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## Meeting Minutes

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**Date/Time:** January 9, 2014 – 9:30 a.m.

**Place:** Boston Convention and Exhibition Center  
415 Summer Street, Room 160  
Boston, Massachusetts

**Present:** Commissioner Stephen P. Crosby, Chairman  
Commissioner Gayle Cameron  
Commissioner James F. McHugh  
Commissioner Bruce Stebbins  
Commissioner Enrique Zuniga

**Absent:** None

Clicking on the time posted in the margin will link directly to the appropriate section of the video.

### Call to Order

See transcript page 2-8.

9:31 a.m. Chairman Crosby opened the 101st public meeting. Commissioner McHugh provided general comments relative to the Caesars litigation and expressed his confidence in Chair Crosby, Director Wells, and the Commission as a whole. The other Commissioners echoed Commissioner McHugh's sentiments.

### Approval of Minutes

See transcript pages 8-10.

9:38 a.m. Commissioner McHugh stated that the minutes for the December 13, December 16, and December 19 public meetings are ready for approval.

*Motion made by Commissioner McHugh that the minutes of December 13, 2013 be accepted subject to any mechanical or typographical corrections that may later be made. Motion seconded by Commissioner Stebbins. The motion passed unanimously.*

*Motion made by Commissioner McHugh that the minutes of December 16, 2013 be accepted subject to any mechanical or typographical corrections that may later be*

*made. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

*Motion made by Commissioner McHugh that the minutes of December 19, 2013 be accepted subject to any mechanical or typographical corrections that may later be made. Motion seconded by Commissioner Stebbins. The motion passed unanimously.*

### **Research and Problem Gaming**

See transcript pages 10-50.

9:40 a.m. Director Vander Linden presented the first draft of the voluntary self-exclusion regulations and discussed policy questions with the Commission.

### **Workforce and Supplier Development**

See transcript pages 50-93.

10:27 a.m. Director Griffin discussed the vendor advisory team and introduced the members of the Commission's Vendor Advisory Group who will assist small businesses in working with gaming licensees and provide other support.

10:39 a.m. Director Griffin discussed a proposal for a small business capacity building program to help meet the supply requirements of the slots gaming establishment after the Commission awards a license. She recommended that the Commission provide \$20,000 to fund a pilot capacity building program to benefit the communities neighboring the licensed slots parlor.

11:08 a.m. *Motion made by Commissioner Stebbins that the Commission dedicate \$20,000 to fund a pilot capacity building program for the immediate and surrounding communities where the slots parlor is awarded in partnership with the members of our vendor advisory group. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

11:09 a.m. Commissioner McHugh raised the issue of how the Commission and licensees can be more inclusive of veterans. Director Griffin stated that the Vendor Advisory Group does have veteran representation and will be available for supporting veterans as well.

11:21 a.m. The Commission took a brief recess.

### **Licensing Division**

See transcript pages 93-154.

11:36 a.m. Director Acosta and the Deputy General Counsel Grossman presented the Commission's licensing regulations and discussed the changes that have been made. Deputy General Counsel Grossman presented the small business impact statement.

12:47 p.m. *Motion made by Commissioner Stebbins that the Commission approve regulations under 205 CMR 134 to include the additional changes discussed here this morning. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

*Motion made by Commissioner Stebbins that Commission approve the small business impact statement as included in the packet with the appropriate edits as discussed. Motion seconded by Commissioner Cameron. The motion passed unanimously.*

12:49 p.m. The Commission took a recess for lunch.

### **Racing Division**

See transcript pages 154-212.

1:39 p.m. Director Durenberger provided an administrative update.

1:42 p.m. Director Durenberger proposed interim legislation to provide a two year extension to G.L. c. 128A and C until replacement legislation can be put in place.

2:21 p.m. *Motion made by Commissioner Cameron that the Commission authorize Director Durenberger to prepare and discuss with all stakeholders a document including a two-year extension to chapters 128A and C and the five issues that the Commission discussed and excluding the tax deduction issue that will be handled separately by the Commission, provided that Director Durenberger present the document to the Commission for approval prior to sending it to the legislature. Motion seconded by Commissioner Stebbins. The motion passed unanimously.*

2:24 p.m. Director Durenberger introduced Mr. McErlean who provided an update on the ownership transition of Plainridge Racecourse.

2:32 p.m. Director Durenberger presented to the Commission Plainridge Racecourse's proposed customer rewards program. The Commission expressed no objections to the program.

2:39 p.m. The Commission took a brief recess.

### **Administration**

See transcript pages 212-253.

2:48 p.m. Executive Director Day provided an administrative update.

2:53 p.m. Executive Director Day and Director Lennon presented to the Commission a proposed organization chart and discussed the how the departments will interact.

- 3:01 p.m. Executive Director Day presented an agenda for the proposed March forum on internet gaming.
- 3:11 p.m. Director Lennon presented a draft of the proposed regulations for assessing the Commission's costs on the licensees and the Commission discussed the details of the assessment.
- 3:34 p.m. The Commission discussed tax withholding on pari-mutuel and gaming winnings. The Commission requested that gaming applicants and any other interested parties provide their comments or concerns on the withholding scheme. The Commission will continue the discussion at the following public meeting.

### **Legal Division**

See transcript pages 253-267.

- 3:37 p.m. General Counsel Blue presented a draft form of the gaming license for discussion and the Commission discussed possible changes. The Commission requested that the draft form be sent to applicants and posted on the Commission's website with a request for comments.

### **Information Technology Division**

See transcript pages 267-293.

- 3:52 p.m. Director Glennon presented a recommendation for the Commission to use a hybrid model for testing and licensing gaming devices. The primary testing would be conducted by an independent testing laboratory and the Commission will have staff on hand for reviewing the laboratory's findings, conducting additional testing when necessary, and issuing a license.

### **Ombudsman Report**

See transcript pages 293-303.

- 4:23 p.m. Ombudsman Ziemba provided an overview of surrounding community and impacted live entertainment venue agreement negotiations and the deadlines for submitting petitions.
- 4:30 p.m. The Commission flipped a coin to determine the order of presentations for the Category 1 applicants. As the only applicant in Region B, MGM would be