.52%
			Office of Attorney General and AGO MSP Totals:				\$2,376,844.36	\$3,668,416.98	\$1,291,572.62	54.34%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
	Alcohol and Beverage Control Commission									
		00								
		001		9001	ISA with ABCC	Moved to a new unit this year	\$0.00	\$75,000.00	\$75,000.00	#Div/0!
				9001	ISA with ABCC	Was in IEB Moved to a new unit this year	\$75,000.00	\$0.00	(\$75,000.00)	-100.00%
		Obj Class Totals:					\$75,000.00	\$75,000.00	\$0.00	0.00%
	Alcohol and Beverage Control Commission	Totals:					\$75,000.00	\$75,000.00	\$0.00	0.00%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500001	Mass. Gaming Commission									
<b>Appropriation Totals</b>							<b>\$27,070,404.52</b>	<b>\$29,152,556.88</b>	<b>\$2,082,152.36</b>	<b>7.69%</b>
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
	AA	REGULAR EMPLOYEE COMPENSATION								
	A01	Salaries: Inclusive		1000	Employee Compensation	Admin Employees Salaries	\$24,808.99	\$163,926.80	\$139,117.81	560.76%
				1100	Employee Compensation	HR Employees Salaries	\$6,131.76	\$83,782.66	\$77,650.90	1266.37%
				1100	Cost of Living Increases Agency Wide	Cost of Living Increases Agency Wide	\$11,066.66	\$0.00	(\$11,066.66)	-100.00%
				1200	Employee Compensation	Legal Employees Salaries	\$7,590.34	\$36,509.62	\$28,919.28	381.00%
				1300	Employee Compensation	Exec. Dir. Employees Salaries	\$9,321.15	\$35,911.23	\$26,590.08	285.27%
				1400	Employee Compensation	IT Employees Salaries	\$9,735.42	\$34,287.81	\$24,552.39	252.20%
				1500	Employee Compensation	Commissioners Employees Salaries	\$30,868.79	\$53,893.50	\$23,024.71	74.59%
				1800	Employee Compensation	Communications Employees Salaries	\$0.00	\$11,272.11	\$11,272.11	#Div/0!
				3000	Employee Compensation	Regular Employee Salaries	\$280,432.22	\$293,177.00	\$12,744.78	4.54%
	A14	Stipends, Bonus Pay & Awards		1100	Bonus incentives	Bonus incentives	\$3,688.89	\$0.00	(\$3,688.89)	-100.00%
	<b>Obj Class Totals:</b>						<b>\$383,644.22</b>	<b>\$712,760.73</b>	<b>\$329,116.51</b>	<b>85.79%</b>
	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	\$10,000.00	\$0.00	0.00%
	B02	In-State Travel		3000	Travel	In State Travel Reimbursement	\$2,000.00	\$2,000.00	\$0.00	0.00%
	<b>Obj Class Totals:</b>						<b>\$12,000.00</b>	<b>\$12,000.00</b>	<b>\$0.00</b>	<b>0.00%</b>
	CC	SPECIAL EMPLOYEES								
	C04	Contracted Seasonal Employees		3000	Seasonals	Seasonal salaries for Plainridge at 35 weeks	\$330,000.00	\$360,000.00	\$30,000.00	9.09%
	<b>Obj Class Totals:</b>						<b>\$330,000.00</b>	<b>\$360,000.00</b>	<b>\$30,000.00</b>	<b>9.09%</b>
	DD	PENSION & INSURANCE RELATED EX								
	D09	Fringe Benefit Cost Recoupment		1000	Fringe	Fringe Rate of 34.88%	\$8,311.01	\$57,177.67	\$48,866.66	587.97%
				1000	Taxes	Tax Rate of 1.45%	\$414.31	\$2,376.94	\$1,962.63	473.71%
				1100	Fringe	Fringe Rate of 34.88%	\$2,054.14	\$29,223.39	\$27,169.25	1322.66%
				1100	Taxes	Tax Rate of 1.45%	\$102.40	\$1,214.85	\$1,112.45	1086.38%
				1200	Fringe	Fringe Rate of 34.88%	\$2,542.76	\$12,734.56	\$10,191.80	400.82%
				1200	Taxes	Tax Rate of 1.45%	\$126.76	\$529.39	\$402.63	317.63%
				1300	Fringe	Fringe Rate of 34.88%	\$3,122.59	\$12,525.83	\$9,403.24	301.14%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
		D09	Fringe Benefit Cost Recoupment	1300	Taxes	Tax Rate of 1.45%	\$155.66	\$520.71	\$365.05	234.52%
				1400	Fringe	Fringe Rate of 34.88%	\$3,261.37	\$11,959.58	\$8,698.21	266.70%
				1400	Taxes	Tax Rate of 1.45%	\$162.58	\$497.17	\$334.59	205.80%
				1500	Fringe	Fringe Rate of 34.88%	\$10,341.04	\$18,798.05	\$8,457.01	81.78%
				1500	Taxes	Tax Rate of 1.45%	\$515.51	\$781.46	\$265.95	51.59%
				1800	Fringe	Fringe rate of 34.88%	\$0.00	\$3,931.71	\$3,931.71	#Div/0!
				1800	Taxes	Tax rate of 1.45%	\$0.00	\$163.44	\$163.44	#Div/0!
				3000	Fringe	Fringe Rate of 34.88%	\$93,944.79	\$102,260.14	\$8,315.35	8.85%
				3000	Taxes	Tax Rate of 1.45%	\$4,683.22	\$4,251.07	(\$432.15)	-9.23%
				3000	Taxes for Seasonals	Taxes for Seasonals @1.45%	\$5,511.00	\$6,012.00	\$501.00	9.09%
				7000	Fringe	Fringe Rate of 34.88%	\$0.00	\$1,295.88	\$1,295.88	#Div/0!
				7000	Taxes	Tax Rate of 1.45%	\$0.00	\$53.88	\$53.88	#Div/0!
		<b>Obj Class Totals:</b>					<b>\$135,249.14</b>	<b>\$266,307.72</b>	<b>\$131,058.58</b>	<b>96.90%</b>
		EE	ADMINISTRATIVE EXPENSES							
		E01	Office & Administrative Supplies	3000	Supplies	W.B. Mason	\$6,000.00	\$6,000.00	\$0.00	0.00%
		E02	Printing Expenses & Supplies	3000	Printing	Sir Speedy	\$500.00	\$500.00	\$0.00	0.00%
		E12	Subscriptions, Memberships & Licensing Fees	3000	Memberships	AA Dority/Organization of Racing Investigators	\$1,005.00	\$1,005.00	\$0.00	0.00%
				3000	Memberships	Assoc. of Racing Regulators	\$17,005.00	\$18,700.00	\$1,695.00	9.97%
		E13	Advertising Expenses	3000	Public Hearing Notices	Boston Globe	\$1,000.00	\$1,000.00	\$0.00	0.00%
				3000	Public Hearing Notices	Boston Herald	\$700.00	\$700.00	\$0.00	0.00%
				3000	Public Hearing Notices	Dow Jones/Cape Cod Times	\$150.00	\$150.00	\$0.00	0.00%
				3000	Public Hearing Notices	Sun Chronical	\$300.00	\$300.00	\$0.00	0.00%
		E15	Bottled Water	3000	Water	Belmont Springs/DS Waters of America	\$200.00	\$200.00	\$0.00	0.00%
		E41	Out Of State Travel Expen on Behalf of State Employ	3000	Travel Agent	Travel	\$3,000.00	\$3,000.00	\$0.00	0.00%
		EE2	Conference, Training and Registration Fees	3000	Conferences	Assoc. of Racing Comm./Delaware Racing/Thoroughbred Racing	\$3,000.00	\$3,000.00	\$0.00	0.00%
		<b>Obj Class Totals:</b>					<b>\$32,860.00</b>	<b>\$34,555.00</b>	<b>\$1,695.00</b>	<b>5.16%</b>
		FF	FACILITY OPERATIONAL EXPENSES							
		F05	Laboratory Supplies	3000	Vet Supplies	Gloves, scrubs etc.	\$2,000.00	\$2,000.00	\$0.00	0.00%
		<b>Obj Class Totals:</b>					<b>\$2,000.00</b>	<b>\$2,000.00</b>	<b>\$0.00</b>	<b>0.00%</b>
		HH	CONSULTANT SVCS (TO DEPTS)							
		H19	Management Consultants	3000	Hearing Officer	David Murray	\$25,000.00	\$25,000.00	\$0.00	0.00%
		<b>Obj Class Totals:</b>					<b>\$25,000.00</b>	<b>\$25,000.00</b>	<b>\$0.00</b>	<b>0.00%</b>

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	MGC Regulatory Costs									
		JJ	OPERATIONAL SERVICES							
		J10	Auxiliary Financial Services	3000	Credit Cards	Bank of America credit card terminal fees	\$1,000.00	\$1,000.00	\$0.00	0.00%
		J25	Laboratory & Pharmaceutical Services	3000	Testing	Health Resources Corp.	\$1,800.00	\$1,800.00	\$0.00	0.00%
		J28	Law Enforcement	3000		Mass State Police Straight and OT	\$0.00	\$465,000.00	\$465,000.00	#Div/0!
		JJ1	Legal Support Services	3000	Stenographer	Catuagno Court Reporting	\$6,500.00	\$6,500.00	\$0.00	0.00%
		JJ2	Auxiliary Services	3000	Autopsies	Trustees of Tufts College	\$22,000.00	\$22,000.00	\$0.00	0.00%
				3000	Testing Lab	HFL Sports Science	\$7,000.00	\$7,000.00	\$0.00	0.00%
				3000	Testing Lab	Industrial Laboratories	\$200,000.00	\$312,000.00	\$112,000.00	56.00%
		Obj Class Totals:					\$238,300.00	\$815,300.00	\$577,000.00	242.13%
		LL	EQUIPMENT LEASE-MAINTAIN/REPAR							
		L26	Printing/Photocopy & Micrographics Equip Rent/Lease	3000	Copier Lease	Canon Financial Solutions	\$1,500.00	\$0.00	(\$1,500.00)	-100.00%
		L46	Print, Photocopying & Micrograph Equipment Maint/Repair	3000	Maintenance Contract	K & A Industries	\$2,000.00	\$2,000.00	\$0.00	0.00%
		Obj Class Totals:					\$3,500.00	\$2,000.00	(\$1,500.00)	-42.86%
		MM	PURCHASED CLIENT/PROGRAM SVCS							
		M03	Purchased Human & Social Services For Clients/Non Medical	3000	Hardship Payments	Economic Hardship Payments	\$20,000.00	\$20,000.00	\$0.00	0.00%
				3000	Legislative Mandate	Eighth Pole	\$80,000.00	\$0.00	(\$80,000.00)	-100.00%
				3000	Legislative Mandate	Jockey's Guild	\$65,000.00	\$65,000.00	\$0.00	0.00%
		M04	Services Purch Support of Human/Social Services for Clients	3000	ISA	ISA with DPH Compulsive Gambling	\$70,000.00	\$70,000.00	\$0.00	0.00%
		Obj Class Totals:					\$235,000.00	\$155,000.00	(\$80,000.00)	-34.04%
		UU	IT Non-Payroll Expenses							
		U02	Telecommunications Services - Voice	3000	Phones	Verizon/AT&T	\$15,000.00	\$15,000.00	\$0.00	0.00%
		U05	Information Technology (IT) Temp Staff Augmentation Profs	3000	Chirms	Arthur Evans	\$62,500.00	\$16,000.00	(\$46,500.00)	-74.40%
		U09	Information Technology (IT) Equip Rental Or Lease	3000	Computer Leases	Ontario Investments	\$1,200.00	\$12,000.00	\$10,800.00	900.00%
		Obj Class Totals:					\$78,700.00	\$43,000.00	(\$35,700.00)	-45.36%
	MGC Regulatory Costs		Totals:				\$1,476,253.36	\$2,427,923.45	\$951,670.09	64.47%

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
	Indirect									
		EE	ADMINISTRATIVE EXPENSES							
		E16	Indirect Cost Recoupment	2000	Indirect Agency Wide	Indirect at 10% of AA, CC, HH, JJ and UU excluding U07	\$0.00	\$163,398.45	\$163,398.45	#Div/0!
			Obj Class Totals:				\$0.00	\$163,398.45	\$163,398.45	#Div/0!
	Indirect		Totals:				\$0.00	\$163,398.45	\$163,398.45	#Div/0!

Approp	Budget Grouping	Obj Class	Object_name	Unit	Item Short Name	New Description	Current Year Amount	Next Year Amount	Variance	Percent Change
10500003	MGC Mass Racing Development and Oversight									
Appropriation Totals							\$1,476,253.36	\$2,591,321.90	\$1,115,068.54	75.53%



TO: Chairman Crosby and 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

DATE: June 8, 2017

RE: Update -MBE Certification Status of Portuguese-Owned Businesses effect on  
Licensees Supplier Diversity Efforts

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This memo is intended to give background and update the Commission on a policy change that has significantly impacted original projections of casino licensee's supplier diversity goals. Commission staff is collecting information and will come back to the Commission with updates and potential follow up. No action is expected by the Commission on this matter today.

The Commonwealth's Supplier Diversity Office (SDO) notified us regarding a change to the status of all Portuguese-owned businesses, previously included in the Commonwealth's definition of Minority Owned Businesses (MBE's). Effective April 12, 2016 SDO posted that Portuguese-owned businesses (PBE's) would be removed from their certification database and lists of eligible MBEs. All Portuguese-owned Minority Business Enterprises (MBEs) will no longer be considered MBEs but will instead be considered Portuguese Business Enterprises (PBEs) due to a decision by order of the Superior Court.

Specifically, the SDO memorandum stated:

*Awarding authorities are hereby advised that, for any bids submitted by a prime bidder after April 12, 2016, the SDO will not recognize, and the awarding authority should not recognize, an MBE certification issued to a Portuguese-owned firm. (In contrast, if the bid was submitted by the prime bidder to the Awarding Authority on or before April 12, 2016, any Portuguese-owned businesses included as MBEs on the prime bidder's list of MBE subcontractors may remain on that list and count toward the project's M/WBE participation goal.)*



Massachusetts Gaming Commission

As you may be aware, both MGM Springfield and Wynn Boston Harbor have formulated for Commission approval a marketing program identifying specific goals, for utilization of: minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the design and construction of the gaming establishment as per (Chap 23K, Sect 15,15). The supplier diversity goals and marketing program's plans to reach those goals were devised and presented to the Commission the first quarter of 2015, well before this PBE action.

This action has had significant impact on our licensees. For example:

### **MGM Springfield**

The MGM Springfield project has \$9M in commitments to PBE companies.

- S & F Concrete Contractors, Inc.- \$8.9M
- Medeiros Hydroseeding & Landscaping Construction, Inc. - \$11,610

### **Based on the new updated regulations:**

- Of the total \$9M in commitments to PBE companies, \$117,300 is counting towards project MBE diversity requirements and \$8.8M in commitments that cannot be counted
  - S & F Concrete Contractors, Inc. has \$108,000 in MBE diversity counting towards project requirements and \$8.8M in commitments that cannot be counted
  - Medeiros Hydroseeding & Landscaping Construction, Inc. has \$9,300 in MBE diversity counting towards project requirements and \$2,310 in commitments that cannot be counted

MGM Springfield's total commitments to MBE companies are currently \$27.1M or 6.1% of total commitments. If the PBE \$'s were counted, MGM Springfield's current commitments to MBE companies would be \$36M or 9.0% of total commitments.

### **Wynn Boston Harbor**

Wynn Boston Harbor has a total **\$123.3M** in commitments to PBE companies, **\$34,834** in MBE diversity counting towards project requirements and there are **\$123.3M** in commitments that cannot be counted



Massachusetts Gaming Commission

**Based on the new updated regulations:**

- M-O-N Landscaping Inc. has **\$19,966** in MBE diversity counting towards project requirements and **\$0** in commitments that cannot be counted (*contracted prior to PBE ruling*)
- Wood & Wire Fence co. has **\$14,868** in MBE diversity counting towards project requirements and **\$0** in commitments that cannot be counted (*contracted prior to PBE ruling*)
- S & F Concrete Contractors, Inc. has **\$0** in MBE diversity counting towards project requirements and **\$118M** in commitments that cannot be counted
- Costa Brothers has **\$0** in MBE diversity counting towards project requirements and **\$4M** in commitments that cannot be counted

Wynn Boston Harbor's total commitments to MBE companies are currently **\$49M** or **4.9%** of total commitments. If the PBE \$'s were counted, the current commitments to MBE companies would be **\$172M** or **17.2%** of total commitments.



Massachusetts Gaming Commission

## Memorandum

**To:** All Public Awarding Authorities

**From:** Bill McAvoy, Deputy Assistant Secretary for Supplier Diversity and Chief Legal Counsel  
Supplier Diversity Office of the Operational Services Division

**Date:** April 21, 2016

**Re:** MBE Certification Status of Portuguese-Owned Businesses

The purpose of this memorandum is to inform you that, effective April 12, 2016, all Portuguese-owned Minority Business Enterprises (MBEs), as certified by the Supplier Diversity Office (SDO), will no longer be considered MBEs but will instead be considered Portuguese Business Enterprises (PBEs). This change complies with an order of the Superior Court of the Commonwealth of Massachusetts in a case entitled Federal Concrete, Inc. v. Executive Office of Administrative & Finance et al., No. 1684CV00627. The change also complies with the language of SDO's current regulation.

The SDO's current regulations, 425 C.M.R. § 2.02, define "Portuguese" for purposes of certification as follows: "All persons having Portuguese origin. Portuguese persons shall only be included in the definition of minority if specifically set forth in programs funded by state transportation bond statutes which include such persons as eligible participants." As such, PBEs shall be eligible for participation in programs funded by state transportation bond statutes where such statutes include Portuguese businesses as eligible participants.

SDO has posted notice of this change on our website at [www.mass.gov/sdo](http://www.mass.gov/sdo). We have also removed Portuguese-owned businesses from our certification database and lists of eligible MBEs. Later this week we will add such businesses back onto our certification database and lists, but as PBEs instead of MBEs. We will also inform the Portuguese-owned firms impacted by this change.

Awarding authorities are hereby advised that, for any bids submitted by a prime bidder after April 12, 2016, the SDO will not recognize, and the awarding authority should not recognize, an MBE certification issued to a Portuguese-owned firm. (In contrast, if the bid was submitted by the prime bidder to the Awarding Authority on or before April 12, 2016, any Portuguese-owned businesses included as MBEs on the prime bidder's list of MBE subcontractors may remain on that list and count toward the project's M/WBE participation goal.) Any bids submitted after April 12 may not count Portuguese-owned businesses toward the contract's M/WBE participation goals, unless PBE participation is permitted in the project as stated in the SDO regulation. If any Awarding Authority or prime bidder is unsure as to the current MBE or PBE status of a particular subcontractor, we encourage you to visit our website, as our records will be updated by the end of this week to reflect this change.

Recipients of this memo should feel free to forward this to other interested parties. If you have any questions about this change or about bids submitted after April 12, 2016, please feel free to contact our office at [john.b.fitzpatrick@state.ma.us](mailto:john.b.fitzpatrick@state.ma.us).



TO: Chairman Crosby, Commissioners Cameron,  
Macdonald and Zuniga

FROM: Commissioner Bruce Stebbins

Jill Griffin, Director of Workforce, Supplier and  
Diversity Development

CC: Edward Bedrosian, Executive Director; Catherine  
Blue, General Counsel; Derek Lennon, CFAO; John  
Ziemba, Ombudsman

DATE: May 22, 2017

RE: Gaming Economic Development Fund

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### **BACKGROUND**

The Expanded Gaming Act of 2011 created several funds as repositories for monies flowing from the taxes on Gross Gaming Revenue (GGR) of our Class 1 casino licensees. These new funds are established and outlined in M.G.L. c. 23K Sec 59 (2) (h) and M.G.L. c. 29 Sec 2DDDD.

One of those funds is the Gaming Economic Development Fund. Monies for this fund will begin to accumulate during the Commonwealth's FY 2019 (July 1, 2018 – June 30, 2019) as MGM Springfield and Wynn Boston Harbor are set to open during that fiscal year (MGM Springfield in September 2018 and Wynn Boston Harbor in June 2019). The fund, which is subject to appropriation by the legislature, is targeted for uses including (1) workforce training, (2) tourism promotion, including regional tourism promotion agencies and cultural and recreational attraction promotion; (3) summer jobs; (4) the Massachusetts marketing partnership; (5) higher education scholarships; (6) regional economic development initiatives; (7) support for small businesses, including small business lending; (8) green jobs promotion; (9) science, technology, engineering and mathematics career pipeline initiatives; and (10) agricultural development programs. The majority of these priority uses are well aligned with the economic impact we expect to realize from the development of the Class 1 resort casinos in Springfield and Everett and the Class 2 casino in Plainridge.

In advance of the Fiscal Year 2019 budget development, which begins in early 2018, the commission has decided to engage critical local stakeholders in developing a "White Paper" to outline potential strategies for funding from the Gaming Economic Development Fund. The goal of these strategies is to meet the uses allowed by the fund and maximize the



Massachusetts Gaming Commission

economic impact of the resort casinos. The White Paper report would be created and distributed to members of the legislature by the end of 2017. Items in the White Paper will include among other topics – strategies for funding, how other financial resources are allocated from gaming revenue, and a review of financial commitments to communities through Host and Surrounding Community agreements. Through our research to date, we have not found a jurisdiction that has created a similar fund with a similar purpose that can drive continued economic success for the immediate region of a casino.

### **TIMELINE**

May 2017 – Send out strategy solicitation letters to critical stakeholders and establish dates for local hearings in September 2017.

September 2017 – Host local public hearings in Springfield, Everett and Plainville.

September – October 2017 – Review proposed strategies and invite public feedback and feedback from our gaming licensees.

November 2017 – Prepare White Paper

December 2017 – Present White Paper to state lawmakers.

Attached to this memorandum are the Gaming Economic Development Fund statutory language and the draft strategy “invitation” letter to be circulated once a final version is completed.



Massachusetts Gaming Commission

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NAME

TITLE

ORGANIZATION

ADDRESS

CITY, STATE ZIP

Re: Gaming Economic Development Fund Hearing

Dear [NAME]:

In 2011, the legislature passed and Governor Deval Patrick signed into law the “Expanded Gaming Act”, which introduced a new casino industry and new economic development engine to the Commonwealth. A goal of the act was to positively impact Massachusetts small businesses, the state’s tourism economy as well as to create a wide variety of job opportunities for our residents.

The Massachusetts Gaming Commission (MGC) created and undertook a thoughtful and diligent licensing process (69 meetings in total to review all of the gaming applications) to assess the capacity and interests of our gaming licensees to obtain one of the coveted licenses prescribed for the Commonwealth. Through that license examination process and the interaction the commissioners and our staff have had with other jurisdictions and industry leaders, we have developed a comprehensive scope of knowledge about the Commonwealth’s newest industry. In addition to generating new revenue, we know that the gaming industry can potentially boost the economic climate for a community and the immediate region, provide pathways for those workers seeking to find a new opportunity or begin their career and draw new visitors to the area.

In less than a year and half MGM Springfield will open the doors of its innovative urban casino. Wynn Boston Harbor is scheduled to open in less than two years. When the casinos begin operating in Fiscal Year 2018, a portion of taxes on their gross gaming revenue will be allocated to the new Gaming Economic Development Fund – a fund created by the statute that prioritizes the economic development outcomes highlighted above. Once the Fund is established, the legislature will annually make appropriations for programs and projects that fall within the purposes of the Fund specified in the statute. The authority of the legislature to appropriate these funds is explicit.

Through our ongoing research and outreach, the MGC found limited examples of strategic programs or initiatives that leverage the economic opportunities that are possible with the presence of a destination resort casino. Although we will continue to look for other models, we believe in the tremendous potential value of an effort to identify more ideas to determine which strategies would provide the Commonwealth with the most benefit.

Therefore, we are inviting critical stakeholders like you to consider this opportunity to develop proposals that will not only positively impact both the Commonwealth and the region

immediately around a gaming facility but can potentially leverage continued business success for our gaming licensees.

Massachusetts has a unique opportunity to craft a strategy to use a portion of the monies flowing to this fund to support employment opportunities for the unemployed and underemployed, small businesses and Massachusetts tourism and optimize the objectives of the statute and the purposes of this fund.

We are interested in hearing about proposals that involve regional strategies, partnerships and opportunities to leverage other resources and funding. A partnership model will keep stakeholders committed and help make any strategy a success. During our licensees' evaluation process, we noted the relationships our licensees were creating to meet their goals and we encourage you to follow their example.

It is the Commission's plan to conduct hearings in September to hear your suggestions and proposals. We will conduct these hearings in the Springfield, Everett and Plainville area and specific dates and locations will be communicated shortly. Like so many of the commission's efforts, we will seek public input on these strategies and create a "White Paper" for the legislature's consideration as they appropriate the monies from this fund. We are encouraged that members of the legislative leadership have offered their support for this process and have expressed an interest in viewing our results.

Thank you in advance for your interest and we look forward to hearing from you. In the meantime, please see the enclosed attachment which details the fund and its uses as prescribed in the statute. If you have any questions, please do not hesitate to contact Jill Griffin, Director of Workforce, Supplier and Diversity Development or myself, Bruce Stebbins, Commissioner at [mgccomments@massgaming.com](mailto:mgccomments@massgaming.com) or 617-979-8400.

Respectfully,

Bruce Stebbins, Commissioner  
Massachusetts Gaming Commission

Cc: Host Community  
Surrounding Communities  
Senate President Stanley Rosenberg  
Speaker of the House Robert DeLeo  
State Senator Eric Lesser  
State Representative Joseph Wagner  
State Senator Karen Spilka  
State Representative Brian Dempsey  
State Senator (NAME)  
State Representatives (NAME)

## **Expanded Gaming Act of 2011**

Section 59. There shall be established and set up on the books of the commonwealth a Gaming Revenue Fund which shall receive revenues collected from the tax on gross gaming revenue received from gaming licensees. The commission shall be the trustee of the fund and shall transfer monies in the fund as follows:

(2) 100 per cent of the revenue received from a category 1 licensee shall be transferred as follows:

(h) 9.5 per cent to the Gaming Economic Development Fund established in section 2DDDD of said chapter 29

SECTION 18. Chapter 29 of the General Laws is hereby amended by inserting after section 2BBBB the following 3 sections...

Section 2DDDD. There shall be established and set up on the books of the commonwealth a separate fund to be known as the Gaming Economic Development Fund. The fund shall be credited with revenues transferred to it from the Gaming Revenue Fund established in section 59 of chapter 23K. **Amounts credited to the fund shall be expended, subject to appropriation, to support economic development and job growth including, but not limited to: (1) workforce training, including transfers to the Workforce Competitiveness Trust Fund established in section 2WWW of chapter 29; (2) tourism promotion, including regional tourism promotion agencies and cultural and recreational attraction promotion; (3) summer jobs; (4) the Massachusetts marketing partnership established in section 13A of chapter 23A; (5) higher education scholarships; (6) regional economic development initiatives; (7) support for small businesses, including small business lending; (8) green jobs promotion; (9) science, technology, engineering and mathematics career pipeline initiatives; and (10) agricultural development programs, including youth agricultural education.**

3.27: Veterinary Practices

~~(1) Veterinarians under Authority of Official Veterinarian. Veterinarians licensed by the Commission and practicing at any location under the jurisdiction of the Commission are under the authority of the official veterinarian and the judges. The official veterinarian shall recommend to the judges or the Commission the discipline that may be imposed upon a veterinarian who violates 205 CMR 3.00.~~

~~(2) Treatment Restrictions.~~

~~(a) Only licensed trainers, licensed owners, or their designees shall be permitted to authorize veterinary medical treatment of horses under their care, custody and control at locations under the jurisdiction of the Commission.~~

~~(b) Except as otherwise provided by 205 CMR 3.27(2), no person other than a veterinarian licensed to practice veterinary medicine in this jurisdiction and licensed by the Commission may administer a prescription or controlled medication, drug, or chemical to a horse at any location under the jurisdiction of the Commission.~~

~~(c) 205 CMR 3.27(2) does not apply to the administration of the following substances except in approved quantitative levels, if any, present in post race samples or as they may interfere with post race testing:~~

~~1. A recognized non-injectable nutritional supplement or other substance approved by the official veterinarian;~~

~~2. A non-injectable substance on the direction or by prescription of a licensed veterinarian; or~~

~~3. A non-injectable non-prescription medication or substance.~~

~~(d) No person shall possess a hypodermic needle, syringe capable of accepting a needle or injectable of any kind on association grounds, unless otherwise approved by the Commission. At any location under the jurisdiction of the Commission, veterinarians may use only one time disposable syringe and needle, and shall dispose of both in a manner approved by the Commission. If a person has a medical condition which makes it necessary to have a syringe at any location under the jurisdiction of the Commission, that person may request permission of the judges and/or the Commission in writing, furnish a letter from a licensed physician explaining why it is necessary for the person to possess a syringe, and must comply with any conditions and restrictions set by the judges and/or the Commission.~~

~~(e) Practicing veterinarians shall not have contact with an entered horse within 24 hours before the scheduled post time of the race in which the horse is scheduled to compete except for the administration of furosemide under the guidelines set forth in 205 CMR 3.29(6), unless approved by the official veterinarian or his or her designee. Any unauthorized contact may result in the horse being scratched and may result in further disciplinary action by the judges.~~

~~(f) Any horse entered for racing must be present on the grounds prior to the scheduled furosemide administration time, or prior to the time prescribed to be present in the race paddock for the race entered.~~

~~(3) Veterinarians' Reports.~~

~~(a) Every veterinarian licensed by the Massachusetts Gaming Commission shall keep a written record of his or her practice when performed on the premises of a facility under the jurisdiction of the Commission which shall disclose:~~

~~1. the name of the horse;~~

~~2. the type of treatment prescribed for and medicine administered to the horse;~~

~~3. the date of such treatment.~~

~~(b) Every licensed Veterinarian shall produce such written records when requested by an official of the Massachusetts Gaming Commission.~~

1. Veterinarians under the Authority of the Official Veterinarian

Veterinarians licensed by the Commission and practicing at any location under the jurisdiction of the Commission are under the authority of the official veterinarian and the stewards. The official veterinarian shall recommend to the stewards or the Commission the discipline that may be imposed upon a veterinarian who violates the rules.

2. Appropriate Role of Veterinarians

The following limitations apply to drug treatments of horses that are engaged in activities, including training, related to competing in pari-mutuel racing in the jurisdiction:

(a) No drug may be administered except in the context of a valid veterinarian-client-patient relationship between an attending veterinarian, the horse owner (who may be represented by the

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trainer or other agent) and the horse. The owner is not required by this section to follow the veterinarian's instructions, but no drug may be administered without a veterinarian having examined the horse and provided the treatment recommendation. Such relationship requires the following:

- (i) The veterinarian, with the consent of the owner, has accepted responsibility for making medical judgments about the health of the horse;
  - (ii) The veterinarian has sufficient knowledge of the horse to make a preliminary diagnosis of the medical condition of the horse;
  - (iii) The veterinarian has performed an examination of the horse and is acquainted with the keeping and care of the horse;
  - (iv) The veterinarian is available to evaluate and oversee treatment outcomes or has made appropriate arrangements for continuing care and treatment;
  - (v) The relationship is maintained by veterinary visits as needed; and;
  - (vi) The veterinary judgments of the veterinarian are independent and are not dictated by the trainer or owner of the horse.
- (b) No prescription drug may be administered except as prescribed by an attending veterinarian.
- (c) The trainer and veterinarian are both responsible to ensure compliance with these limitations on drug treatments of horses, except the medical judgment to recommend a drug treatment or to prescribe a drug is the responsibility of the veterinarian and the decision to proceed with a drug treatment that has been so recommended is the responsibility of the horse owner (who may be represented by the trainer or other agent).

### 3. Treatment Restrictions

- (a) Only licensed trainers, licensed owners or their designees shall be permitted to authorize veterinary medical treatment of horses under their care, custody and control at locations under the jurisdiction of the Commission.
- (b) Except as otherwise provided by this section, no person other than a veterinarian licensed to practice veterinary medicine in this jurisdiction and licensed by the Commission may administer a prescription or controlled medication, drug, chemical or other substance (including any medication, drug, chemical or other substance by injection) to a horse at any location under the jurisdiction of the Commission.
- (c) This section does not apply to the administration of the following substances except in approved quantitative levels, if any, present in post-race samples or as they may interfere with post-race testing:
- (i) A recognized non-injectable nutritional supplement or other substance approved by the official veterinarian;
  - (ii) A non-injectable substance on the direction or by prescription of a licensed veterinarian;
- or
- (iii) A non-injectable non-prescription medication or substance.
- (d) No person shall possess a hypodermic needle, syringe capable of accepting a needle or injectable of any kind on association grounds, unless otherwise approved by the Commission. At any location under the jurisdiction of the Commission, veterinarians may use only one-time disposable syringe and needle, and shall dispose of both in a manner approved by the Commission. If a person has a medical condition which makes it necessary to have a syringe at any location under the jurisdiction of the Commission, that person may request permission of the stewards and/or the Commission in writing, furnish a letter from a licensed physician explaining why it is necessary for the person to possess a syringe, and must comply with any conditions and restrictions set by the stewards and/or the Commission.
- (e) Practicing veterinarians shall not have contact with an entered horse within 24 hours before the scheduled post time of the race in which the horse is scheduled to compete except for the administration of furosemide under the guidelines set forth in 205 CMR unless approved by the official veterinarian. Any unauthorized contact may result in the horse being scratched from the race in which it was scheduled to compete and may result in further disciplinary action by the judges.
- (f) Any horse entered for racing must be present on the grounds prior to the scheduled furosemide administration time or one hour prior to first post time, whichever is earlier.

### 4. Veterinarians' Reports

(a) Every veterinarian who treats a racehorse at any location under the jurisdiction of the Commission shall, in writing on the medication report form prescribed by the Commission, report to the official veterinarian or other commission designee at the racetrack where the horse is entered to run or as otherwise specified by the Commission, the name of the horse treated, any medication, drug, substance or procedure administered or prescribed, the name of the trainer of the horse, the date and time of treatment and any other information requested by the official veterinarian.

(b) The medication report form shall be signed by the practicing veterinarian.

(c) The medication report form must be filed by the treating veterinarian not later than post time of the race for which the horse is entered. Any such report is confidential and its content shall not be disclosed except in the course of an investigation of a possible violation of the Commission's regulations or in a proceeding before the stewards or the Commission, or to the trainer or owner of record at the time of treatment.

(d) A timely and accurate filing of a medication report form that is consistent with the analytical results of a positive test may be used as a mitigating factor in determining the nature and extent, if any, of a rules violation.

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3.28: Prohibited Practices

The following are considered prohibited practices:

- (1) The possession or use of a drug, substance or medication on the premises of a facility under the jurisdiction of the Commission for which:
  - (a) a recognized analytical method has not been developed to detect and confirm the administration of such substance; or
  - (b) the use of which may endanger the health and welfare of the horse or endanger the safety of the driver; or
  - (c) the use of which may adversely affect the integrity of racing; or,
  - (d) no generally accepted use in equine care exists.

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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.~~

1. No person may possess or use a drug, substance or medication on the premises of a facility under the jurisdiction of the Commission for which

- (a) a recognized analytical method has not been developed to detect and confirm the administration of such substance; or
- (b) the use of which may endanger the health and welfare of the horse or endanger the safety of the driver; or
- (c) the use of which may adversely affect the integrity of racing; or,
- (d) no generally-accepted use in equine care exists.

2. Prohibited Substances and Methods:

- (a) The substances and methods listed in the annexed Prohibited List may not be used at any place or time, and may not be possessed on the premises of a racing or training facility under the jurisdiction of the Commission, except as a restricted therapeutic use.
- (b) Restricted Therapeutic Use. A limited number of medication on the Prohibited List shall be exempted when the administration occurs in compliance with the annexed Required Conditions for Restricted Therapeutic Use:
  - (i) Report When Sampled means the administration of the substance must be reported to the commission when the horse is next sampled, if the horse is sampled within 24 hours after the administration;

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- (ii) Pre-File Treatment Plan means that if the commission where the horse is located requires the filing of treatment plans, then a treatment plan for the substance must be filed by the time of administration in a manner approved by such commission;
- (iii) Written Approval from Commission means the commission has granted written approval of a written treatment plan before the administration of the substance;
- (iv) Emergency Use (report) means the substance had to be administered due to an acute emergency involving the life or health of the horse, provided the emergency use is reported to the commission as soon as practicable after the treatment occurs;
- (v) Prescribed by Veterinarian means the substance has been prescribed by an attending veterinarian, in compliance with ARCI 011-010 Veterinary Practices, and recorded in the veterinary records in the manner required by the commission;
- (vi) Report Treatment means the treatment must be reported to the commission by the trainer at the time of administration to provide the commission with information for the Veterinarian's List. The trainer may delegate this responsibility to the treating veterinarian, who shall make the report when so designated; and
- (vii) Other Limitations means additional requirements that apply, such as a substance may be used in only fillies or mares or a horse that is administered a substance shall be reported immediately to the commission and placed on the Veterinarian's List for a specific minimum period of time. The use of the substance must comply with other applicable rules of the Commission.
- (c) No person shall at any time administer any other doping agent to a horse except pursuant to a valid therapeutic, evidence-based treatment plan.
- (i) Other doping agent means a substance that is not listed in the annexed Prohibited List, has a pharmacologic potential to alter materially the performance of a horse, has no generally accepted medical use in the horse when treated, and is:
- (A) capable at any time of causing an action or effect, or both, within one or more of the blood, cardiovascular, digestive, endocrine, immune, musculoskeletal, nervous, reproductive, respiratory, or urinary mammalian body systems; including but not limited to endocrine secretions and their synthetic counterparts, masking agents, oxygen carriers, and agents that directly or indirectly affect or manipulate gene expression; but
- (B) not a substance that is considered to have no effect on the physiology of a horse except to improve nutrition or treat or prevent infections or parasite infestations.
- (ii) The commission may publish advisory warnings that certain substances or administrations may constitute a violation of this rule.
- (iii) Therapeutic, evidence-based treatment plan means a planned course of treatment written and prescribed by an attending veterinarian before the horse is treated that:
- (A) describes the medical need of the horse for the treatment, the evidence-based scientific or clinical justification for using the doping agent, and a determination that recognized therapeutic alternates do not exist; and
- (B) complies with ARCI 011-010 Veterinary Practices, meets the standards of veterinary practice of the jurisdiction, and is developed in good faith to treat a medical need of the horse.
- (iv) Such plans shall not authorize the possession of a doping agent on the premises of a racing or training facility under the jurisdiction of the commission.
3. The possession and/or use of the following substances or of blood doping agents, including but not limited to those listed below, on the premises of a facility under the jurisdiction of the Commission is forbidden:
- (a) Aminoimidazole carboxamide ribonucleotide (AICAR)
- (b) Darbepoetin
- (c) Equine Growth Hormone
- (d) Erythropoietin
- (e) Hemopure ®
- (f) Myo-Inositol Trispyrophosphate (ITPP)
- (g) Oxyglobin®
- (h) Thymosin beta
- (i) 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 Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy machine, whether in operating condition or not, must be registered with and approved by the Commission or its designee before such machine is brought to or possessed on any racetrack or training center within the jurisdiction of the commission;
- (b) The use of Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy within the jurisdiction:
- (i) shall be limited to veterinarians licensed to practice by the commission;
- (ii) may only be performed with machines that are:
- registered and approved for use by the commission; and
- (iii) used at a previously-disclosed location that is approved by the commission  
must be reported within 24-hours prior to treatment on the prescribed form to the official veterinarian.
- (c) Any treated horse shall not be permitted to race or breeze for a minimum of 10 days following treatment;
- (a) Any horse treated with Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy shall be added to a list of ineligible horses. This list shall be kept in the race office and accessible to the jockeys and/or their agents during normal business hours and be made available to other regulatory jurisdictions.
- (b) A horse that receives any such treatment without full compliance with this section and similar rules in any other jurisdiction in which the horse was treated shall be placed on the Steward's List.
- (c) Any person participating in the use of ESWT and/or the possession of ESWT machines in violation of this rule 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/her designee.

3.28.01

Annex I  
Prohibited Substances and Prohibited Methods

Prohibited Substances

All substances in the categories below shall be strictly prohibited unless otherwise provided in accordance with 205 CMR 4.0. Any reference to substances in this section does not alter the requirements for testing concentrations in race day samples.

Nothing in this list shall alter the requirements of post-race testing.

(a). NON-APPROVED SUBSTANCES

Any pharmacologic substance that is not approved by any governmental regulatory health authority for human or veterinary use within the jurisdiction is prohibited. This prohibition includes drugs under pre-clinical or clinical development, discontinued drugs, and designer drugs (a synthetic analog of a drug that has been altered in a manner that may reduce its detection); but does not include vitamins, herbs and supplements for nutritional purposes that do not contain any other prohibited substance, or the administration of a substance with the prior approval of the commission in a clinical trial for which an FDA or similar exemption has been obtained.

(b). ANABOLIC AGENTS  
Anabolic agents are prohibited.

## 1. Anabolic Androgenic Steroids (AAS)

### 1.1. Exogenous AAS, including:

1-androstenediol (5 $\alpha$ -androst-1-ene-3 $\beta$ ,17 $\beta$ -diol); 1-androstenedione (5 $\alpha$ - androst-1-ene-3,17-dione); bolandiol (estr-4-ene-3 $\beta$ ,17 $\beta$ -diol); bolasterone; boldenone; boldione (androsta-1,4-diene-3,17-dione); calusterone; clostebol; danazol ([1,2]oxazolo[4',5':2,3]pregna-4-en-20-yn-17 $\alpha$ -ol); dehydrochlormethyltestosterone (4-chloro-17 $\beta$ -hydroxy-17 $\alpha$ -methylandrosta- 1,4-dien-3-one); desoxymethyltestosterone (17 $\alpha$ -methyl-5 $\alpha$ -androst-2-en- 17 $\beta$ -ol); drostanolone; ethylestrenol (19-norpregna-4-en-17 $\alpha$ -ol); fluoxymesterone; formebolone; furazabol (17 $\alpha$ -methyl[1,2,5]oxadiazolo[3',4':2,3]-5 $\alpha$ -androst-17 $\beta$ -ol); gestrinone; 4- hydroxytestosterone (4,17 $\beta$ -dihydroxyandrost-4-en-3-one); mestanolone; mesterolone; metandienone (17 $\beta$ -hydroxy-17 $\alpha$ -methylandrosta-1,4-dien-3- one); metenolone; methandriol; methasterone (17 $\beta$ -hydroxy-2 $\alpha$ ,17 $\alpha$ - dimethyl-5 $\alpha$ -androst-3-one); methyldienolone (17 $\beta$ -hydroxy-17 $\alpha$ - methylestra-4,9-dien-3-one); methyl-1-testosterone (17 $\beta$ -hydroxy-17 $\alpha$ -methyl-5 $\alpha$ -androst-1-en-3-one); methylnortestosterone (17 $\beta$ -hydroxy-17 $\alpha$ -methylestr-4-en-3-one); methyltestosterone; metribolone (methyltrienolone, 17 $\beta$ - hydroxy-17 $\alpha$ -methylestra-4,9,11-trien-3-one); mibolerone; nandrolone; 19-norandrostenedione (estr-4-ene-3,17-dione); norboletone; norclostebol; norethandrolone; oxabolone; oxandrolone; oxymesterone; oxymetholone; prostanazol (17 $\beta$ -[(tetrahydropyran-2-yl)oxy]-1'H-pyrazolo[3,4:2,3]-5 $\alpha$ - androstane); quinbolone; stanozolol; stenbolone; 1-testosterone (17 $\beta$ - hydroxy-5 $\alpha$ -androst-1-en-3-one); tetrahydrogestrinone (17-hydroxy-18 $\alpha$ - homo-19-nor-17 $\alpha$ -pregna-4,9,11-trien-3-one); trenbolone (17 $\beta$ -hydroxyestr-4,9,11-trien-3-one); and other substances with a similar chemical structure or similar biological effect(s).

### 1.2. Endogenous AAS or their synthetic esters when administered exogenously:

androstenediol (androst-5-ene-3 $\beta$ ,17 $\beta$ -diol); androstenedione (androst-4-ene-3,17-dione); dihydrotestosterone (17 $\beta$ -hydroxy-5 $\alpha$ -androst-3-one); prasterone (dehydroepiandrosterone, DHEA, 3 $\beta$ -hydroxyandrost-5-en-17-one); testosterone; and their metabolites and isomers, including but not limited to:  
5 $\alpha$ -androstane-3 $\alpha$ ,17 $\alpha$ -diol; 5 $\alpha$ -androstane-3 $\alpha$ ,17 $\beta$ -diol; 5 $\alpha$ -androstane-3 $\beta$ ,17 $\alpha$ -diol; 5 $\alpha$ -androstane-3 $\beta$ ,17 $\beta$ -diol; 5 $\beta$ -androstane-3  $\alpha$ , 17 $\beta$ -diol, androst-4-ene-3 $\alpha$ ,17 $\alpha$ -diol; androst-4-ene-3 $\alpha$ ,17 $\beta$ -diol; androst-4-ene-3 $\beta$ ,17 $\alpha$ -diol; androst-5-ene-3 $\alpha$ ,17 $\alpha$ -diol; androst-5-ene-3 $\alpha$ ,17 $\beta$ -diol; androst-5-ene-3 $\beta$ ,17 $\alpha$ -diol; 4-androstenediol (androst-4-ene-3 $\beta$ ,17 $\beta$ -diol); 5-androstenedione (androst-5- ene-3,17-dione); androsterone (3  $\beta$ -hydroxy-5  $\alpha$  – androst-17-one); epi-dihydrotestosterone; epitestosterone; etiocholanolone; 7 $\alpha$ -hydroxy-DHEA ; 7 $\beta$ -hydroxy-DHEA; 7-keto-DHEA; 19-norandrosterone; 19-noretiocholanolone.

### (c). Other Anabolic Agents, including but not limited to:

Clenbuterol, selective androgen receptor modulators (SARMs e.g., andarine and ostarine), ractopamine, tibolone, zeranol, zilpaterol.

### (d). PEPTIDE HORMONES, GROWTH FACTORS AND RELATED SUBSTANCES

The following substances, and other substances with similar chemical structure or similar biological effect(s), are prohibited:

#### 1. Erythropoietin-Receptor agonists:

Erythropoiesis-Stimulating Agents (ESAs) including, e.g., darbepoetin (dEPO); erythropoietins (EPO); EPO-Fc; EPO-mimetic peptides (EMP), e.g., CNTO 530 and peginesatide; and methoxypolyethylene glycol-epoetin beta (CERA); and Non-erythropoietic EPO-Receptor agonists, e.g., ARA-290, asialo EPO and carbamylated EPO;

#### 2. Hypoxia-inducible factor (HIF) stabilizers, e.g., cobalt (when found in excess of regulatory authority limits) and roxadustat (FG-4592); and HIF activators, (e.g., argon, xenon);

#### 3. Chorionic Gonadotropin (CG) and Luteinizing Hormone (LH) and their releasing factors, in males;

4. Corticotrophins and their releasing factors;

5. Growth Hormone (GH) and its releasing factors including Growth Hormone Releasing Hormone (GHRH) and its analogues, e.g., CJC-1295, sermorelin and tesamorelin; Growth Hormone Secretagogues (GHS), e.g., ghrelin and ghrelin mimetics, e.g., anamorelin and ipamorelin; and GH-Releasing Peptides (GHRPs), e.g., alexamorelin, GHRP-6, hexarelin and pralmorelin (GHRP-2);

6. Venoms and toxins including but not limited to venoms and toxins from sources such as snails, snakes, frogs, and bees as well as their synthetic analogues such as ziconotide.

7. In addition, the following growth factors are prohibited:

Fibroblast Growth Factors (FGFs), Hepatocyte Growth Factor (HGF), Insulin-like Growth Factor-1 (IGF-1) and its analogues, Mechano Growth Factors (MGFs), Platelet-Derived Growth Factor (PDGF), Vascular-Endothelial Growth Factor (VEGF) and any other growth factor affecting muscle, tendon or ligament protein synthesis/degradation, vascularization, energy utilization, regenerative capacity or fiber type switching.

(e). BETA-2 AGONISTS

All beta-2 agonists, including all optical isomers (i.e. d- and l-) where relevant, are prohibited.

(f). HORMONE AND METABOLIC MODULATORS

The following are prohibited:

1. Aromatase inhibitors, including but not limited to: aminoglutethimide, anastrozole, androsta-1,4,6-triene-3,17-dione (androstatrienedione), 4-androstene-3,6,17 trione (6-oxo), exemestane, formestane, letrozole, testolactone;

2. Selective estrogen receptor modulators (SERMs), including but not limited to: raloxifene, tamoxifen, toremifene;

3. Other anti-estrogenic substances, including but not limited to: clomiphene, cyclofenil, fulvestrant;

4. Agents modifying myostatin function(s), including but not limited to: myostatin inhibitors;

5. Metabolic modulators:

5.1. Activators of the AMP-activated protein kinase (AMPK), e.g., AICAR, and Peroxisome Proliferator Activated Receptor  $\delta$  (PPAR $\delta$ ) agonists (e.g., GW 1516);

5.2 Insulins;

5.3 Trimetazidine; and

5.4. Thyroxine and thyroid modulators/hormones, including but not limited to those containing T4 (tetraiodothyronine/thyroxine), T3 (triiodothyronine), or combinations thereof.

(g). DIURETICS AND OTHER MASKING AGENTS

The following diuretics and masking agents are prohibited, as are other substances with similar chemical structure or similar biological effect(s): acetazolamide, amiloride, bumetanide, canrenone, chlorthalidone, desmopressin, etacrynic acid, indapamide, metolazone, plasma expanders (e.g. glycerol; intravenous administration of albumin, dextran, hydroxyethyl starch and mannitol), probenecid, spironolactone, thiazides (e.g. bendroflumethiazide, chlorothiazide, hydrochlorothiazide), torsemide, triamterene, and vasopressin receptor antagonists or vaptans (e.g., tolvaptan).

Furosemide and trichlormethiazide may be administered only in a manner permitted by other rules of the commission.

PROHIBITED METHODS

(a). MANIPULATION OF BLOOD AND BLOOD COMPONENTS

The following are prohibited:

1. The administration or reintroduction of any quantity of autologous, allogenic (homologous) or heterologous blood or red blood cell products of any origin into the circulatory system.
2. Artificially enhancing the uptake, transport or delivery of oxygen, including, but not limited to, perfluorochemicals, efaproxiral (RSR13) and modified hemoglobin products (e.g. hemoglobin-based blood substitutes, microencapsulated hemoglobin products), excluding supplemental oxygen.
3. Any form of intravascular manipulation of the blood or blood components by physical or chemical means.

(b). CHEMICAL AND PHYSICAL MANIPULATION

Tampering, or attempting to tamper, in order to alter the integrity and validity of samples collected by the commission, is prohibited. These methods include but are not limited to urine substitution or adulteration (e.g., proteases).

(c). GENE DOPING

The following, with the potential to enhance sport performance, are prohibited:

1. The transfer of polymers of nucleic acids or nucleic acid analogues.
2. The use of normal or genetically modified hematopoietic cells.

Required Conditions for Restricted Therapeutic Use							
Prohibited Substance	Report When Sampled	Pre-File Treatment Plan	Written Approval from Commission	Emergency Use (report)	Prescribed by Veterinarian	Report Treatment	Other Limitations
Adrenocorticotrophic Hormone (ACTH)		x			x		
Albuterol					x		
Altrenogest					x		fillies/mares only
Autologous Conditioned Plasma (IRAP)	x				x		
Blood Replacements	x			x	x		
Boldenone		x			x	x	6 month Vet List
Clenbuterol		x			x		
Chorionic Gonadotropin		x	x-1		x	x	60 day Vet List
Furosemide	x				x		
Luteinizing Hormone		x	x-1		x	x	60 day Vet List
Mesenchymal Stem Cells	x				x	x	
Nandrolone		x			x	x	6 month Vet List
Nucleic Polymer Transfers		x	x		x	x	
Platelet Rich Plasma (PRP)	x				x		
Stanozolol		x			x	x	6 month Vet List
S0 (not FDA-approved)			x-2		x		
Testosterone		x			x	x	6 month Vet List
Thyroxine (T4)		x	x-3		x		
Trichlormethiazide	x				x		
Other Diuretics	x			x	x		

x-1: The approved treatment plan must show a specific treatment of a specific individual horse for an undescended testicle condition.

x-2: The approved treatment plan must show: (A) the substance has a generally accepted veterinary use; (B) the treatment provides a significant health benefit for the horse; (C) there is no reasonable therapeutic alternative; and (D) the use of the substance is highly unlikely to produce any additional enhancement of performance beyond what might be anticipated by a return to the horse's normal state of health, not exceeding the level of performance of the horse prior to the onset of the horse's medical condition.

x-3: The approved treatment plan must show: (A) the thyroxine is prescribed to a specific individual horse for a specific period of time; (B) the diagnosis and basis for prescribing such drug, the dosage, and the estimated last administration date ; and (C) that any container of such drug on licensed premises shall be labeled with the foregoing information and contain no more thyroxine than for the treatment of the specific individual horse, as prescribed.

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;
  - (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.

2. Multiple Medication Violations (MMV)

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-C, as provided in the most recent version of the ARCI Uniform Classification Guidelines for Foreign Substances, or similar state regulatory guidelines, shall be assigned points as follows:

<u>Penalty Class</u>	<u>Points If Controlled Therapeutic Substance</u>	<u>Points If Non-Controlled Substance</u>
<u>Class A</u>	<u>N/A</u>	<u>6</u>
<u>Class B</u>	<u>2</u>	<u>4</u>
<u>Class C</u>	<u>½ for first violation with an additional ½ point for each additional violation within 365 days<sup>1</sup></u>	<u>1 for first violation with an additional ½ point for each additional violation within 365 days</u>
<u>Class D</u>	<u>0</u>	<u>0</u>

If the Stewards or Commission determine that the violation is due to environmental contamination, they may assign lesser or no points against the trainer based upon the specific facts of the case.

- (a) The points assigned to a medication violation by the Stewards or Commission ruling shall be included in the ARCI official database. The ARCI shall record points consistent with Section 13(a) including when appropriate, a designation that points have been suspended for the medication violation. Points assigned by such regulatory ruling shall reflect, in the case of multiple positive tests as described in paragraph (d), whether they constitute a single violation. The Stewards’ or Commission Ruling shall be posted on the official website of the Commission and within the official database 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.
- (b) A trainer’s cumulative points for violations in all racing jurisdictions shall be maintained by the ARCI. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer’s official ARCI record and shall be considered by the Commission in its determination to subject the trainer to the mandatory enhanced penalties by the Stewards or Commission as provided in this regulation.
- (c) 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. In the case of a positive test indicating multiple substances found in a single post-race sample, the Stewards may treat

<sup>1</sup> Points for NSAID violations only apply when the primary threshold of the NSAID is exceeded. Points are not to be separately assigned for a stacking violation.

each substance found as an individual violation for which points will be assigned, depending upon the facts and circumstances of the case.

(d)The official ARCI record shall be used to advise the Stewards or Commission of a trainer’s past record of violations and cumulative points. Nothing in this administrative regulation 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.

(e)The Stewards or Commission shall consider 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 this regulation shall be imposed.

(f)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/her official ARCI record:

<u>Points</u>	<u>Suspension in days</u>
<u>5-5.5</u>	<u>15 to 30</u>
<u>6-8.5</u>	<u>30 to 60</u>
<u>9-10.5</u>	<u>90 to 180</u>
<u>11 or more</u>	<u>180 to 360</u>

MMV penalties are not a substitute for the current penalty system and are intended to be an additional uniform penalty when the licensee:

(i) Has had more than one medication violation for the relevant time period, and

(ii) Exceeds the permissible number of points.

The Stewards and Commission shall consider aggravating and mitigating circumstances, including the trainer’s prior record for medication violations, when determining the appropriate penalty for the underlying offense. The MMP is intended to be a separate and additional penalty for a pattern of violations.

(i)The suspension periods as provided in Section 13(g) shall run consecutive to any suspension imposed for the underlying offense.

(ii)The Stewards’ or Commission Ruling shall distinguish between the penalty for the underlying offense and any enhancement based upon a Stewards or Commission review of the trainer’s cumulative points and regulatory record, which may be considered an aggravating factor in a case.

(iii)Points shall expire as follows:

<u>Penalty Classification</u>	<u>Time to Expire</u>
<u>A</u>	<u>3 years</u>
<u>B</u>	<u>2 years</u>
<u>C</u>	<u>1 year</u>

In the case of a medication violation that results in a suspension, any points assessed expire on the anniversary date of the date the suspension is completed.

~~-(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- <sup>2</sup>	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.~~

~~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~~

<sup>2</sup>~~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.~~

~~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. he 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 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. 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.
    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~~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. 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.

(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 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. 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. Nandrolone: 1 ng/ml of total nandrolone in urine for fillies, mares, and geldings, or 45 ng/ml (as 5 $\alpha$ -estrane-3 $\beta$ , 17 $\alpha$ -diol)) in urine, in male horses other than geldings, or 25 pg/ml of nandrolone in plasma or serum for geldings, fillies, and mares.

3. 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 TCO<sub>2</sub> 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 TCO<sub>2</sub> 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 TCO<sub>2</sub> 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.

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

(1) Out-of-competition testing authorized. The commission may at a reasonable time on any date take blood, urine or other biologic samples as authorized by commission rules from a horse to enhance the ability of the commission to enforce its medication and antidoping rules, e.g., the Prohibited List pursuant to ARCI-011-015. The commission shall own such samples. This rule authorizes only the collection and testing of samples and does not independently make impermissible the administration to or presence in any horse of any drug or other substance. A race day prohibition or restriction of a substance by a commission rule is not applicable to an out-of-competition test unless there is an attempt to race the horse in a manner that violates such rule.

(2) Horses eligible to be tested. Any horse that has been engaging in activities related to competing in horse racing in the jurisdiction may be tested. This includes without limitation any horses that are training outside the jurisdiction to participate in racing in the jurisdiction and all horses that are training in the jurisdiction, but excludes weanlings, yearlings and horses no longer engaged in horse racing (e.g., retired broodmares).

(a) A horse is presumed eligible for out-of-competition testing if:

(i) It is on the grounds at a racetrack or training center under the jurisdiction of the commission;

(ii) It is under the care or control of a trainer licensed by the commission;

(iii) It is owned by an owner licensed by the commission;

(iv) It is entered or nominated to race at a premises licensed by the commission;

(v) It has raced within the previous 12 months at a premises licensed by the commission; or

(vi) It is nominated to a program based on racing in the jurisdiction, including without limitation a state thoroughbred development, breeder's award fund, or standardbred state sires stakes.

(b) Such presumptions are conclusive in the absence of evidence that a horse is not engaged in activities related to competing in horse racing in the jurisdiction.

(3) Selection of horses to be tested.

(a) Horses shall be selected for sampling by a commission Veterinarian, Executive Director, Equine Medical Director, Steward or Presiding Judge or a designee of any of the foregoing.

(b) Horses may be selected to be tested at random, for cause, or as otherwise determined in the discretion of the commission.

(c) Collectors shall for suspicion-less collections of samples abide by a plan that has been approved by a supervisor not in the field and identifies specific horses or provides neutral and objective criteria to follow in the field to determine which horses to sample. Such a supervisor may consider input from persons in the field during the operation of the plan and select additional horses to be sampled.

(4) Cooperation with the commission

(a) Licensees of the commission are required to cooperate and comply fully with the provisions of this rule.

(b) Persons who apply for and are granted a trainer or owner license shall be deemed to have given their consent for access at such premises as their horse may be found for the purpose of commission representatives collecting out of competition samples. Licensees shall take any steps necessary to authorize access by commission representatives at such premises.

(c) No other person shall knowingly interfere with or obstruct a sampling.

(5) General procedure for collecting samples

(a) Samples shall be taken under the supervision and direction of a person who is employed or designated by the commission. All blood samples shall be collected by a veterinarian licensed in the state where the sample is collected, or by a veterinary technician who is acting under appropriate supervision of the veterinarian.

(b) Upon request of a representative of the commission, the trainer, owner, or their specified designee shall provide the location of their horses eligible for out of competition

testing.

(c) The commission need not provide advance notice before arriving at any location, whether or not licensed by the commission, to collect samples.

(d) The trainer, owner, or their specified designee shall cooperate with the person who takes samples for the commission, which cooperation shall include without limitation:

(i) Assist in the immediate location and identification of the horse;

(ii) Make the horse available as soon as practical upon arrival of the person who is responsible for collecting the samples;

(iii) Provide a stall or other safe location to collect the samples;

(iv) Assist the person who is collecting samples in properly procuring the samples; and

(v) Witness the taking of samples including sealing of sample collection containers.

(e) The management and employees of a licensed racetrack or training facility at which a horse may be located shall cooperate fully with a person who is authorized to take samples. The person who collects samples for the commission may require that the collection be done at a specified location on such premises.

(f) The commission, if requested and in its sole discretion, may permit the trainer, owner, or their specified designee to present a horse that is located in the jurisdiction, but not at a racetrack or training center licensed by the commission, to be sampled at a time and location designated by the commission.

(6) Procedure for collecting samples from horses located outside the jurisdiction

(a) The commission may arrange for the sampling of an out-of-state horse by the racing commission or other designated person in the jurisdiction where the horse is located. Such racing commission or other designated person shall follow the relevant provisions of this rule, including paragraph (a) of subdivision five of this rule.

(b) The test results shall be made available, for its regulatory use, to each jurisdiction that has participated in the process of collecting any out-of-competition sample, subject to any restrictions on public disclosure of test results that apply to the commission that selected the horse for sampling.

(c) The commission, if requested and in its sole discretion, may permit the trainer or owner instead to transport the horse into its jurisdiction for sampling at a time and place designated by the commission.

(7) Additional procedures

(a) The person who takes samples for the commission shall provide identification and disclose the purpose of the sampling to the trainer or designated attendant of the horse.

(b) A written protocol for the collection of samples shall be made generally available.

(c) An owner or trainer does not consent to a search of the premises by making a horse that is not located at a racetrack or training center available for sampling.

(d) If the trainer or other custodian of a selected horse refuses or declines to make the horse available for sampling and the managing owner has previously provided the commission with a means for the commission to give immediate notification to the managing owner in such situation, then the commission shall attempt to notify the managing owner and the eligibility of the horse shall be preserved if the managing owner is able to make the horse available for immediate sampling. The commission is not required to make repeated attempts to notify the managing owner.

(e) The chain of custody record for the sample (including a split sample where appropriate) shall be maintained and made available to the trainer, owner, or their designee when a complaint results from an out-of-competition test.

(8) Analysis of collected samples

(a) The commission may have out-of-competition samples tested to produce information that may enhance the ability of the commission to enforce its medication and anti-doping rules.

(b) Split sample rules and procedures for post-race testing shall apply to out of competition testing.

(c) The commission may use any remaining sample for research and investigation.

(9) Penalties for non-cooperation

(a) Willful failure to make a horse available for sampling or other willfully deceptive acts or interference in the sampling process shall carry a minimum penalty of a one year license suspension and referral to the commission in addition to any other authorized penalties.

(b) A selected horse that is not made available for out-of-competition sampling shall be placed on the Steward's List. The horse shall remain on the Steward's List for a minimum of 180 days unless the owner can establish extraordinary mitigating circumstances.

(c) A selected horse that is presumed eligible for out-of-competition testing shall be placed on the Steward's list and be ineligible to race in the jurisdiction for 180 days if the horse is not sampled because the trainer, owner or their designee asserts that the horse is not engaged in activities related to competing in horse racing in the jurisdiction. This restriction shall not apply if the trainer, owner or their designee instead permits voluntarily an immediate collection of such samples from the horse.

3.31: Physical Inspection of Horses

(1) Assessment of Racing Condition.

(a) Every horse entered to participate in an official race shall be subjected to a veterinary inspection prior to starting in the race for which it is entered.

(b) The inspection shall be conducted by the official veterinarian or the racing veterinarian.

(c) The assessment of a horse's racing condition shall include:

1. Proper identification of each horse inspected;
2. Clinical observation of each horse in motion during a warm-up mile, during the post parade, during the running of the race, and following the race until the horse has exited the race track;
3. Visual inspection of the entire horse and assessment of overall condition; and,
4. Any other inspection deemed necessary by the official veterinarian and/or the racing veterinarian including but not limited to manual palpation and/or manipulation of the limbs.

(d) The official veterinarian shall maintain a permanent, continuing health and racing soundness record of each horse inspected.

(e) The official veterinarian is authorized access to any and all horses housed on the association grounds regardless of entry status.

(f) If, prior to starting, a horse is determined to be unfit for competition, the official veterinarian and/or the racing veterinarian will recommend to the judges the horse be scratched.

(g) Horses scratched upon the recommendation of the official veterinarian and/or the racing veterinarian are to be placed on the Veterinarians' List.

(2) Veterinarian's List.

(a) The official veterinarian shall maintain the Veterinarian's List of all horses which are determined to be unfit to compete in a race due to illness, physical distress, unsoundness, infirmity or any other medical condition. Horses so listed are ineligible to enter to race in any jurisdiction until released by an official veterinarian or racing veterinarian.

(b) A horse may be removed from the Veterinarian's List when, in the opinion of the official veterinarian, the condition which caused the horse to be placed on the Veterinarian's List is resolved and the horse's status is returned to that of racing soundness.

(c) Horses working to be released from the Veterinarian's List are to be in compliance with 205 CMR 3.00 and are to be subjected to post-work biologic sample collection for laboratory confirmation or compliance. Violations may result in penalties consistent with 205 CMR 3.29(1).

(d) Horses may be released from the Veterinarian's List only by authorization of the official veterinarian.

(e) Horses having generated a "positive" post race test for an RCI Class I or II substance shall be required to generate a negative test at the expense of the current owner prior to being entered for the first start following the positive test.

### 3.32: Testing

#### (1) Reporting to the Test Barn.

- (a) The official winning horse and any other horse ordered by the Commission and/or the judges shall be taken to the test barn to have blood and urine samples taken at the direction of the official veterinarian.
- (b) Random or extra testing may be required by the judges or the Commission at any time on any horse on association grounds.
- (c) Unless otherwise directed by the judges or the official veterinarian, a horse that is selected for testing must be taken directly to the test barn.
- (d) A security guard shall monitor access to the test barn area during and immediately following each racing performance. All persons who wish to enter the test barn area must be a minimum of 16 years of age, be currently licensed by the Commission, display their Commission identification badge and have a legitimate reason for being in the test barn area.
- (e) The owner, trainer or his or her groom or other authorized representative shall be present in the testing enclosure when a saliva, urine or other specimen is taken from his or her horse and shall remain until the sample tag is attached to the specimen container. Said tag shall be signed by the owner, trainer or their representative as witnesses to the taking of the specimen.
- (f) Willful failure to be present at or a refusal to allow the taking of any such specimen or refusal to sign the specimen tag to the taking of a specimen, or any act or threat to impede or prevent or otherwise interfere therewith, shall subject the person or person guilty thereof to immediate suspension by the judges of the meeting and the matter shall be referred to the Commission for such further penalty as in its discretion it may determine.

#### (2) Testing of Claimed Horses.

- (a) In the event a horse is claimed, and has been designated for a post race test said claimed horse shall be brought to the State Testing Area by the previous owner, trainer, or agent, and said owner, trainer or agent shall remain with this horse in the testing area until a urine specimen or other sample or test is received from the horse, and said previous owner, trainer or agent shall sign all necessary documents.
- (b) Should the analysis of a post race blood, urine or saliva specimen taken from a claimed horse result in a post-race positive test, the claimant's trainer shall be promptly notified by the judges and the claimant shall have the option to void said claim. An election to void a claim shall be submitted in writing to the judges by the claimant or his or her trainer.

#### (3) Split Samples.

- (a) Split samples shall be secured and made available for further testing in accordance with the following procedures:
  - 1. A split sample shall be secured in the test barn under the same manner as the portion of the specimen acquired for shipment to a primary laboratory until such time as specimens are packed and secured for shipment to the primary laboratory. Split samples shall then be transferred to a freezer at a secure location approved by the Commission.
  - 2. A freezer for storage of split samples shall be opened only for depositing or removing split samples, for inventory, or for checking the condition of samples. A log shall be maintained that shall be used each time a split sample freezer is opened to specify each person in attendance, the purpose for opening the freezer, identification of split samples deposited or removed, the date and time the freezer was opened, and the time the freezer was closed.
  - 3. Any evidence of a malfunction of a split sample freezer or samples that are not in a frozen condition during storage shall be documented in the log and immediately reported to the official veterinarian or a designated Commission representative.
- (b) A trainer or owner of a horse having been notified that a written report from a primary laboratory states that a prohibited substance has been found in a specimen obtained pursuant to 205 CMR 3.00 may request that a split sample corresponding to the portion of the specimen tested by the primary laboratory be sent to another [referee] laboratory approved by the Commission. The request must be made in writing and delivered to the judges not later than three business days after the trainer of the horse receives written notice of the findings of the primary laboratory. Any split sample so requested must be shipped within an additional 48 hours.
- (c) The owner or trainer requesting testing of a split sample shall be responsible for the cost of shipping and testing. Failure of the owner, trainer or designee to appear at the time and place designated by the official veterinarian shall constitute a waiver of all rights to split sample testing. Prior to shipment, the Commission shall confirm the referee laboratory's willingness to simultaneously provide the testing requested, the laboratory's willingness to send results to both

the person requesting the testing and the Commission, and arrangements for payment satisfactory to the referee laboratory.

(d) Prior to opening the split sample freezer, the Commission shall provide a split sample chain of custody verification form that shall provide a place for recording the following information and such other information as the official veterinarian may require. The form shall be fully completed during the retrieval, packaging, and shipment of the split sample. The split sample chain of custody form requirements are:

1. The date and time the sample is removed from the split sample freezer;
2. The sample number;
3. The address where the split sample is to be sent;
4. The name of the carrier and the address where the sample is to be taken for shipment;
5. Verification of retrieval of the split sample from the freezer;
6. Verification of each specific step of the split sample packaging in accordance with the recommended procedure;
7. Verification of the address of the referee laboratory on the split sample package;
8. Verification of the condition of the split sample package immediately prior to transfer of custody to the carrier; and
9. The date and time custody of the sample is transferred to the carrier.

(e) A split sample shall be removed from the split sample freezer by a Commission representative in the presence of a representative of the horsemen's association.

(f) The owner, trainer or designee shall pack the split sample for shipment in the presence of the representative of the Commission, in accordance with the packaging procedures recommended by the Commission. A form shall be signed by both the horsemen's representative and the Commission representative to confirm the packaging of the split sample. The exterior of the package shall be secured and identified with initialed tape, evidence tape or other means to prevent tampering with the package.

(g) The package containing the split sample shall be transported in a manner prescribed by the commission to the location where custody is transferred to the delivery carrier charged with delivery of the package to the Commission-approved laboratory selected by the owner or trainer.

(h) The owner, trainer or designee and the Commission representative shall inspect the package containing the split sample immediately prior to transfer to the delivery carrier to verify that the package is intact and has not been tampered with.

(i) The split sample chain of custody verification form shall be completed and signed by the representatives of the Commission and the owner or trainer. A Commission representative shall keep the original and provide a copy for the owner or trainer.

(j) If the split sample does not arrive at the referee laboratory because of an act of God or other condition beyond the control of the Commission, the findings in the original sample shall serve as prima facie evidence of any medication violation.

(4) Frozen Samples. The commission has the authority to direct the official laboratory to retain and preserve by freezing samples for future analysis. The fact that purse money has been distributed prior to the issuance of a laboratory report from the future analysis of a frozen sample shall not be deemed a finding that no drug substance prohibited by 205 CMR 3.00 has been administered.

(5) Suspicious Substances. The representatives of the Commission may take for analysis samples of any medicine or other materials suspected of containing improper medication or drugs which could affect the racing conditions of a horse in a race, which may be found in the stable area or elsewhere on the track or in the possession of any person connected with racing on such tracks.

### 3.33: Postmortem Examinations

- (1) The Commission may require a postmortem examination of any horse that dies or is euthanized on association grounds.
- (2) The Commission may require a postmortem examination of any horse that dies or is euthanized at recognized training facilities within this jurisdiction.
- (3) If a postmortem examination is to be conducted, the Commission shall take possession of the horse upon death for postmortem examination. All shoes shall be left on the horse.
- (4) If a postmortem examination is to be conducted, the Commission or its representative shall collect blood, urine, bodily fluids, or other biologic specimens immediately, if possible before euthanization. The Commission may submit blood, urine, bodily fluids, or other biologic specimens collected during a postmortem examination for analysis. The presence of a prohibited substance in a specimen collected during the postmortem examination may constitute a violation.
- (5) All licensees shall be required to comply with postmortem examination requirements as a condition of licensure. In proceeding with a postmortem examination the Commission or its designee shall coordinate with the owner or the owner's authorized agent to determine and address any insurance requirements.

3.34 Environmental Contaminants and Substances of Human Use

- (1) Environmental contaminants are either endogenous to the horse or can arise from plants traditionally grazed or harvested as equine feed or are present in equine feed because of contamination during the cultivation, processing, treatment, storage or transportation phases.
- (2) Substances of human use and addiction may be found in the horse due to its close association with humans.
- (3) If the preponderance of evidence presented in the hearing shows that a positive test is the result of environmental contamination, including inadvertent exposure due to human drug use, or dietary intake, or is endogenous to the horse, those factors should be considered in mitigation of any disciplinary action taken against the affected trainer. Disciplinary action shall only be taken if test sample results exceed the regulatory thresholds in the most recent version of the ARCI Endogenous, Dietary, or Environmental Substances Schedule.
- (4) The identification and adoption of these uniform thresholds for certain substances shall not preclude an individual jurisdiction from maintaining thresholds for substances not on this list which predate the adoption of this regulation in such jurisdiction.

REGULATORY AUTHORITY

205 CMR 3.00: M.G.L. c.  
128A, § 9.

4.50: Veterinary Practices

~~(1) Veterinarians Under Authority of Official Veterinarian. Veterinarians licensed by the Commission and practicing at any location under the jurisdiction of the Commission are under the authority of the official veterinarian and the stewards. The official veterinarian shall recommend to the stewards or the Commission the discipline that may be imposed upon a veterinarian who violates 205 CMR 4.00.~~

~~(2) Treatment Restrictions.~~

~~(a) Only licensed trainers, licensed owners, or their designees shall be permitted to authorize veterinary medical treatment of horses under their care, custody and control at locations under the jurisdiction of the Commission.~~

~~(b) Except as otherwise provided by 205 CMR 4.50(2), no person other than a veterinarian~~

~~licensed to practice veterinary medicine in this jurisdiction and licensed by the Commission may administer a prescription or controlled medication, drug, or chemical to a horse at any location under the jurisdiction of the Commission.~~

~~(c) 205 CMR 4.50(2) does not apply to the administration of the following substances~~

~~except in approved quantitative levels, if any, present in post race samples or as they may interfere with post race testing:~~

~~1. A recognized non-injectable nutritional supplement or other substance approved by the official veterinarian;~~

~~2. A non-injectable substance on the direction or by prescription of a licensed veterinarian; or~~

~~3. A non-injectable non-prescription medication or substance.~~

~~(d) No person shall possess a hypodermic needle, syringe capable of accepting a needle or injectable of any kind on association grounds, unless otherwise approved by the Commission. At any location under the jurisdiction of the Commission, veterinarians may use only one time disposable syringe and needle, and shall dispose of both in a manner approved by the Commission. If a person has a medical condition which makes it necessary to have a syringe at any location under the jurisdiction of the Commission, that person may request permission of the stewards and/or the Commission in writing, furnish a letter from a licensed physician explaining why it is necessary for the person to possess a syringe, and must comply with any conditions and restrictions set by the stewards and/or the Commission.~~

~~(e) Practicing veterinarians shall not have contact with an entered horse within 24 hours before the scheduled post time of the race in which the horse is scheduled to compete except for the administration of furosemide under the guidelines set forth in 205 CMR 4.52(6), unless approved by the official veterinarian or his or her designee. Any unauthorized contact may result in the horse being scratched and may result in further disciplinary action by the stewards.~~

~~(f) Any horse entered for racing must be present on the grounds prior to the scheduled furosemide administration time, or one hour prior to first post time, whichever is earlier.~~

~~(3) Veterinarians' Reports.~~

~~(a) Every veterinarian who treats a racehorse at any location under the jurisdiction of the Commission shall, in writing on the Medication Report Form prescribed by the Commission, report to the official veterinarian or other commission designee at the racetrack where the horse is entered to run or as otherwise specified by the commission, the name of the horse treated, any medication, drug, substance, or procedure administered or prescribed, the name of the trainer of the horse, the date and time of treatment and any other information requested by the official veterinarian.~~

- ~~(b) The Medication Report Form shall be signed by the practicing veterinarian.~~
- ~~(c) The Medication Report Form must be filed by the treating veterinarian not later noon the day following treatment. Any such report is confidential and its content shall not be disclosed except in the course of an investigation of a possible violation of 205 CMR 4.00 or in a proceeding before the stewards or the Commission, or to the trainer or owner of record at the time of treatment.~~
- ~~(d) A timely and accurate filing of a Medication Report Form that is consistent with the analytical results of a positive test may be used as a mitigating factor in determining the nature and extent, if any, of a rules violation.~~

1. Veterinarians under the Authority of the Official Veterinarian  
Veterinarians licensed by the Commission and practicing at any location under the jurisdiction of the Commission are under the authority of the official veterinarian and the stewards. The official veterinarian shall recommend to the stewards or the Commission the discipline that may be imposed upon a veterinarian who violates the rules.

2. Appropriate Role of Veterinarians  
The following limitations apply to drug treatments of horses that are engaged in activities, including training, related to competing in pari-mutual racing in the jurisdiction:
- (a) No drug may be administered except in the context of a valid veterinarian-client-patient relationship between an attending veterinarian, the horse owner (who may be represented by the trainer or other agent) and the horse. The owner is not required by this section to follow the veterinarian's instructions, but no drug may be administered without a veterinarian having examined the horse and provided the treatment recommendation. Such relationship requires the following:
    - (i) The veterinarian, with the consent of the owner, has accepted responsibility for making medical judgments about the health of the horse;
    - (ii) The veterinarian has sufficient knowledge of the horse to make a preliminary diagnosis of the medical condition of the horse;
    - (iii) The veterinarian has performed an examination of the horse and is acquainted with the keeping and care of the horse;
    - (iv) The veterinarian is available to evaluate and oversee treatment outcomes or has made appropriate arrangements for continuing care and treatment;
    - (v) The relationship is maintained by veterinary visits as needed; and;
    - (vi) The veterinary judgments of the veterinarian are independent and are not dictated by the trainer or owner of the horse.
  - (b) No prescription drug may be administered except as prescribed by an attending veterinarian.
  - (c) The trainer and veterinarian are both responsible to ensure compliance with these limitations on drug treatments of horses, except the medical judgment to recommend a drug treatment or to prescribe a drug is the responsibility of the veterinarian and the decision to proceed with a drug treatment that has been so recommended is the responsibility of the horse owner (who may be represented by the trainer or other agent).

3. Treatment Restrictions

- (a) Only licensed trainers, licensed owners or their designees shall be permitted to authorize veterinary medical treatment of horses under their care, custody and control at locations under the jurisdiction of the Commission.
- (b) Except as otherwise provided by this section, no person other than a veterinarian licensed to practice veterinary medicine in this jurisdiction and licensed by the Commission may administer a prescription or controlled medication, drug, chemical or other substance (including any medication, drug,

chemical or other substance by injection) to a horse at any location under the jurisdiction of the Commission.

(c) This section does not apply to the administration of the following substances except in approved quantitative levels, if any, present in post-race samples or as they may interfere with post-race testing:

(i) A recognized non-injectable nutritional supplement or other substance approved by the official veterinarian;

(ii) A non-injectable substance on the direction or by prescription of a licensed veterinarian; or

(iii) A non-injectable non-prescription medication or substance.

(d) No person shall possess a hypodermic needle, syringe capable of accepting a needle or injectable of any kind on association grounds, unless otherwise approved by the Commission. At any location under the jurisdiction of the Commission, veterinarians may use only one-time disposable syringe and needle, and shall dispose of both in a manner approved by the Commission. If a person has a medical condition which makes it necessary to have a syringe at any location under the jurisdiction of the Commission, that person may request permission of the stewards and/or the Commission in writing, furnish a letter from a licensed physician explaining why it is necessary for the person to possess a syringe, and must comply with any conditions and restrictions set by the stewards and/or the Commission.

(e) Practicing veterinarians shall not have contact with an entered horse within 24 hours before the scheduled post time of the race in which the horse is scheduled to compete except for the administration of furosemide under the guidelines set forth in 205 CMR 4.52 (6) unless approved by the official veterinarian. Any unauthorized contact may result in the horse being scratched from the race in which it was scheduled to compete and may result in further disciplinary action by the stewards.

(f) Any horse entered for racing must be present on the grounds prior to the scheduled furosemide administration time or one hour prior to first post time whichever is earlier.

#### 4. Veterinarians' Reports

(a) Every veterinarian who treats a racehorse at any location under the jurisdiction of the Commission shall, in writing on the medication report form prescribed by the Commission, report to the official veterinarian or other commission designee at the racetrack where the horse is entered to run or as otherwise specified by the Commission, the name of the horse treated, any medication, drug, substance or procedure administered or prescribed, the name of the trainer of the horse, the date and time of treatment and any other information requested by the official veterinarian.

(b) The medication report form shall be signed by the practicing veterinarian.

(c) The medication report form must be filed by the treating veterinarian not later than post time of the race for which the horse is entered. Any such report is confidential and its content shall not be disclosed except in the course of an investigation of a possible violation of the Commission's regulations or in a proceeding before the stewards or the Commission, or to the trainer or owner of record at the time of treatment.

(d) A timely and accurate filing of a medication report form that is consistent with the analytical results of a positive test may be used as a mitigating factor in determining the nature and extent, if any, of a rules violation.

4.51: Prohibited Practices

~~The following are considered prohibited practices:~~

- ~~(1) The possession or use of a drug, substance or medication on the premises of a facility under the jurisdiction of the Commission for which:~~
- ~~(a) a recognized analytical method has not been developed to detect and confirm the administration of such substance; or~~
  - ~~(b) the use of which may endanger the health and welfare of the horse or endanger the safety of the rider; or~~
  - ~~(c) the use of which may adversely affect the integrity of racing; or~~
  - ~~(d) no generally accepted use in equine care exists.~~
- ~~(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 4.51(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) Darbe poetin~~
  - ~~(d) Equine Growth Hormone~~
  - ~~(e) Erythropoietin (EPO)~~
  - ~~(f) Hemopure~~
  - ~~(g) myo Inositol Tripyrophosphate (ITPP)~~
  - ~~(h) Oxyglobin~~
  - ~~(i) Snake 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 breeze 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.~~

205 CMR 4.00: MASSACHUSETTS GAMING COMMISSION

~~(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.~~

1. No person may possess or use a drug, substance or medication on the premises of a facility under the jurisdiction of the Commission for which

(a) a recognized analytical method has not been developed to detect and confirm the administration of such substance; or

(b) the use of which may endanger the health and welfare of the horse or endanger the safety of the rider; or

(c) the use of which may adversely affect the integrity of racing; or,

(d) no generally-accepted use in equine care exists.

2. Prohibited Substances and Methods:

(a) The substances and methods listed in the annexed Prohibited List may not be used at any place or time, and may not be possessed on the premises of a racing or training facility under the jurisdiction of the Commission, except as a restricted therapeutic use.

(b) Restricted Therapeutic Use. A limited number of medication on the Prohibited List shall be exempted when the administration occurs in compliance with the annexed Required Conditions for Restricted Therapeutic Use:

(i) Report When Sampled means the administration of the substance must be reported to the commission when the horse is next sampled, if the horse is sampled within 24 hours after the administration;

(ii) Pre-File Treatment Plan means that if the commission where the horse is located requires the filing of treatment plans, then a treatment plan for the substance must be filed by the time of administration in a manner approved by such commission;

(iii) Written Approval from Commission means the commission has granted written approval of a written treatment plan before the administration of the substance;

(iv) Emergency Use (report) means the substance had to be administered due to an acute emergency involving the life or health of the horse, provided the emergency use is reported to the commission as soon as practicable after the treatment occurs;

(v) Prescribed by Veterinarian means the substance has been prescribed by an attending veterinarian, in compliance with ARCI 011-010 Veterinary Practices, and recorded in the veterinary records in the manner required by the commission;

(vi) Report Treatment means the treatment must be reported to the commission by the trainer at the time of administration to provide the commission with information for the Veterinarian's List. The trainer may delegate this responsibility to the treating veterinarian, who shall make the report when so designated; and

(vii) Other Limitations means additional requirements that apply, such as a substance may be used in only fillies or mares or a horse that is administered a substance shall be reported immediately to the commission and placed on the Veterinarian's List for a specific minimum period of time. The use of the substance must comply with other applicable rules of the Commission.

(c) No person shall at any time administer any other doping agent to a horse except pursuant to a valid therapeutic, evidence-based treatment plan.

(i) Other doping agent means a substance that is not listed in the annexed Prohibited List, has a pharmacologic potential to alter materially the performance of a horse, has no generally accepted medical use in the horse when treated, and is:

(A) capable at any time of causing an action or effect, or both, within one or more of the blood, cardiovascular, digestive, endocrine, immune, musculoskeletal, nervous, reproductive, respiratory, or urinary mammalian body systems; including but not limited to endocrine

secretions and their synthetic counterparts, masking agents, oxygen carriers, and agents that directly or indirectly affect or manipulate gene expression; but

(B) not a substance that is considered to have no effect on the physiology of a horse except to improve nutrition or treat or prevent infections or parasite infestations.

(ii) The commission may publish advisory warnings that certain substances or administrations may constitute a violation of this rule.

(iii) *Therapeutic, evidence-based treatment plan* means a planned course of treatment written and prescribed by an attending veterinarian before the horse is treated that:

(A) describes the medical need of the horse for the treatment, the evidence-based scientific or clinical justification for using the doping agent, and a determination that recognized therapeutic alternates do not exist; and

(B) complies with ARCI 011-010 Veterinary Practices, meets the standards of veterinary practice of the jurisdiction, and is developed in good faith to treat a medical need of the horse.

(iv) Such plans shall not authorize the possession of a doping agent on the premises of a racing or training facility under the jurisdiction of the commission.

3. The possession and/or use of the following substances or of blood doping agents, including but not limited to those listed below, on the premises of a facility under the jurisdiction of the Commission is forbidden:

(a) Aminoimidazole carboxamide ribonucleotide (AICAR)

(b) Darbepoetin

(c) Equine Growth Hormone

(d) Erythropoietin

(e) Hemopure ®

(f) Myo-Inositol Trispyrophosphate (ITPP)

(g) Oxyglobin®

(h) Thymosin beta

(i) 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 Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy machine, whether in operating condition or not, must be registered with and approved by the Commission or its designee before such machine is brought to or possessed on any racetrack or training center within the jurisdiction of the commission;

(b) The use of Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy within the jurisdiction:

(i) shall be limited to veterinarians licensed to practice by the commission;

(ii) may only be performed with machines that are:  
registered and approved for use by the commission; and

(iii) used at a previously-disclosed location that is approved by the commission  
must be reported within 24-hours prior to treatment on the prescribed form to the official veterinarian.

(c) Any treated horse shall not be permitted to race or breeze for a minimum of 10 days following treatment;

(d) Any horse treated with Extracorporeal Shock Wave Therapy or Radial Pulse Wave Therapy shall be added to a list of ineligible horses. This list shall be kept in the race office and accessible to the jockeys and/or their agents during normal business hours and be made available to other regulatory jurisdictions.

(e) A horse that receives any such treatment without full compliance with this section and similar rules in any other jurisdiction in which the horse was treated shall be placed on the Steward's List.

(f) Any person participating in the use of ESWT and/or the possession of ESWT machines in violation of this rule 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/her designee.

4.51.01

Annex I  
Prohibited Substances and Prohibited Methods

Prohibited Substances

(1). All substances in the categories below shall be strictly prohibited unless otherwise provided in accordance with 205 CMR 4.0. Any reference to substances in this section does not alter the requirements for testing concentrations in race day samples.

(2). Nothing in this list shall alter the requirements of post-race testing.

(3). NON-APPROVED SUBSTANCES

Any pharmacologic substance that is not approved by any governmental regulatory health authority for human or veterinary use within the jurisdiction is prohibited. This prohibition includes drugs under pre-clinical or clinical development, discontinued drugs, and designer drugs (a synthetic analog of a drug that has been altered in a manner that may reduce its detection); but does not include vitamins, herbs and supplements for nutritional purposes that do not contain any other prohibited substance, or the administration of a substance with the prior approval of the commission in a clinical trial for which an FDA or similar exemption has been obtained.

(4). ANABOLIC AGENTS  
Anabolic agents are prohibited.

1. Anabolic Androgenic Steroids (AAS)

1.1. Exogenous AAS, including:

1-androstenediol (5 $\alpha$ -androst-1-ene-3 $\beta$ ,17 $\beta$ -diol ); 1-androstenedione (5 $\alpha$ - androst-1-ene-3,17-dione); bolandiol (estr-4-ene-3 $\beta$ ,17 $\beta$ -diol ); bolasterone; boldenone; boldione (androsta-1,4-diene-3,17-dione); calusterone; clostebol; danazol ([1,2]oxazolo[4',5':2,3]pregna-4-en-20-yn-17 $\alpha$ -ol); dehydrochlormethyltestosterone (4-chloro-17 $\beta$ -hydroxy-17 $\alpha$ -methylandrosta- 1,4-dien-3-one); desoxymethyltestosterone (17 $\alpha$ -methyl-5 $\alpha$ -androst-2-en- 17 $\beta$ -ol); drostanolone; ethylestrenol (19-norpregna-4-en-17 $\alpha$ -ol); fluoxymesterone; formebolone; furazabol (17 $\alpha$ -methyl[1,2,5]oxadiazolo[3',4':2,3]-5 $\alpha$ -androst-17 $\beta$ -ol); gestrinone; 4- hydroxytestosterone (4,17 $\beta$ -dihydroxyandrost-4-en-3-one); mestanolone; mesterolone; metandienone (17 $\beta$ -hydroxy-17 $\alpha$ -methylandrosta-1,4-dien-3- one); metenolone; methandriol; methasterone (17 $\beta$ -hydroxy-2 $\alpha$ ,17 $\alpha$ - dimethyl-5 $\alpha$ -androst-3-one); methyldienolone (17 $\beta$ -hydroxy-17 $\alpha$ - methylestra-4,9-dien-3-one); methyl-1-testosterone (17 $\beta$ -hydroxy-17 $\alpha$ -methyl-5 $\alpha$ -androst-1-en-3-one); methylnortestosterone (17 $\beta$ -hydroxy-17 $\alpha$ -methylestr-4-en-3-one); methyltestosterone; metribolone (methyltrienolone, 17 $\beta$ - hydroxy-17 $\alpha$ -methylestra-4,9,11-trien-3-one); mibolone; nandrolone; 19-norandrostenedione (estr-4-ene-3,17-dione); norboletone; norclostebol; norethandrolone; oxabolone; oxandrolone; oxymesterone; oxymetholone; prostanazol (17 $\beta$ -[(tetrahydropyran-2-yl)oxy]-1'H-pyrazolo[3,4:2,3]-5 $\alpha$ - androstane); quinbolone; stanozolol; stenbolone; 1-testosterone (17 $\beta$ - hydroxy-5 $\alpha$ -androst-1-en-3-one); tetrahydrogestrinone (17-hydroxy-18 $\alpha$ - homo-19-nor-17 $\alpha$ -pregna-4,9,11-trien-3-one); trenbolone (17 $\beta$ -hydroxyestr-4,9,11-trien-3-one); and other substances with a similar chemical structure or similar biological effect(s).

5. ENDOGENOUS-AAS OR THEIR SYNTHETIC ESTERS WHEN ADMINISTERED EXOGENOUSLY:

androstenediol (androst-5-ene-3 $\beta$ ,17 $\beta$ -diol); androstenedione (androst-4-ene-3,17-dione); dihydrotestosterone (17 $\beta$ -hydroxy-5 $\alpha$ -androst-3-one); prasterone (dehydroepiandrosterone, DHEA, 3 $\beta$ -hydroxyandrost-5-en-17-one); testosterone; and their metabolites and isomers, including but not limited to: 5 $\alpha$ -androstane-3 $\alpha$ ,17 $\alpha$ -diol; 5 $\alpha$ -androstane-3 $\alpha$ ,17 $\beta$ -diol; 5 $\alpha$ -androstane-3 $\beta$ ,17 $\alpha$ -diol; 5 $\alpha$ -androstane-3 $\beta$ ,17 $\beta$ -diol; 5 $\beta$ -androstane-3  $\alpha$ , 17 $\beta$ -diol, androst-4-ene-3 $\alpha$ ,17 $\alpha$ -diol; androst-4-ene-3 $\alpha$ ,17 $\beta$ -diol; androst-4-ene-3 $\beta$ ,17 $\alpha$ -diol; androst-5-ene-3 $\alpha$ ,17 $\alpha$ -diol; androst-5-ene-3 $\alpha$ ,17 $\beta$ -diol; androst-5-ene-3 $\beta$ ,17 $\alpha$ -diol; 4-androstenediol (androst-4-ene-3 $\beta$ ,17 $\beta$ -diol); 5-androstenedione (androst-5- ene-3,17-dione); androsterone (3  $\beta$ -hydroxy-5  $\alpha$  –

androstan-17-one); epi-dihydrotestosterone; epitestosterone; etiocholanolone; 7 $\alpha$ -hydroxy-DHEA ; 7 $\beta$ -hydroxy-DHEA; 7-keto-DHEA; 19-norandrosterone; 19-noretiocholanolone.

(6). OTHER ANABOLIC AGENTS, INCLUDING BUT NOT LIMITED TO: Clenbuterol, selective androgen receptor modulators (SARMs e.g., andarine and ostarine), ractopamine, tibolone, zeranol, zilpaterol.

(7). PEPTIDE HORMONES, GROWTH FACTORS AND RELATED SUBSTANCES  
The following substances, and other substances with similar chemical structure or similar biological effect(s), are prohibited:

1. Erythropoietin-Receptor agonists:

1.1 Erythropoiesis-Stimulating Agents (ESAs) including, e.g., darbepoetin (dEPO); erythropoietins (EPO); EPO-Fc; EPO-mimetic peptides (EMP), e.g., CNTO 530 and peginesatide; and methoxypolyethylene glycol-epoetin beta (CERA); and

1.2 Non-erythropoietic EPO-Receptor agonists, e.g., ARA-290, asialo EPO and carbamylated EPO;

2. Hypoxia-inducible factor (HIF) stabilizers, e.g., cobalt (when found in excess of regulatory authority limits) and roxadustat (FG-4592); and HIF activators, (e.g., argon, xenon);

3. Chorionic Gonadotropin (CG) and Luteinizing Hormone (LH) and their releasing factors, in males;

4. Corticotrophins and their releasing factors;

5. Growth Hormone (GH) and its releasing factors including Growth Hormone Releasing Hormone (GHRH) and its analogues, e.g., CJC-1295, sermorelin and tesamorelin; Growth Hormone Secretagogues (GHS), e.g., ghrelin and ghrelin mimetics, e.g., anamorelin and ipamorelin; and GH-Releasing Peptides (GHRPs), e.g., alexamorelin, GHRP-6, hexarelin and pralmorelin (GHRP-2);

6. Venoms and toxins including but not limited to venoms and toxins from sources such as snails, snakes, frogs, and bees as well as their synthetic analogues such as ziconotide.

7. In addition, the following growth factors are prohibited:

1.1. Fibroblast Growth Factors (FGFs), Hepatocyte Growth Factor (HGF), Insulin-like Growth Factor-1 (IGF-1) and its analogues, Mechano Growth Factors (MGFs), Platelet-Derived Growth Factor (PDGF), Vascular-Endothelial Growth Factor (VEGF) and any other growth factor affecting muscle, tendon or ligament protein synthesis/degradation, vascularization, energy utilization, regenerative capacity or fiber type switching.

(8). BETA-2 AGONISTS

All beta-2 agonists, including all optical isomers (i.e. *d*- and *l*-) where relevant, are prohibited.

(9). HORMONE AND METABOLIC MODULATORS

The following are prohibited:

1. Aromatase inhibitors, including but not limited to: aminoglutethimide, anastrozole, androsta-1,4,6-triene-3,17-dione (androstatrienedione), 4-androstene-3,6,17 trione (6-oxo), exemestane, formestane, letrozole, testolactone;

2. Selective estrogen receptor modulators (SERMs), including but not limited to: raloxifene, tamoxifen, toremifene;

3. Other anti-estrogenic substances, including but not limited to: clomiphene, cyclofenil, fulvestrant;

4. Agents modifying myostatin function(s), including but not limited to: myostatin inhibitors;

5. Metabolic modulators:

5.1. Activators of the AMP-activated protein kinase (AMPK), e.g., AICAR, and Peroxisome Proliferator Activated Receptor  $\delta$  (PPAR $\delta$ ) agonists (e.g., GW 1516);

5.2 Insulins;

5.3 Trimetazidine; and

5.4. Thyroxine and thyroid modulators/hormones, including but not limited to those containing T4 (tetraiodothyronine/thyroxine), T3 (triiodothyronine), or combinations thereof.

(10). DIURETICS AND OTHER MASKING AGENTS

1.1 The following diuretics and masking agents are prohibited, as are other substances with similar chemical structure or similar biological effect(s): acetazolamide, amiloride, bumetanide, canrenone, chlorthalidone, desmopressin, etacrynic acid, indapamide, metolazone, plasma

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expanders (e.g. glycerol; intravenous administration of albumin, dextran, hydroxyethyl starch and mannitol), probenecid, spironolactone, thiazides (e.g. bendroflumethiazide, chlorothiazide, hydrochlorothiazide), torsemide, triamterene, and vasopressin receptor antagonists or vaptans (e.g., tolvaptan).  
1.2 Furosemide and trichlormethiazide may be administered only in a manner permitted by other rules of the commission.

PROHIBITED METHODS

(1). MANIPULATION OF BLOOD AND BLOOD COMPONENTS

The following are prohibited:

1. The administration or reintroduction of any quantity of autologous, allogenic (homologous) or heterologous blood or red blood cell products of any origin into the circulatory system.
2. Artificially enhancing the uptake, transport or delivery of oxygen, including, but not limited to, perfluorochemicals, efaproxiral (RSR13) and modified hemoglobin products (e.g. hemoglobin-based blood substitutes, microencapsulated hemoglobin products), excluding supplemental oxygen.
3. Any form of intravascular manipulation of the blood or blood components by physical or chemical means.

(2). CHEMICAL AND PHYSICAL MANIPULATION

Tampering, or attempting to tamper, in order to alter the integrity and validity of samples collected by the commission, is prohibited. These methods include but are not limited to urine substitution or adulteration (e.g., proteases).

(3). GENE DOPING

The following, with the potential to enhance sport performance, are prohibited:

1. The transfer of polymers of nucleic acids or nucleic acid analogues.
2. The use of normal or genetically modified hematopoietic cells.

Required Conditions for Restricted Therapeutic Use							
Prohibited Substance	Report When Sampled	Pre-File Treatment Plan	Written Approval from Commission	Emergency Use (report)	Prescribed by Veterinarian	Report Treatment	Other Limitations
Adrenocorticotrophic Hormone (ACTH)		x			x		
Albuterol					x		
Altrenogest					x		fillies/mares only
Autologous Conditioned Plasma (IRAP)	x				x		
Blood Replacements	x			x	x		
Boldenone		x			x	x	6 month Vet List
Clenbuterol		x			x		
Chorionic Gonadotropin		x	x-1		x	x	60 day Vet List
Furosemide	x				x		
Luteinizing Hormone		x	x-1		x	x	60 day Vet List
Mesenchymal Stem Cells	x				x	x	
Nandrolone		x			x	x	6 month Vet List
Nucleic Polymer Transfers		x	x		x	x	
Platelet Rich Plasma (PRP)	x				x		
Stanozolol		x			x	x	6 month Vet List
S0 (not FDA-approved)			x-2		x		
Testosterone		x			x	x	6 month Vet List
Thyroxine (T4)		x	x-3		x		
Trichlormethiazide	x				x		
Other Diuretics	x			x	x		

x-1: The approved treatment plan must show a specific treatment of a specific individual horse for an undescended testicle condition.

x-2: The approved treatment plan must show: (A) the substance has a generally accepted veterinary use; (B) the treatment provides a significant health benefit for the horse; (C) there is no reasonable therapeutic alternative; and (D) the use of the substance is highly unlikely to produce any additional enhancement of performance beyond what might be anticipated by a return to the horse's normal state of health, not exceeding the level of performance of the horse prior to the onset of the horse's medical condition.

x-3: The approved treatment plan must show: (A) the thyroxine is prescribed to a specific individual horse for a specific period of time; (B) the diagnosis and basis for prescribing such drug, the dosage, and the estimated last administration date ; and (C) that any container of such drug on licensed premises shall be labeled with the foregoing information and contain no more thyroxine than for the treatment of the specific individual horse, as prescribed.

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.

~~(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 <sup>†</sup>	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:~~

~~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. Multiple Medication Violations (MMV)  
(a) 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-C, as provided in the most recent version of the ARCI Uniform Classification Guidelines for Foreign Substances, or similar state regulatory guidelines, shall be assigned points as follows:

<u>Penalty Class</u>	<u>Points If Controlled Therapeutic Substance</u>	<u>Points If Non-Controlled Substance</u>
<u>Class A</u>	<u>N/A</u>	<u>6</u>
<u>Class B</u>	<u>2</u>	<u>4</u>
<u>Class C</u>	<u>½ for first violation with an additional ½ point for each additional violation within 365 days<sup>1</sup></u>	<u>1 for first violation with an additional ½ point for each additional violation within 365 days</u>
<u>Class D</u>	<u>0</u>	<u>0</u>

<sup>1</sup>Points for NSAID violations only apply when the primary threshold of the NSAID is exceeded. Points are not to be separately assigned for a stacking violation.

If the Stewards or Commission determine that the violation is due to environmental contamination, they may assign lesser or no points against the trainer based upon the specific facts of the case.

(b)The points assigned to a medication violation by the Stewards or Commission ruling shall be included in the ARCI official database. The ARCI shall record points consistent with Section 13(a) including when appropriate, a designation that points have been suspended for the medication violation. Points assigned by such regulatory ruling shall reflect, in the case of multiple positive tests as described in paragraph (d), whether they constitute a single violation. The Stewards’ or Commission Ruling shall be posted on the official website of the Commission and within the official database 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.

(c)A trainer’s cumulative points for violations in all racing jurisdictions shall be maintained by the ARCI. Once all appeals are waived or exhausted, the points shall immediately become part of the trainer’s official ARCI record and shall be considered by the Commission in its determination to subject the trainer to the mandatory enhanced penalties by the Stewards or Commission as provided in this regulation.

(d)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. In the case of a positive test indicating multiple substances found in a single post-race sample, the Stewards may treat each substance found as an individual violation for which points will be assigned, depending upon the facts and circumstances of the case.

(e)The official ARCI record shall be used to advise the Stewards or Commission of a trainer’s past record of violations and cumulative points. Nothing in this administrative regulation 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.

(f)The Stewards or Commission shall consider 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 this regulation shall be imposed.

(g)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/her official ARCI record:

<u>Points</u>	<u>Suspension in days</u>
<u>5-5.5</u>	<u>15 to 30</u>
<u>6-8.5</u>	<u>30 to 60</u>
<u>9-10.5</u>	<u>90 to 180</u>
<u>11 or more</u>	<u>180 to 360</u>

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MMV penalties are not a substitute for the current penalty system and are intended to be an additional uniform penalty when the licensee:

(i) Has had more than one medication violation for the relevant time period, and

(ii) Exceeds the permissible number of points.

(h)The Stewards and Commission shall consider aggravating and mitigating circumstances, including the trainer’s prior record for medication violations, when determining the appropriate penalty for the underlying offense. The MMP is intended to be a separate and additional penalty for a pattern of violations.

(i)The suspension periods as provided in Section 13(g) shall run consecutive to any suspension imposed for the underlying offense.

(j)The Stewards’ or Commission Ruling shall distinguish between the penalty for the underlying offense and any enhancement based upon a Stewards or Commission review of the trainer’s cumulative points and regulatory record, which may be considered an aggravating factor in a case.

(k)Points shall expire as follows:

<u>Penalty Classification</u>	<u>Time to Expire</u>
<u>A</u>	<u>3 years</u>
<u>B</u>	<u>2 years</u>
<u>C</u>	<u>1 year</u>

(l)In the case of a medication violation that results in a suspension, any points assessed expire on the anniversary date of the date the suspension is completed.

- (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;

205 CMR 4.00: MASSACHUSETTS GAMING COMMISSION

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).

(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:
2. Phenylbutazone - two micrograms per milliliter;
3. Flunixin - 20 nanograms per milliliter;
4. Ketoprofen - 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.
- d. 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).
- e. 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).
- f. 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.
- (g)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;

205 CMR 4.00: MASSACHUSETTS GAMING COMMISSION

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.

d. A horse that 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 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. 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. Nandrolone. 1 ng/ml of total nandrolone in urine for fillies, mares and geldings or 45 ng/ml (as 5 $\alpha$ -estrane-3 $\beta$ , 17 $\alpha$ -diol) in urine in male horses other than geldings, or 25 pg/ml of nandrolone in plasma or serum for geldings, fillies, and mares.
3. 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 TCO<sub>2</sub> 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 TCO<sub>2</sub> 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 TCO<sub>2</sub> 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)(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.~~
- ~~(2) Horses to be tested may be selected at random, with probable cause, or as determined by the commission;~~
- ~~(3) The official veterinarian, or any licensed veterinarian or licensed veterinary technician authorized by the commission, may at any time, take a urine, blood or hair sample from a horse for this purpose.~~
- ~~(4) Prohibited substances, practices and procedures are defined as:~~
- ~~(a) Blood doping agents including, but not limited to Erythropoietin (EPO), Darbepoetin, Oxyglobin, Hemopure, Aranesp or any substance that abnormally enhances the oxygenation of body tissues.~~
- ~~(b) Gene doping agents or the non-therapeutic use of genes, genetic elements, and/or cells that have the capacity to enhance athletic performance or produce analgesia.~~
- ~~(5) Cooperation with the official veterinarian, or his or her designee, includes assisting in the immediate location and identification of the horse selected and providing a stall or safe location to collect the samples.~~
- ~~(6) Split samples for out of competition testing will be collected as per 205 CMR 4.55(3). Out-of-competition testing authorized. The commission may at a reasonable time on any date take blood, urine or other biologic samples as authorized by commission rules from a horse to enhance the ability of the commission to enforce its medication and anti-doping rules, e.g., the Prohibited List pursuant to ARCI-011-015. The commission shall own such samples. This rule authorizes only the collection and testing of samples and does not independently make impermissible the administration to or presence in any horse of any drug or other substance. A race day prohibition or restriction of a substance by a commission rule is not applicable to an out-of-competition test unless there is an attempt to race the horse in a manner that violates such rule.~~
- ~~(2)Horses eligible to be tested. Any horse that has been engaging in activities related to competing in horse racing in the jurisdiction may be tested. This includes without limitation any horses that are training outside the jurisdiction to participate in racing in the jurisdiction and all horses that are training in the jurisdiction, but excludes weanlings, yearlings and horses no longer engaged in horse racing (e.g., retired broodmares).~~
- ~~(3)A horse is presumed eligible for out-of-competition testing if:~~
- ~~(a) It is on the grounds at a racetrack or training center under the jurisdiction of the commission;~~
- ~~(b) It is under the care or control of a trainer licensed by the commission;~~
- ~~(c)It is owned by an owner licensed by the commission;~~
- ~~(d) It is entered or nominated to race at a premises licensed by the commission;~~
- ~~(e)It has raced within the previous 12 months at a premises licensed by the commission; or~~
- ~~(f)It is nominated to a program based on racing in the jurisdiction, including without limitation a state thoroughbred development, breeder’s award fund, or standardbred state sires stakes.~~
- ~~(4) Such presumptions are conclusive in the absence of evidence that a horse is not engaged in activities related to competing in horse racing in the jurisdiction.~~
- ~~(5)Selection of horses to be tested.~~
- ~~(a)Horses shall be selected for sampling by a commission Veterinarian, Executive Director, Equine Medical Director, Steward or Presiding Judge or a designee of any of the foregoing.~~
- ~~(b)Horses may be selected to be tested at random, for cause, or as otherwise determined in the discretion of the commission.~~
- ~~(c)collectors shall for suspicion-less collections of samples abide by a plan that has been approved by a supervisor not in the field and identifies specific horses or provides neutral and objective criteria to follow in the field to determine which horses to sample. Such a supervisor may consider input from persons in the field during the operation of the plan and select additional horses to be sampled.~~

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205 CMR 4.00: MASSACHUSETTS GAMING COMMISSION

(6) Cooperation with the commission

(a) Licensees of the commission are required to cooperate and comply fully with the provisions of this rule.

(b) Persons who apply for and are granted a trainer or owner license shall be deemed to have given their consent for access at such premises as their horse may be found for the purpose of commission representatives collecting out-of-competition samples. Licensees shall take any steps necessary to authorize access by commission representatives at such premises.

(c) No other person shall knowingly interfere with or obstruct a sampling.

(7) General procedure for collecting samples

(a) Samples shall be taken under the supervision and direction of a person who is employed or designated by the commission. All blood samples shall be collected by a veterinarian licensed in the state where the sample is collected, or by a veterinary technician who is acting under appropriate supervision of the veterinarian.

(b) Upon request of a representative of the commission, the trainer, owner, or their specified designee shall provide the location of their horses eligible for out-of-competition testing.

(c) The commission need not provide advance notice before arriving at any location, whether or not licensed by the commission, to collect samples.

(d) The trainer, owner, or their specified designee shall cooperate with the person who takes samples for the commission, which cooperation shall include without limitation:

(i) Assist in the immediate location and identification of the horse;

(ii) Make the horse available as soon as practical upon arrival of the person who is responsible for collecting the samples;

(iii) Provide a stall or other safe location to collect the samples;

(iv) Assist the person who is collecting samples in properly procuring the samples; and

(v) Witness the taking of samples including sealing of sample collection containers.

(vi) The management and employees of a licensed racetrack or training facility at which a horse may be located shall cooperate fully with a person who is authorized to take samples. The person who collects samples for the commission may require that the collection be done at a specified location on such premises.

(vii) The commission, if requested and in its sole discretion, may permit the trainer, owner, or their specified designee to present a horse that is located in the jurisdiction, but not at a racetrack or training center licensed by the commission, to be sampled at a time and location designated by the commission.

(8) Procedure for collecting samples from horses located outside the jurisdiction

a. The commission may arrange for the sampling of an out-of-state horse by the racing commission or other designated person in the jurisdiction where the horse is located. Such racing commission or other designated person shall follow the relevant provisions of this rule, including paragraph (a) of subdivision five of this rule.

b. The test results shall be made available, for its regulatory use, to each jurisdiction that has participated in the process of collecting any out-of-competition sample, subject to any restrictions on public disclosure of test results that apply to the commission that selected the horse for sampling.

c. The commission, if requested and in its sole discretion, may permit the trainer or owner instead to transport the horse into its jurisdiction for sampling at a time and place designated by the commission.

(9) Additional procedures

a. The person who takes samples for the commission shall provide identification and disclose the purpose of the sampling to the trainer or designated attendant of the horse.

b. A written protocol for the collection of samples shall be made generally available.

c. An owner or trainer does not consent to a search of the premises by making a horse that is not located at a racetrack or training center available for sampling.

d. If the trainer or other custodian of a selected horse refuses or declines to make the horse available for sampling and the managing owner has previously provided the commission with a means for the commission to give immediate notification to the managing owner in such situation, then the commission shall attempt to notify the managing owner and the eligibility of the horse shall be preserved if the managing owner is able to make the horse available for

205 CMR 4.00: MASSACHUSETTS GAMING COMMISSION

immediate sampling. The commission is not required to make repeated attempts to notify the managing owner.

e. The chain of custody record for the sample (including a split sample where appropriate) shall be maintained and made available to the trainer, owner, or their designee when a complaint results from an out-of-competition test.

(10) Analysis of collected samples

a. The commission may have out-of-competition samples tested to produce information that may enhance the ability of the commission to enforce its medication and anti-doping rules.

b. Split sample rules and procedures for post-race testing shall apply to out-of-competition testing.

c. The commission may use any remaining sample for research and investigation.

(11) Penalties for non-cooperation

a. Willful failure to make a horse available for sampling or other willfully deceptive acts or interference in the sampling process shall carry a minimum penalty of a one year license suspension and referral to the commission in addition to any other authorized penalties.

b. A selected horse that is not made available for out-of-competition sampling shall be placed on the Steward's List. The horse shall remain on the Steward's List for a minimum of 180 days unless the owner can establish extraordinary mitigating circumstances.

c. A selected horse that is presumed eligible for out-of-competition testing shall be placed on the Steward's list and be ineligible to race in the jurisdiction for 180 days if the horse is not sampled because the trainer, owner or their designee asserts that the horse is not engaged in activities related to competing in horse racing in the jurisdiction. This restriction shall not apply if the trainer, owner or their designee instead permits voluntarily an immediate collection of such samples from the horse.

4.58 Environmental Contaminants and Substances of Human Use

(1)Environmental contaminants are either endogenous to the horse or can arise from plants traditionally grazed or harvested as equine feed or are present in equine feed because of contamination during the cultivation, processing, treatment, storage or transportation phases.

(2)Substances of human use and addiction may be found in the horse due to its close association with humans.

(3)If the preponderance of evidence presented in the hearing shows that a positive test is the result of environmental contamination, including inadvertent exposure due to human drug use, or dietary intake, or is endogenous to the horse, those factors should be considered in mitigation of any disciplinary action taken against the affected trainer. Disciplinary action shall only be taken if test sample results exceed the regulatory thresholds in the most recent version of the ARCI Endogenous, Dietary, or Environmental Substances Schedule.

(4)The identification and adoption of these uniform thresholds for certain substances shall not preclude an individual jurisdiction from maintaining thresholds for substances not on this list which predate the adoption of this regulation in such jurisdiction.



## **SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this small business impact statement in accordance with G.L. c.30A, §2 relative to the proposed amendments in **205 CMR 141.00: Surveillance of the Gaming Establishment**; notice of which was filed this day with the Secretary of the Commonwealth. These amendments were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. The amendments update the surveillance regulations to conform to best practices within the industry. These regulations are largely governed by M.G.L. c. 23K, §§ 4(28), 4(37) and 5(9).

These amendments apply directly to gaming licensees. Accordingly, these amendments are unlikely to have an impact on small businesses. In accordance with G.L. c.30A, §2, the Commission offers the following responses:

1. Estimate of the number of small businesses subject to the proposed regulation:

There are no small businesses that the Commission anticipates will be impacted by these amendments as they apply solely to gaming licensees.

2. State the projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping or administrative costs created by these regulations that would affect small businesses as these amendments apply solely to gaming licensees.

3. State the appropriateness of performance standards versus design standards:

As a general matter, these proposed amendments are performance based and require surveillance design standards that ensure adequate coverage of the casino and comply with best practices within the industry.

4. Identify regulations of the promulgating agency, or of another agency or department of the commonwealth, which may duplicate or conflict with the proposed regulation:



Massachusetts Gaming Commission

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the commonwealth:

These amendments update the surveillance regulations to conform to best practices within the industry and therefore are not likely to deter or encourage the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission  
By:

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Cecelia M. Porché  
Paralegal  
Legal Division

Dated: \_\_\_\_\_



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 141.00: SURVEILLANCE OF THE GAMING ESTABLISHMENT

- 141.01: Approval of Surveillance System
- 141.02: Commission Access to the Surveillance System
- 141.03: CCTV Equipment
- 141.04: Areas to be Monitored and Recorded
- 141.05: Requirements of the Surveillance System Plan
- 141.06: Notice to the Commission of Changes
- 141.07: Recording Transmission Outside of the Gaming Establishment
- 141.08: Independence of the Surveillance Department
- 141.09: Access to the Monitoring Room

141.01: Approval of Surveillance System

(1) In accordance with 205 CMR, all gaming licensees must submit a plan to the commission for a system of effective closed circuit television (“CCTV”) surveillance of the gaming establishment. No gaming licensee may commence gaming operations without the commission’s approval of its CCTV surveillance plan as part of its system of internal controls. The surveillance plan must adequately address, at a minimum, all elements included in 205 CMR 141.00.

(2) Nothing in 205 CMR 141.00 shall be construed so as to limit a gaming licensee’s use of advanced technology or new technology, provided that if the gaming licensee intends to utilize any new technology not identified in its initial proposal submitted in accordance with 205 CMR, it shall submit for commission approval the changes to its system of internal controls to incorporate the use of any such new technology in accordance with 205 CMR.

(3) The term commission in 205 CMR 141.00 shall include staff assigned to the IEB and any other designated staff of the commission.

(4) The term division in 205 CMR 141.00 shall include Assistant Attorneys General and State Police assigned to the Division of Gaming Enforcement in accordance with M.G.L. c. 12, § 11M.

141.02: Commission Access to the Surveillance System

A surveillance plan must provide for the commission and the division to be afforded access to the CCTV system and its transmissions including, at a minimum:

(1) Use of and unfettered access, by way of keycard or other similar mechanism, to the monitoring room in the gaming establishment and all materials therein;

(2) Ability of commission and the division, upon written approval from the director of the IEB, the commander of the gaming enforcement unit of the State Police, or chief of the division to direct employees of the gaming establishment to vacate the monitoring room in the event that such presence would, in the determination of the commission or the division, compromise the integrity of an investigation and there are no alternative means available to pursue the information;

(3) Monitors located within the commission office in the gaming establishment which

are capable of accessing all video and audio and still photography available to the gaming licensee, with the ability for the commission to independently control any camera;

(4) Ability of the commission and the division, or its designated staff, to access the CCTV system and its transmissions, that have been encrypted to ensure security, remotely outside of the gaming establishment;

(5) Recording(s) or photographs(s) to be made by the gaming licensee at the direction of the commission or the division; and

(6) Integration of a priority system preventing staff of the gaming establishment from controlling a segment of the system when being utilized by the commission, the division, or its staff.

#### 141.03: CCTV Equipment

A surveillance plan must provide for the utilization of a CCTV surveillance system which includes at a minimum the following equipment and specifications:

(1) Light sensitive cameras, with lenses of sufficient magnification to allow for the reading of information on gaming chips, playing cards, dice, tiles, slot machine reel symbols, slot machine credit meters, and employee credentials and with 360° pan, tilt and zoom ("PTZ") capabilities ~~without camera stops~~ to effectively and clandestinely monitor in detail and from various vantage points;

(2) Equipment and supplies as may be required by the commission, taking into consideration current developments in electronic and computer technology, for the effective performance of the activities to be conducted therein including, without limitation:

- (a) A communication system capable of monitoring all gaming establishment security department activities; and
- (b) If computerized monitoring systems are used by the gaming licensee in its gaming operations, view-only terminals which allow access to all information concerning cage, slot, and table games operations;

(3) High definition digital recording equipment which:

- (a) Permits the preservation and viewing of transmissions produced by all cameras;
- (b) Is capable of the superimposition of time and date stamping on each recording;
- (c) Possesses the ability to identify and locate a particular event that was recorded;
- (d) Reproduces events in color, unless otherwise approved by the commission;
- (e) Records all images on a hard drive or server;
- (f) Locks such that access to the erase and reformat functions, and system data files is restricted to employees specifically authorized for those purposes;
- (g) Provides uninterrupted recording of surveillance during playback or copying;
- (h) Is capable of copying original images while maintaining the original native format and that can store the images at a rate of not less than 30 frames per second;
- (i) Will record images at a minimum resolution of 320 x 240 and display during playback at a minimum resolution of 640 x 480;
- (j) Will store images in a format that is readable by the commission's equipment;
- (k) Will store images in a format such that they can be verified and authenticated;
- (l) Is equipped with an uninterruptible power source to allow a proper system shutdown;
- (m) Films at four CIF (Common Intermediate Format) minimum 704 x 576 pixels resolution;

- (n) Films at 30 frames per second (real time recording) for all required filming, all operator observed activity, and all events requested by the commission; ~~and~~
  - ~~(e) Films at four frames per second for all facial recognition recordings; and~~
  - ~~(p)~~ (o) Ensures that all complimentary kiosk machines, self-redemption machines, change booths, and access to the surveillance server have dedicated ~~coverage sufficient to identify patrons and employees.~~ ~~facial recognition coverage.~~
- (4) Recording media, which shall be replaced as expeditiously as possible upon the manifestation of any significant degradation in the quality of the images or sound; and
  - (5) Audio capability in the soft count room ~~and an alternative method to visually identify the drop box or asset number being processed from surveillance footage.~~
  - (6) Watermarking and encryption systems shall be explained in detail as part of the surveillance plan.

#### 141.04: Areas to be Monitored and Recorded

- (1) A surveillance plan must provide, at a minimum, for the effective monitoring of the following areas of the gaming establishment in detail and from various vantage points:
  - (a) The gaming area, including, but not limited to effective and clandestine observation of:
    - 1. Slot machine play;
    - 2. Table game play including:
      - a. One or more fixed or PTZ cameras focused over each gambling table, covering the entire table layout, provided that each table is viewable by at least three PTZ cameras;
      - b. A sufficient number of cameras to monitor players and dealers at each gambling table that are:
        - i. Dedicated to each table; and
        - ii. Able to determine the card, ~~tile~~, ~~dice~~ and chip values for winning hands.
    - 3. Each simulcast window that is open for business;
    - 4. Operations conducted in cashier cages, and the offices ancillary thereto, to include coverage sufficient to observe the face of each patron transacting business at each cage and satellite cage window from the direction of the cashier; and to include a fixed camera over each money drawer;
    - ~~5. Operations conducted at slot booths;~~
    - 65. All processes conducted in count rooms, within which there must be audio capability;
    - 76. Movement and storage of cash, gaming chips, and all other representatives of value, cards, dice, tiles, and any other equipment used in table games, drop boxes, slot drop boxes and ~~slot drop buckets~~ within the gaming establishment;
    - 87. All entrances and exits to and within the gaming area; and
    - 98. The operation of gaming voucher redemption machines and gaming voucher systems and electronic transfer credit systems.
  - (b) The following locations, persons or transactions:
    - 1. A slot machine ~~or table game~~ that is connected to a progressive payout meter displaying a potential payout of \$50,000 or more;
    - 2. ~~uch~~ Main bank areas where gross revenue functions are performed as may be required by the commission;
    - 3. The execution of fills and credits at the chip bank;
    - 4. The collection of drop boxes, slot drop boxes, and slot cash storage boxes;

5. Any armored car collection or delivery of cash for which security escort or surveillance coverage is required;
  6. The inspection and distribution to gaming pits of cards, dice and tiles;
  7. Each transaction conducted at an automated bill breaker, voucher/coupon redemption and jackpot payout machine, as well as each replenishment or other servicing of any such machines;
  8. The count area or count room;
  9. Counting of dealer tips in accordance with 205 CMR and the policies and procedure submitted in accordance therewith.
- (c) The non-gaming area, including, but not limited to the effective and clandestine observation of:
1. Any location within the gaming establishment wherein any armored car collection or delivery of cash occurs;
  2. Any area where slot machines and gaming equipment or their respective parts are stored;
  - ~~23.~~ 3. Parking areas of the gaming establishment; and
  - ~~34.~~ 4. Public areas of the gaming establishment, designated by the commission for these purposes, including outside the entrances to the gaming area.
  5. Surveillance review area, (the area where all non-surveillance employees review coverage); Surveillance monitor room, surveillance rack room and server room.
- (d) Any other area so directed by the commission
- (2) The gaming licensee shall submit for approval the ratio between the number of surveillance operators and the square footage of areas to be covered, which includes the minimum staffing in the monitor room at all times.
- (3) Cameras shall be positioned:
- (a) In a manner that will prevent them from being obstructed, tampered with, or disabled; and
  - (b) Behind a smoked dome, one-way mirror, or similar materials that conceal the camera from view.

#### 141.05: Requirements of the Surveillance System Plan

A surveillance plan must, at a minimum, incorporate the following:

- (1) A training and qualifications program that shows surveillance operations personnel are properly trained or certified to recognize abnormalities and violations in procedures, including documentation of on-going training.
- ~~(1)~~(2) An adequate emergency power system at all times sufficient to prevent required monitoring from being unreasonably delayed, and a contingency plan to be utilized whenever a power failure occurs that can be used to operate the CCTV system in the event of a power failure. Such power system shall be tested in the presence of the commission at 12-month intervals subject to more frequent re-testing upon failure of a test;
- ~~(2)~~(3) A preventive maintenance program, implemented by technicians assigned to the surveillance department or, if assigned to another department, subject to the direction and control of the director of surveillance, which ensures that the entire CCTV system is maintained in proper working order and that transparent covers over CCTV system cameras are cleaned in accordance with a routine maintenance schedule. In the event that preventive maintenance to be performed by a technician assigned to another department is required on

an emergency basis, the surveillance department shall have priority with respect to personnel resources of such other department to ensure the efficacy of the CCTV system;

~~(3)~~(4) Connection to all gaming establishment alarm systems enabling instant notification of any such alarm and monitoring of any area to which the alarm applies and which provides a visible, audible or combination signal; provided, however, that any robbery or other emergency-type alarm shall be perceptually distinguishable from all non-emergency alarm types in a manner approved by the commission (for example, robbery alarm is the only audible alarm);

~~(4)~~(5) An updated photo library, consisting of photographs that are no more than four years old, of all current employees of the gaming establishment, which photo library shall be available to the commission upon request;

~~(5)~~(6) Provision for an updated operational blueprint depicting all areas of the gaming establishment, and elsewhere where CCTV coverage is available that is readily accessible to all monitoring room personnel and representatives of the commission. **In a PDF or other such common electronic format.**

~~(6)~~(7) A surveillance log securely maintained that includes detailed reports of all surveillances conducted. The log shall be maintained by monitoring room personnel and shall be stored securely, in a manner approved by the commission, within the surveillance department. The surveillance log shall be available for inspection at any time by the commission. At a minimum, the following information shall be recorded in a surveillance log:

- (a) Date and time each surveillance commenced;
- (b) The name and license credential number of each person who initiates, performs or supervises the surveillance;
- (c) Reason for surveillance, including the name, if known, alias or description of each individual being monitored, and a brief description of the activity in which the person being monitored is engaging;
- (d) The times at which each video or audio recording is commenced and terminated;
- (e) The time at which each suspected criminal offense is observed, along with a notation of the reading on the meter, counter or device that identifies the point on the video recording at which such offense was recorded;
- (f) Time of termination of surveillance; and
- (g) Summary of results of the surveillance.

~~(7)~~(8) Signals from all cameras required in accordance with 205 CMR 141.04 shall be recorded and retained for a minimum of 30 days unless notified by the commission or the division within that period that any such recordings must be retained for any longer period so designated by the commission or the division and shall be made available for review upon request by the commission. In addition, any such recordings which are determined by the commission to be of potential evidentiary value shall be retained and stored pursuant to commission directives. Upon written request by a gaming licensee, the commission may allow a gaming licensee to retain surveillance recordings of certain areas of the gaming establishment for less than 30 days;

~~(8)~~(9) Continuous lighting of all areas, including gaming tables, **offices, cages, equipment storage rooms, card and dice destruction rooms** and pits, where CCTV system camera coverage is required by 205 CMR 141.04 that is of sufficient quality to produce clear recordings and still picture reproductions.

~~(9)~~(10) No use of multiplexing and quad recording devices for required surveillance recordings in accordance with 205 CMR 141.04.

~~(10)~~(11) That surveillance room entrances are not visible from the gambling floor;  
and

~~(11) That a surveillance employee is present in the room and monitoring activities using the equipment any time the gaming establishment is conducting gambling activities and during the count process unless otherwise directed by the commission or division in accordance with 205 CMR 141.02(2).~~

#### 141.06: Notice to the Commission of Changes

A licensee must notify the commission prior to any of the following occurring:

- (1) CCTV equipment is replaced; **including any change/upgrade to system hardware, firmware or software, including identifying the reason for the change.**
- (2) Slot machine or table game locations are modified (so as to enable the commission to review the new locations for adequate coverage);
- (3) Equipment Failure Occurs. Notice of such shall be immediately made to the IEB, upon discovery by the gaming licensee, and include the time and cause of the malfunction, if known, the time that the security department was apprised of the malfunction by the surveillance department, and any communications with the security department by the surveillance department relating to the malfunction; or
- (4) Camera relocation occurs.

#### 141.07: Recording Transmission Outside of the Gaming Establishment

A surveillance plan must provide limitations on CCTV transmissions that, at a minimum, do not allow transmissions outside the gaming establishment with the exception of:

- (1) Wide-area progressive slot machine systems monitoring;
- (2) Remote access to the system exclusively by the commission and the division at an off-site commission office or division office via an encrypted transmission; and
- (3) Such transmissions as may be permitted outside the gaming establishment by written order of the commission.
- (4) Transmission of signal to the man-trap to allow department to view who is trying to gain entry.**

#### 141.08: Independence of the Surveillance Department

A surveillance plan must provide for the independence of surveillance department employees assigned to monitor the activities of the gaming establishment. 205 CMR 141.08 shall include, at a minimum, that those employees shall be independent of all other departments. 205 CMR 141.08 must include the period of time that must lapse before:

- (a) ~~any~~ **Any** surveillance department employee who monitored the activities of the

gaming establishment may become employed in any department that said employee had monitored; and

(b) ~~any~~ Any non-surveillance employee who works in the gaming establishment of the gaming licensee can become employed in the surveillance department. Upon petition to the ~~commission~~ IEB and for good cause shown, the gaming licensee may request a relaxation of the time periods herein for individual cases.

#### 141.09: Access to the Monitoring Room

A surveillance plan must provide for limited access to the monitoring room which, at a minimum, shall include:

(1) That the entrances to the monitoring room not be visible from the gaming area or any other public area;

(2) Identification by position of each employee allowed access to the monitoring room or any other designated area capable of receiving CCTV transmission. Any person who enters any monitoring room or such designated area who is not a surveillance department employee shall sign the Monitoring Room Entry Log upon entering the restricted area. The Monitoring Room Entry Log shall be:

(a) Kept in the CCTV monitoring room;

(b) Maintained in a book with bound numbered pages that cannot be readily removed or via an electronic equivalent;

(c) Signed by each person whose presence is not expressly authorized in accordance with 205 CMR 141.09(2), with each entry containing, at a minimum, the following information:

1. The date and time of entering into the monitoring room or designated area;
2. The entering person's name and his or her department or affiliation;
3. The reason for entering the monitoring room or designated area;
4. The name of the person authorizing the person's entry into the monitoring room or designated area; and
5. The date and time of exiting the monitoring room or designated area.

(3) The Monitoring Room Entry Log shall be made available for inspection by the commission at all times.

(4) For server based monitoring systems, a plan for restricting access to monitoring and recording by unauthorized personnel such as IT personnel and members of management.

(5) All servers and related equipment associated with the surveillance system shall be under control of the surveillance department.

(6) There shall be limited access to the surveillance server equipment. Notification in writing shall be made to the on-site IEB in advance of any outside vendor having access to the surveillance system. Emergency service access notification may be made via telephone to the on-site IEB, but shall be followed up with notification in writing as to the nature of the emergency. An electronic log shall be generated for any remote access into the system. The log entries shall contain the name of the person and company accessing the system, their license or registration number, the identity of the individual authorizing the access, the access method, the reason for access, the date of the access, and the time access was started and ended.

#### REGULATORY AUTHORITY

205 CMR 141.00: M.G.L. c. 23K, §§ 4(28), 4(37) and 5(9).



## **SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this small business impact statement in accordance with G.L. c.30A, §2 relative to the proposed amendments in **205 CMR 143.00: Gaming Devices and Electronic Gaming Equipment**, notice of which was filed this day with the Secretary of the Commonwealth.. These amendments were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. The amendments supplement the previously adopted GLI (Gaming Laboratory International) standards pertaining to progressive slot machines and wide area progressive slot machines. These regulations are largely governed by G.L. c.23K, §§4(28) and 5.

These amendments apply directly to gaming licensees and gaming device vendors. To the extent that a gaming device vendor is a small business, small businesses may be impacted. In accordance with G.L. c.30A, §2, the Commission offers the following responses:

1. Estimate of the number of small businesses subject to the proposed regulation:

There could be approximately 50 licensed gaming device vendors, but a very small percentage, if any, would be classified as a small business.

2. State the projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation:

There are no additional projected reporting, recordkeeping or administrative costs created by these regulations that would affect small businesses. These amendments are supplements to existing standards.

3. State the appropriateness of performance standards versus design standards:

These regulations are performance standards. The regulations provide flexibility to add new products.

4. Identify regulations of the promulgating agency, or of another agency or department of the commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.



Massachusetts Gaming Commission

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the commonwealth:

The proposed amendments to the regulations are not likely to deter or encourage the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission  
By:

\_\_\_\_\_  
Cecelia M. Porché  
Paralegal  
Legal Division

Dated: \_\_\_\_\_



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 143.02: GAMING DEVICES AND ELECTRONIC GAMING EQUIPMENT

143.02: Progressive Gaming Devices

- (1) A gaming licensee and gaming device vendor shall comply with and the commission adopts and incorporates by reference Gaming Laboratories International, LLC Standard GLI-12: Progressive Gaming Devices in Casinos, version 2.1, released September 6, 2011, subject to the following amendments:
- (a) Delete section 1.1.
  - (b) Delete section 1.2.
  - (c) Delete section 1.3.2.
  - (d) Delete section 1.4.
  - (e) Add the following after 2.4.2(a): “(b) No progressive meter(s) shall be turned back to a lesser amount unless:
    - (1) The amount indicated has been paid to a winning patron;
    - (2) The progressive jackpot amount won by the patron has been recorded in accordance with a gaming licensee’s system of internal controls;
    - (3) The change is necessitated by a slot machine or meter(s) malfunction, in which case for wide area progressive jackpots an explanation shall be entered on the Progressive Summary report described in GLI-12, section 3.2.9(a) and the Commission shall be informed; and
    - (4) The patron has opted to risk the progressive award as permitted by the rules of the slot machine game; or
    - (5) The jackpot has been removed or transferred in a manner consistent with Commission rules and 205 CMR 143.02(f)”
  - (f) Delete the last sentence of section 2.5.9 and replace with: “Such access shall be detailed in the gaming licensee’s approved system of internal controls in accordance with 205 CMR 138.53 and shall, at a minimum, incorporate the following requirement. The external progressive controller shall be in a location approved by the Commission in a compartment or cabinet which has two separate locking mechanisms. One locking mechanism shall be maintained and controlled by the security department and the second locking mechanism shall be maintained and controlled by the slot department. Whenever the progressive controller has been accessed written notification shall be provided to the Commission.”
  - (g) Delete in section 2.5.14 the words “local Internal Control procedures” and add the following: “following requirements: A gaming licensee may transfer a progressive jackpot amount on a stand-alone slot machine or a local area progressive with a common progressive meter, from the gaming area provided the gaming licensee receives written approval from the IEB prior to the transfer, and the accrued amount minus the seed amount of the progressive jackpot is:
    - (1) Transferred in its entirety; and
    - (2) Transferred to one of the following:
      - a. The progressive meter for a slot machine with the same or similar probability of winning the progressive jackpot, the same or lower

- wager requirement to be eligible to win the progressive jackpot, and the same type of progressive jackpot (cash, annuity, annuity/cash option or a combination/alternate jackpot) as the slot machine from which the jackpot is being transferred; or
- b. The progressive meters of two or more slot machines, provided that each slot machine to which the jackpot is transferred individually satisfies the requirements of 205 CMR 143.02(e)(2)(a).

Further, notice of intent to transfer the progressive jackpot, which shall be subject to approval by the IEB, shall be conspicuously displayed on the front of each applicable slot machine for at least 10 days in advance of the transfer.

(h) Add the following after section 3.1.1:

“Gaming licensees may operate multi-site progressive gaming devices, also known as wide area progressives (WAP). WAPs shall consist of networks of linked gaming devices within Massachusetts and/or between Massachusetts and other casinos licensed in other states of the United States.

- (1) Each WAP shall be operated and administered:
  - a. By the participating gaming establishments in accordance with the terms of a written slot system agreement that has been executed by each participant and filed and approved by the Commission; or
- (2) The person designated in a slot system agreement responsible for the operation and administration of a WAP shall be referred to as a slot system operator and shall be licensed under 205 CMR 143 as a gaming vendor primary.
  - a. More than one slot system operator may be involved in the operation and administration of a WAP. A slot system operator may be involved in the operation and administration of more than one WAP.
  - b. An agreement between a slot system manufacturer and a casino licensee pursuant to which the slot system manufacturer agrees to sell, lease, or service, but not operate or administer, WAP components shall not be considered a slot system agreement. A separate agreement may be entered between the slot system manufacturer and each casino licensee participating in the WAP.
- (3) Each slot system agreement shall specifically identify and describe the role, authority, and responsibilities of each participating casino and each slot system operator in the conduct of the WAP. The agreement shall comply with GLI-12 or specifically identify where it deviates from the GLI-12 standards. The agreement shall include the following:
  - a. A description of the WAP including the process by which significant decisions that affect the operation of the game are approved and implemented by each casino or slot system operator;

- b. If applicable, the casino or slot system operator responsible for establishing and serving as trustee of a trust for a WAP offering an annuity jackpot;
- c. The casino or slot system operator initially responsible for the funding and payment of all jackpots, fees, and taxes associated with the operation of the WAP; and
- d. The casino or slot system operator responsible for generating, maintaining and filing all records and reports required by G.L. c. 23K and any applicable rules or regulations of the Commission.
- e. The method to ensure the accurate accounting of all contributions;
- f. The method to ensure that each participating state's tax laws are adhered to;
  - i. Said method to include a description for determining the pro rata share of a system payout for purposes of gross revenue deductibility and its method for determining the proportionate share of gaming taxes and fees owed by the operator to the casino. In calculating gross revenue, a casino may deduct its pro rata share of a payout from a game played in a WAP system. The amount of the deduction must be determined based upon the written agreement among the licensed gaming establishments participating in the WAP system and the operator of the system. All cash prizes and the value of noncash prizes awarded during a contest or tournament conducted in conjunction with a WAP system are also deductible on a pro rata basis to the extent of the compensation received for the right to participate in that contest or tournament. The deductions may be taken only by those participating licensed gaming establishments that held an active gaming license at any time during the month in which the payout was awarded.
- g. Procedures to address dispute resolution;
- h. Procedures to accept additional participants once the link is established in casinos of more than one state;
- i. Procedures to ensure the multistate progressive system operator is credentialed in all participating states;
- j. The method for withdrawal from the WAP, including the specific method in which progressive values are transferred when removing or replacing machines. At the minimum, said method should account for the transfer of jackpots, less the reset value, to other progressive slot machine jackpots of similar progressive wager and probability at the same facility within 30 days from the removal date. In the event that a similar progressive jackpot at the same facility is unavailable, other transfers shall be allowed. A Commission representative shall be notified in writing prior to a removal or transfer.
- k. Multistate progressive system parameter requirements including:
  - i. Maximum odds for obtaining the multistate jackpot;

- ii. The base amount of the multistate jackpot award;
  - iii. The reset amount of the multistate jackpot award;
  - iv. The rate of increment of the multistate jackpot award;
  - v. The hidden rate, which means the increment rate for one or more reserve pools used to fund the next reset amount when applicable;
  - vi. The minimum wager required to qualify for the progressive jackpot; and
  - vii. Any other parameter as may be required in order to ensure the proper accounting and auditing of the multistate progressive system
- l. Procedures for the independent reconciliation of the multistate jackpot amount when won.
- m. Each gaming licensee or slot system operator seeking approval to participate in a WAP shall confirm to the Commission that they have in place a system of accounting and internal controls that satisfy the requirements of G.L. c. 23K and any applicable rules or regulations concerning the operation of slot machines and WAPs. The internal controls shall include a list of each employee serving in a slot system operator position title.
- n. Each WAP shall be controlled and operated from a computer monitoring room subject to inspection by the Commission. The computer monitoring room for a WAP shall:
  - i. Be under the sole possession and control of, and maintained and operated by, employees of the slot system operator designated in the slot system agreement for that slot system;
  - ii. Have continuous surveillance coverage of the operation of the slot system and its equipment in a manner approved by the Commission. Said surveillance coverage shall include the secure retention of recordings for a period of no less than 30 days or for such longer period if requested by the Commission if particular recordings are determined to hold evidentiary value:
  - iii. Have a Computer Monitoring Room Entry Log, which Log shall be:
    - 1. Kept in the computer monitoring room;
    - 2. Maintained in a book with bound numbered pages that cannot be readily removed or in an electronic format as approved by the Commission; and
    - 3. Signed by each person whose presence is not expressly authorized and identified in the internal controls of the computer monitoring room slot system operator, with each Log entry containing, at a minimum, the following information:
      - a. The date and time entering the computer monitoring room;

- b. The entering person's name, his or her department or employer and, if applicable, his or her employee license number;
  - c. The reason for entering the computer monitoring room;
  - d. The name of the person authorizing the person's entry into the computer monitoring room; and
  - e. The date and time of exiting the computer monitoring room;
  - f. Be readily accessible to Commission personnel 24 hours a day;
  - g. Be housed in a facility approved by the Commission that is owned or leased by a slot system operator; and
  - h. Be designed in a manner that assures that the multi-casino progressive slot system shall not be disrupted."
- (i) Add the following after "Initial laboratory testing" in section 3.1.2(a) and "set up are tested" in section 3.1.2 (b): "in accordance with 205 CMR 144.04"
- (j) From section 3.4.1 delete "gaming regulator shall adopt" and replace it with "each player shall be"



## **SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this small business impact statement in accordance with G.L. c.30A, §2 relative to the proposed amendments in 205 **CMR 115.00: Phase 1 and New Qualifier Suitability Determination, Standards, and Procedures**; notice of which was filed this day with the Secretary of the Commonwealth. These amendments were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. The amendments clarify licensee and qualifier reporting and update requirements to the Investigations and Enforcement Bureau. These regulations are largely governed by G.L. c. 23K, §§ 4(37), 5, 12, 13, 14(i), 16, 17, 46 and 47.

These amendments apply directly to gaming licensees and qualifiers. To the extent that entity qualifiers are small businesses, the amendments may impact small businesses. In accordance with G.L. c.30A, §2, the Commission offers the following responses:

1. Estimate of the number of small businesses subject to the proposed regulation:

To the extent that entity qualifiers are small businesses, they may be impacted by these regulations. It is difficult to estimate with accuracy the potential number of entity qualifiers that will be subject to suitability both prior to and during the operation of the casinos.

2. State the projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation:

To the extent that entity qualifiers are small businesses, there is a duty to report any changes in the listed occurrences to ensure continuing suitability. The proposed amendments merely clarify, not create, the duty to report certain events to the commission.

3. State the appropriateness of performance standards versus design standards:

Policies and procedures for occurrences that require reporting must be prescriptive in nature in order to ensure continuing suitability of the licensee and qualifier.



Massachusetts Gaming Commission

4. Identify regulations of the promulgating agency, or of another agency or department of the commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the commonwealth:

The amendments clarify licensee and qualifier reporting and update requirements to the Investigations and Enforcement and therefore are not likely to deter or encourage the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission  
By:

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Cecelia M. Porché  
Paralegal  
Legal Division

Dated: \_\_\_\_\_



Massachusetts Gaming Commission

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205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 115.00: PHASE 1 AND NEW QUALIFIER SUITABILITY DETERMINATION,  
STANDARDS, AND PROCEDURES

115.01: Phase 1 and New Qualifier Determination Standards

(1) Phase 1 Determination Standards. The commission shall not issue an affirmative determination of suitability for any Category 1 or Category 2 applicants unless:

- a) The applicant meets the standards in M.G.L. c. 23K, §§ 12, 16, 46 and 47.
- b) The applicant complies with the provisions of 205 CMR 111.00: *Phase 1 Application Requirements* and 205 CMR 115.00.
- c) The commission has determined that the applicant has demonstrated financial stability pursuant to 205 CMR 117.00: *Phase I Determination of Financial Stability*.
- d) All qualifiers under 205 CMR 116.02: *Persons Required to be Qualified* have been determined to be suitable by the commission or received a waiver under 205 CMR 116.03: *Waivers*.

(2) Burden of Proof. All applicants for a Phase 1 suitability determination must establish their qualifications by clear and convincing evidence.

(3) New Qualifiers. Subsequent to the issuance of a positive determination of suitability in accordance with 205 CMR 115.05(3) relative to a gaming licensee or applicant for a gaming license, if a new person is designated by the bureau as a person required to be qualified in accordance with 205 CMR 116.02: *Persons Required to be Qualified*, they shall submit a completed application to the bureau. An entity qualifier shall submit to the bureau a *Business Entity Disclosure Form - Category 1 and Category 2 Entity Applicants and Holding/Intermediary Companies* in accordance with 111.02. An individual qualifier shall submit to the bureau a *Multi-jurisdictional Personal History Disclosure Form* in accordance with 205 CMR 111.03 and a Massachusetts Supplemental Form in accordance with 205 CMR 111.04. A new qualifier designated in accordance with 205 CMR 116.02: *Persons Required to be Qualified* must establish their qualifications and meet the standards in M.G.L. c. 23K, §§ 12 and 16 by clear and convincing evidence and shall be subject to all applicable procedures contained in 205 CMR 115.00.

(4) Continuing duty. Once issued a positive determination of suitability, the gaming licensee and all qualifiers shall have a continuing duty to maintain suitability in accordance with 205 CMR 115.01(1) and (2). The gaming licensee and each qualifier shall have a continuing duty to notify and update the IEB, in writing, within ten days of the occurrence, or where applicable, gaining knowledge of the following:

- (a) Any denial, suspension or revocation by a government agency in any jurisdiction of a gaming related license, registration, certification, permit or approval held by or applied for by the gaming licensee or qualifier;

- (b) Any discipline, including a fine or warning, related to gaming operations imposed upon the gaming licensee or qualifier by any government agency in any jurisdiction;
- (c) Any fine related to gaming operations assessed on any gaming entity owned or operated by the parent to the gaming licensee by any government agency in any jurisdiction.
- (d) Any arrest, indictment, charge or criminal conviction of any qualifier in any jurisdiction;
- (e) Any complaints, allegations, or notice of investigation thereof made or known to be contemplated by a gaming regulator or other governmental agency against the gaming licensee, qualifier, or any gaming entity owned or operated by the parent to the gaming licensee, of which the gaming licensee or qualifier is or should reasonably be aware, involving conduct that if substantiated could reasonably lead to potential revocation or suspension of the license or approval held by the gaming licensee, qualifier, or gaming entity owned or operated by the parent to the gaming licensee, in that jurisdiction and/or imposition of a fine of \$50,000 or greater;
- (f) Any reports, complaints, allegations, or material legal proceedings made, commenced, or known to be contemplated by a governmental agency against the gaming licensee or qualifier, of which the gaming licensee or qualifier is or should reasonably be aware, involving conduct that if substantiated could reasonably lead to potential criminal charges, including but not limited to allegations of theft or embezzlement;
- (g) Any information known or that should reasonably be known to the gaming licensee or qualifier, including by way of receipt of a subpoena, that the gaming licensee or qualifier is or may be the subject of a criminal investigation by a law enforcement or regulatory agency;
- (h) Any exclusion or barring of a qualifier from any casino, gaming establishment or gambling/gaming related entity in any jurisdiction;
- (i) The termination, suspension from employment, or other discipline of any key gaming employee licensed in accordance with 205 CMR 134.00 or qualifier;
- (j) Any material pending legal proceedings required to be reported in accordance with 17 CFR 229.103 - (Item 103) *Legal proceedings*. For purposes of 205 CMR 115.01(4)(j) the registrant referred to in 17 CFR 229.103 - (Item 103) shall be both the gaming licensee and the parent company of the gaming licensee as determined by the IEB. Additionally, the gaming licensee and each qualifier shall provide notice of any pending legal proceeding which includes any allegation of fraudulent conduct by the gaming licensee or a qualifier, that may reasonably threaten the economic viability of the gaming licensee or a qualifier, or that alleges a pattern of improper conduct by the gaming licensee or a qualifier over a sustained period of time;
- (k) Any *significant financial event* related to a gaming licensee or entity qualifier. For purposes of 205 CMR 115.01(4)(k) a *significant financial event* means a merger, acquisition, consolidation, debt restructuring, material change in debt rating by major credit rating agencies (US/International), legal entity change, material ownership change, the assessment of a fine or penalty of \$250,000 or greater by the SEC or international equivalent, restatement of previously issued financial statement(s), late filing of financial

statement(s) with the SEC or international equivalent, US or international equivalent bankruptcy petition, default of financial debt covenants and receivership, disposal of a material business segment or asset, or adverse action(s) taken by the IRS;

- (l) Issuance of an “Adverse” or “Qualified” audit opinion, or the international equivalent, by an independent accountant to the gaming licensee or qualifier;
- (m) A change in accounting firm engaged to perform attestation and/or assurance services for the gaming licensee or qualifier; and
- (n) Issuance of a delisting notice from a United States or international stock exchange relative to the gaming licensee or qualifier.



## **SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this small business impact statement in accordance with G.L. c.30A, §2 relative to the proposed amendments in **205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations**; notice of which was filed this day with the Secretary of the Commonwealth. These amendments were developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth. The amendments change the administrative closure periods to 21 days each for gaming vendors and employees. These regulations are largely governed by G.L. c. 23K §§ 3, 12, 16, 30 and 31.

These amendments apply directly to gaming vendors and employees. To the extent that vendors are small businesses, the amendments may impact small businesses. However, these changes only apply in cases where an applicant is non-responsive to a Commission request for information, and update the process by which an application can be administratively closed. These amendments do not require a small business to take any action that is not already required. In accordance with G.L. c.30A, §2, the Commission offers the following responses:

1. Estimate of the number of small businesses subject to the proposed regulation:

To the extent that vendors are small businesses, they may be impacted by these regulations. It is difficult to estimate with accuracy the potential number of vendors that will be applying for licenses both prior to and during the operation of the casinos.

2. State the projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation:

There are no further projected reporting, recordkeeping or administrative costs created by these regulations that would affect small businesses, unless an application is administratively closed for non-compliance and the vendor chooses to file a new application. However, if a vendor chooses to file a new application, these amendments remove the cooling off period and vendors are able to immediately submit a new application.

3. State the appropriateness of performance standards versus design standards:



Massachusetts Gaming Commission

As a general matter, these proposed amendments are performance based. Vendors are required to submit requested information within 21 days or their application may be administratively closed.

4. Identify regulations of the promulgating agency, or of another agency or department of the commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the commonwealth:

The amendments change the administrative closure periods to 21 days each for gaming vendors and employees and therefore are not likely to deter or encourage the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission  
By:

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Cecelia M. Porché  
Paralegal  
Legal Division

Dated: \_\_\_\_\_



Massachusetts Gaming Commission

205 CMR: MASSACHUSETTS GAMING COMMISSION  
205 CMR 134.00: LICENSING AND REGISTRATION OF EMPLOYEES, VENDORS,  
JUNKET ENTERPRISES AND REPRESENTATIVES,  
AND LABOR ORGANIZATIONS

134.14: Administrative Closure of Applications for Registration or Licensure

(1) All applicants for a Key Gaming Employee License, a Gaming Employee License, a Gaming Vendor License, a Gaming Service Employee Registration or a Non-gaming Vendor Registration shall promptly respond to any request for information from the Division of Licensing and/or the Bureau. This obligation is in addition to the continuing duty set forth in 205 CMR 134.18(1).

(2) Failure of an applicant for a Key Gaming Employee License, a Gaming Employee License, **a Gaming Vendor License**, or a Gaming Service Employee Registration, **or a Non-gaming Vendor Registration** to respond to a request for information from the Division of Licensing and/or the Bureau within **44 21** days of the request may result in the administrative closure of the application for registration or licensure **and the corresponding administrative revocation of a registration or temporary license, if applicable.**

~~(3) Failure of an applicant for a Gaming Vendor License or a Non-gaming Vendor Registration to respond to a request for information from the Division of Licensing and/or the Bureau within 30 days of the request may result in the administrative closure of that license application or registration.~~

~~(4)~~ **(3)** In the event that an application for registration or licensure is administratively closed for failure to provide requested information or to comply with the obligations set forth in **either 205 CMR 134.14 or 205 CMR 134.18(1)**, the Division of Licensing will notify the applicant of the **determination by writing which identifies the** specific deficiencies in the application **that served as the basis for the closure.** Additionally, the following conditions will apply:

- ~~a) Once an application for registration or licensure has been administratively closed it shall not be re-opened for a minimum of 30 days.~~
- ~~b) Any request to re-open an application for registration or licensure previously subject to administrative closure requires the applicant to provide all outstanding information as previously detailed in the administrative closure notification from the Division of Licensing. The submission of outstanding information is not a guarantee of licensure/registration. The Division of Licensing and/or the Bureau may in its discretion require a revised full application after considering the potential for stale information in the original application.~~

~~(5) An application that has been administratively closed for failure to maintain ongoing employment by a gaming licensee shall not be subject to the 30-day minimum closure period set forth in 205 CMR 134.14(4)(a) if the applicant provides new proof of employment from a gaming licensee in a manner prescribed by the Division of Licensing within 29 days of the notice of administrative closure.~~

~~(6) Any request to re-open an application for registration or licensure previously subject to administrative closure requires the applicant to provide all outstanding information as previously detailed in the administrative closure notification from the Division of Licensing. The submission of outstanding information is not a guarantee of licensure/registration. The Division of Licensing and/or the Bureau may in its discretion require a revised full application after considering the potential for stale information in the original application.~~

(4) An applicant may submit a new application for a Key Gaming License, Gaming Employee License, Gaming Vendor License, Gaming Service Employee Registration, or Non-Gaming Vendor Registration after an application has been administratively closed in accordance with 205 CMR 134.14(3). In that event, the applicant shall submit a complete application including all outstanding information as previously detailed in the administrative closure notification from the Division of Licensing. The submission of outstanding information is not a guarantee of licensure/registration, but is a prerequisite for the application to be deemed administratively complete.

(5) An applicant whose application has been administratively closed for failure to maintain ongoing employment by a gaming licensee in accordance with 205 CMR 134.08(b) may submit a new application for licensure or registration provided the application is submitted with proof of a new offer of employment from a gaming licensee.



*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 5, 2017

RE: Suffolk Downs Request for Race Horse Development Funds

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Dear Commissioners:

Suffolk Downs COO Chip Tuttle has submitted a request for \$2.4 million from the Race Horse Development Fund to use for purses for their upcoming six days of racing. This is the same daily amount the Massachusetts Gaming Commission approved in 2015 and 2016. The request also includes an additional \$525,000 for the New England Horsemen's Benevolent and Protective Association administrative expenses. We are waiting for the completion of the audit of the NEHBPA and a letter from them detailing how the \$525,000 will be spent, and will bring this part of the Suffolk Downs request to the Commission for discussion at a future commission meeting.

**Recommendation: That the Commission approve the request of Suffolk Downs for \$2.4 million from the Race Horse Development Fund for their purses.**



Massachusetts Gaming Commission



May 25, 2017

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

2017 MAY 30 PM 2:21

MASSACHUSETTS GAMING  
COMMISSION

Dear Dr. Lightbown:      Re: Suffolk Downs 2017 RHDF Request

In conjunction with our upcoming six-day 2017 racing meeting, Sterling Suffolk Racecourse is hereby applying for a distribution of \$2.925 million from the Race Horse Development Fund. Consistent with the last two years of our operation and our discussions with the Commission about our 2017 dates, funding purse payments from the Race Horse Development Fund is an integral part of our plan for the 2017 meet.

Our 2017 RHDF request is broken down into the same two categories—purse payments and horsemen's operating expenses. More particularly, we seek \$2.4 million for program purses, or \$400,000 for each racing day. That per-day amount is same we requested, and the Commission approved, last year. The program purse distribution will be used primarily for overnight purses. Also, as we did last year, we intend to use it to fund participation bonuses to attract owners, trainers and horses to the meet and to pay the Massachusetts Thoroughbred Breeders Association 3.5% of purse payments, as required by General Laws Ch. 128A, § 5(j), should that requirement be extended.

We intend to also run additional races for the MTBA. Purses for those races will be paid not from the funds requested above but rather from the MTBA's own funds (which include some funding from the RHDF that the Commission distributes directly to the MTBA). With the addition of the MTBA purse funding, we expect total purses each day to be approximately \$500,000.

The New England Horsemen's Benevolent and Protective Association has also asked that we include in our request a distribution of \$525,000 to be paid over to it for its administrative expenses. Thanks for your consideration.

Sincerely,

Chip Tuttle  
COO Suffolk Downs

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

Made in Massachusetts

# Massachusetts Thoroughbred Horsemen's Association, Inc.

June 8, 2017

Massachusetts Gaming Commission  
101 Federal Street, 12<sup>th</sup> floor  
Boston, Ma.

On May 30, 2017, a document was filed with the Suffolk County Registry of Deeds regarding the sale of Suffolk Downs. Listed below are some of the terms of that sale that should be reviewed by the Commission and its legal staff prior to granting funds to operate a race meet this year at the property once known as Suffolk Downs.

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**Relevant Facts:**

Sterling Suffolk has worked with the NEHBPA to restrain trade and prevent competition from the MassTHA - or anyone else for that matter - in the market for live racing and simulcasting.

At the same time, Sterling Suffolk has refused to run more than 6 days of live racing thereby crushing the entire local horse racing industry (other than a handful of people who have disproportionately benefited to the detriment or elimination of all others).

As of 5/30/17, Sterling Suffolk no longer owns the property once known as Suffolk Downs.

Sterling Suffolk told both the MGC and the media that it had a 1 or 2- year lease as part of the terms of the sale of its property.

There is no evidence or mention of a lease from the documents recorded at the Suffolk County Registry of Deeds on 5/30/17 concerning the sale of the property.

Sterling Suffolk is requesting that the MGC grant it days to run at a property that it has no written legal right to use.

At the same time, in a written Agreement recorded at the Suffolk County Registry of Deeds on 5/30/17 in connection with the sale of the property, Sterling Suffolk (the so-called, "Benefitted Party") ensured that it retained a monopoly over any live racing and simulcasting on the property by virtue of the following term:

1.1 Use Restriction. So long as this Declaration

remains in effect, the Property shall be subject to a use restriction

preventing Gaming from being conducted on all or any portion of the Property.

The restriction set forth in this Section 1.1

shall be (i) a matter of record and run with and burden the title to the

Property, and (ii) for the benefit of and specifically enforceable by

Benefitted Party. For purposes hereof, the term "Gaming" shall mean

any casino, racino, video lottery terminal facility or business, electronic

gaming device facility or business or similar gaming or wagering business; provided, however,

that Gaming shall not include **(i) horse racing, simulcasting, pari-mutuel**

**wagering, account wagering, other wagering and gaming similar to that conducted**

**on the Property prior to the Effective Date, video-based pari-mutuel wagering**

---

***on live or historic horse racing, or other activities permitted by Benefitted***

***Party in its sole discretion***, or (ii) lottery or Keno at any convenience store

*on the Property.*

---

This term serves to exclude all other potential competitors in the live racing and simulcasting business from using the land sold by Sterling Suffolk for those purposes. Sterling Suffolk is therefore ensured that nobody can compete with it in this geographic area while Sterling Suffolk refuses to provide more than 6 days of live racing.

**Legal Argument:**

*Sterling Suffolk is engaging in illegal anti-competitive and monopolistic conduct.*

See <https://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/single-firm-conduct/monopolization-defined>

*Sterling Suffolk, by its above-referenced Agreement, has created an anti-competitive and illegal exclusive supply agreement. See <https://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/single-firm-conduct/exclusive-supply-or>*

*Sterling Suffolk, by its above-referenced Agreement, has created an anti-competitive and illegal refusal to deal. See <https://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/single-firm-conduct/refusal-deal>*

I would greatly appreciate your review of the attached document to ensure that you are satisfied with the terms and covenants that it represents.

Sincerely,  
William Lagorio  
MassTHA

**REGISTERED LAND**

2017 00045685

Bk: 57996 Pg: 314 Page: 1 of 3

Recorded: 05/30/2017 11:10 AM

ATTEST: Stephen J. Murphy, Register  
Suffolk County Registry of Deeds

2017 00870416

Cert#: 133905 Bk: 665 Pg: 105

Doc: DED 05/30/2017 10:38 AM SF

ATTEST: Stephen J. Murphy, Register

Suffolk County Registry of Deeds

**QUITCLAIM DEED**

STERLING SUFFOLK RACECOURSE, LLC, a Massachusetts limited liability company ("Grantor"), having a mailing address at 525 William F. McClellan Highway, East Boston, MA 02128, for and in consideration of the sum of ONE HUNDRED FIFTY FIVE MILLION AND NO/100 DOLLARS (\$155,000,000) hereby grants to THE MCCLELLAN HIGHWAY DEVELOPMENT COMPANY, LLC, a Delaware limited liability company ("Grantee"), having its usual place of business at c/o The HYM Investment Group, LLC, One Congress Street, 10<sup>th</sup> Floor, Boston, MA 02114, with QUITCLAIM COVENANTS all of Grantor's right, title and interest in and to the real property and land together with the buildings and improvements erected thereon, situated in East Boston and Revere, Massachusetts, as more particularly described on Exhibit A attached hereto (the "Property").

This conveyance is made by Grantor and accepted by Grantee subject to all covenants, conditions, restrictions, and other matters of record.

Grantor hereby certifies that Grantor is not a "business corporation" as defined at Massachusetts General Laws Chapter 63, section 30. The Grantor has not elected to be treated as a corporation for federal tax purposes.

For reference to Grantor's title see Quitclaim Deed recorded in the Suffolk County Registry of Deeds in Book 21541, Page 247 and filed with the Suffolk County District of the Land Court as Document No. 553756.

[Remainder of page intentionally blank; signature page follows]

MASSACHUSETTS EXCISE TAX  
Suffolk County District ROD # 001  
Date: 05/30/2017 10:38 AM  
Ctrl# 169955 23026 Doc# 00870416  
Fee: \$706,800.00 Cons: \$155,000,000.00

IN WITNESS WHEREOF, this undersigned has executed and delivered this Quitclaim Deed as a sealed instrument as of this 26<sup>th</sup> day of May, 2017.

GRANTOR:

STERLING SUFFOLK RACECOURSE, LLC, a  
Massachusetts limited liability company

By: PM Tuttle  
Name: Paul M. Tuttle  
Title: Chief Operating Officer

COMMONWEALTH OF MASSACHUSETTS

Suffolk County, ss.

On this 22nd day of May, 2017, before me, the undersigned Notary Public, personally appeared Paul M. Tuttle, as Chief Operating Officer of Sterling Suffolk Racecourse, LLC, proved to me through satisfactory evidence of identification, namely personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose as Chief Operating Officer of Sterling Suffolk Racecourse, LLC.

Carla M. Michals  
Notary Public  
My commission expires:



Exhibit A

Legal Description

Real property in the Cities of Boston and Revere, County of Suffolk, Commonwealth of Massachusetts, described as follows:

A certain parcel of land situated in the Cities of Boston and Revere, County of Suffolk, Commonwealth of Massachusetts, commonly known as Suffolk Downs, shown on a plan entitled "Plan of Land in Boston and Revere" prepared by Rizzo Associates dated December 10, 1996, revised January 23, 1997 and recorded with Suffolk County Registry of Deeds in Book 21541, Page 247.

The above-described parcel includes the following Registered Land:

A certain parcel of land situated in that part of Boston called East Boston in the County of Suffolk and Commonwealth of Massachusetts, situated on Waldemar Avenue. Said land is shown as Lots One (1) thru Twenty-One (21) as shown on plan drawn by B. C. & J. J. Gallo, Civil Engineers, dated June 4, 1951, and September 18, 1953, as modified and approved by the Court, filed in the Land Registration Office as Plan No. 23113-A, a copy of a portion of which is filed with Certificate of Title No. 57352.

Excepting therefrom so much of the land shown as Parcels A-1 (1) and A-1 (2) on a Plan entitled "Plan of Land in Revere Massachusetts (Suffolk County)" dated November 25, 2002, last revised February 26, 2003, drawn by BSC Group and recorded with Suffolk Registry of Deeds in Book 31003, Page 26, which parcels were conveyed to Revere Diner Realty LLC by Deed dated March 21, 2003 and recorded in Book 31003, Page 26.

Also, excepting therefrom so much of the land shown as Parcels C-4(1) and C-4(2)(Z) on a plan entitled "Plan of Land in Revere, Massachusetts (Suffolk County) by BSC Group, dated March 30, 2005 and recorded with Suffolk Registry of Deeds in Book 2005, Page 395, which parcels were conveyed to the City of Revere by deed dated October 4, 2005 and recorded in Book 38463, Page 300.

**REGISTERED LAND**

# Suffolk Registry of Deeds

## Document Cover Sheet



**2017 00045587**

Bk: 57996 Pg: 318 Page: 1 of 7

Recorded: 05/30/2017 11:10 AM

ATTEST: Stephen J. Murphy, Register  
Suffolk County Registry of Deeds

**FOR REGISTRY USE ONLY**



**2017 00870418**

Cert#: 133905 Bk: 665 Pg: 105

Doc: AGT 05/30/2017 10:38 AM SF

ATTEST: Stephen J. Murphy, Register  
Suffolk County Registry of Deeds

**REGISTERED LAND**

## DECLARATION OF RESTRICTIVE COVENANT

This **DECLARATION OF RESTRICTIVE COVENANT** (this "**Declaration**") is entered into this 26<sup>th</sup> day of May, 2017 (the "**Effective Date**"), by and between **THE MCCLELLAN HIGHWAY DEVELOPMENT COMPANY, LLC**, a Delaware limited liability company ("**Owner**"), having an address for purposes hereof at c/o The HYM Investment Group, LLC, One Congress Street, 10<sup>th</sup> Floor, Boston, MA 02114, and **STERLING SUFFOLK RACECOURSE, LLC**, a Massachusetts limited liability company ("**Benefitted Party**"), having an address for purposes hereof at 525 William F. McClellan Highway, East Boston, MA 02128.

### RECITALS

**WHEREAS**, Benefitted Party has contemporaneously with the granting of this Declaration conveyed to Owner that certain real property located in East Boston and Revere, Massachusetts, having an address at 525 William F. McClellan Highway, East Boston, Massachusetts, commonly known as "Suffolk Downs" and as more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "**Property**");

**WHEREAS**, Benefitted Party has requested, as consideration for Benefitted Party's willingness to convey the Property to Owner, that Owner impose a use restriction on the Property in favor of Benefitted Party and Owner has agreed to impose such restriction.

**NOW THEREFORE**, in consideration of the mutual promises set forth in this Declaration and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner hereby covenants and declares, for itself and its successors and assigns, that the Property and every portion thereof shall be and is hereby declared to be subject to the use restriction set forth in this Declaration, for the benefit of Benefitted Party and its successors and assigns. The Property, and any interest therein, shall hereafter be used, mortgaged and conveyed subject to the covenants, rights and restrictions set forth in this Declaration, for so long as this Declaration remains in force and effect.

### ARTICLE 1. USE RESTRICTION

1.1 Use Restriction. So long as this Declaration remains in effect, the Property shall be subject to a use restriction preventing Gaming from being conducted on all or any portion of the Property. The restriction set forth in this Section 1.1 shall be (i) a matter of record and run with and burden the title to the Property, and (ii) for the benefit of and specifically enforceable by Benefitted Party. For purposes hereof, the term "**Gaming**" shall mean any casino, racino, video lottery terminal facility or business, electronic gaming device facility or business or similar gaming or wagering business; provided, however, that Gaming shall not include (i) horse racing, simulcasting, pari-mutuel wagering, account wagering, other wagering and gaming similar to that conducted on the Property prior to the Effective Date, video-based pari-mutuel wagering on live or historic horse racing, or other activities permitted by Benefitted Party in its sole discretion, or (ii) lottery or Keno at any convenience store on the Property.

1.2 Term. The restriction imposed by Section 1.1 shall apply during the period of time (the "**Term**") commencing on the date hereof and terminating on January 20, 2026. Upon

the termination of this Declaration, the use restriction set forth herein shall automatically terminate in its entirety and no longer be of any force or effect without requiring any further action by any party.

## ARTICLE 2. DEFAULT AND REMEDIES

2.1 Default. In the event that Gaming is conducted on all or any portion of the Property by Owner or any tenant, licensee or other owner or occupant of any kind during the Term, then the Benefitted Party may pursue such remedies as it may have at law or in equity to enforce the provisions of this Declaration. Owner acknowledges that irreparable injury will result to Benefitted Party in the event of any violation or breach under the terms and provisions contained in this Declaration and that, in addition to any other rights or remedies to which Benefitted Party may be entitled, Benefitted Party shall have the right to an injunction or other equitable remedy to enjoin such violation or breach, and no bond or other security shall be required in connection therewith.

2.2 Cumulative Remedies. The rights and remedies of Benefitted Party provided for in this Declaration are cumulative and not intended to be exclusive of any other remedies to which Benefitted Party may be entitled at law or in equity.

2.3 Delays; Waivers. Any delay by Benefitted Party in asserting any right or remedy under this Declaration shall not operate as a waiver of any such rights or limit such rights in any way, and any waiver in fact made by Benefitted Party with respect to a breach of this Restriction shall not be considered as a waiver of rights with respect to any other breach by Owner, or with respect to the particular breach, except to the extent specifically waived in writing. It is the intent of Owner and Benefitted Party that this provision will enable Benefitted Party to avoid the risk of being limited in the exercise of any right or remedy provided in this Declaration by waiver, laches or otherwise.

## ARTICLE 3. MISCELLANEOUS

3.1 Binding Effect. The covenants and agreements herein contained shall be binding upon and inure to Owner, and its respective successors and assigns. Any transferee of the Property or any portion thereof or interest therein shall automatically be deemed, by acceptance of the title to the Property or such portion or interest therein, to have assumed all obligations of this Declaration relating thereto to the extent of its interest in the Property.

3.2 Severability. If any term or provision of this Declaration or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Declaration, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Declaration shall be valid and be enforced to the fullest extent permitted by law.

3.3 Amendment. This Declaration may be amended only by an instrument signed and duly acknowledged by Owner (or its successors in title, as applicable) and Benefitted Party. Any amendment to this Declaration shall be recorded in the Suffolk County Registry of Deeds and

shall be filed with the Suffolk County Registry District of the Land Court and shall become effective upon such recording.

3.4 Governing Law. This Declaration shall be governed by and construed in accordance with the laws of The Commonwealth of Massachusetts without reference to conflict of laws principles.

3.5 Recordation and Filing. Each signatory to this Declaration acknowledges and agrees that this Declaration shall be recorded with the Suffolk County Registry of Deeds and filed with the Suffolk County Registry District of the Land Court. Accordingly, each signatory agrees to promptly provide, upon the request of any other signatory hereto, such evidence of its legal existence and good standing, and authority of the individual(s) signing this Declaration on its behalf, as may be reasonably necessary to effectuate such recording and filing.

[NO FURTHER TEXT ON THIS PAGE.  
SEE FOLLOWING PAGES FOR SIGNATURES AND ACKNOWLEDGMENTS.]

IN WITNESS WHEREOF, Owner and Benefitted Party have each caused this Declaration to be executed as an instrument under seal as of the day and year first above written.

**OWNER:**

**THE MCCLELLAN HIGHWAY  
DEVELOPMENT COMPANY, LLC**, a Delaware  
limited liability company

By: 

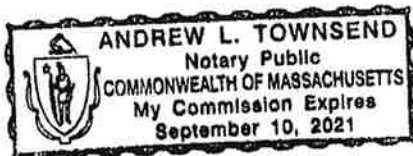
Name: Thomas N. O'Brien

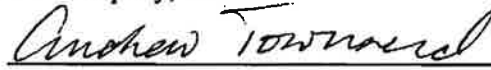
Title: Authorized Real Property Signatory

**COMMONWEALTH OF MASSACHUSETTS**

Suffolk, ss. Boston

On this date, May 24, 2017, before me, the undersigned notary public, personally appeared Thomas N. O'Brien, the Authorized Real Property Signatory of The McClellan Highway Development Company, LLC, a Delaware limited liability company, proved to me through satisfactory evidence of identification, which was driver's license, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that said person signed it voluntarily for its stated purpose as Authorized Real Property Signatory of The McClellan Highway Development Company, LLC.



  
Notary Public

My commission expires: 9/10/21

[SEE NEXT PAGE FOR BENEFITTED PARTY SIGNATURE AND  
ACKNOWLEDGMENT.]

**BENEFITTED PARTY:**

**STERLING SUFFOLK RACECOURSE, LLC, a  
Massachusetts limited liability company**

By: Paul M. Tuttle  
Name: Paul M. Tuttle  
Title: Chief Operating Officer

**COMMONWEALTH OF MASSACHUSETTS**

Suffolk County, ss.

On this 22nd day of May, 2017, before me, the undersigned Notary Public, personally appeared Paul M. Tuttle, as Chief Operating Officer of Sterling Suffolk Racecourse, LLC, proved to me through satisfactory evidence of identification, namely personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose as Chief Operating Officer of Sterling Suffolk Racecourse, LLC.

Carla M. Michals  
Notary Public  
My commission expires:



**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

Real property in the Cities of Boston and Revere, County of Suffolk, Commonwealth of Massachusetts, described as follows:

A certain parcel of land situated in the Cities of Boston and Revere, County of Suffolk, Commonwealth of Massachusetts, commonly known as Suffolk Downs, shown on a plan entitled "Plan of Land in Boston and Revere" prepared by Rizzo Associates dated December 10, 1996, revised January 23, 1997 and recorded with Suffolk County Registry of Deeds in Book 21541, Page 247.

The above-described parcel includes the following Registered Land:

A certain parcel of land situated in that part of Boston called East Boston in the County of Suffolk and Commonwealth of Massachusetts, situated on Waldemar Avenue. Said land is shown as Lots One (1) thru Twenty-One (21) as shown on plan drawn by B. C. & J. J. Gallo, Civil Engineers, dated June 4, 1951, and September 18, 1953, as modified and approved by the Court, filed in the Land Registration Office as Plan No. 23113-A, a copy of a portion of which is filed with Certificate of Title No. 57352.

Excepting therefrom so much of the land shown as Parcels A-1 (1) and A-1 (2) on a Plan entitled "Plan of Land in Revere Massachusetts (Suffolk County)" dated November 25, 2002, last revised February 26, 2003, drawn by BSC Group and recorded with Suffolk Registry of Deeds in Book 31003, Page 26, which parcels were conveyed to Revere Diner Realty LLC by Deed dated March 21, 2003 and recorded in Book 31003, Page 26.

Also, excepting therefrom so much of the land shown as Parcels C-4(1) and C-4(2)(Z) on a plan entitled "Plan of Land in Revere, Massachusetts (Suffolk County) by BSC Group, dated March 30, 2005 and recorded with Suffolk Registry of Deeds in Book 2005, Page 395, which parcels were conveyed to the City of Revere by deed dated October 4, 2005 and recorded in Book 38463, Page 300.



*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 5, 2017

RE: Suffolk Downs Key Operating Personnel and Racing Officials

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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 2, 2017. They are in the process of applying for their 2017 licenses.

**Recommendation: That the Commission approve the request of Suffolk Downs to approve their June 2, 2017 list of Key Operating Personnel and Racing Officials, pending approval by the Stewards and satisfactory completion of their background checks by the Massachusetts State Police.**



Massachusetts Gaming Commission

101 Federal Street, 12<sup>th</sup> Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | [www.massgaming.com](http://www.massgaming.com)



June 2, 2017

Dr. Alexandra Lightbown, Director of Racing  
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 2017 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  
ERIC LATO - Outrider  
VINCENT PANDETTA - 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 5, 2017

RE: Suffolk Downs Takeout Reduction Request

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Dear Commissioners:

Suffolk Downs' Chief Operating Official Chip Tuttle has submitted a request to reduce the takeout to 16% on Win Place Show and 19% on 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 16% on Win Place Show and 19% on exotics.**



Massachusetts Gaming Commission



June 2, 2017

Dr. Alexandra R. Lightbown, Director of Racing  
Massachusetts Gaming Commission  
101 Federal Street, 12<sup>th</sup> 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 2017 live racing season to 16% on Win, Place, Show and 19% on Exotics as part of an effort to promote wagering handle.

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,

Chip Tuttle  
Chief Operating Officer

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

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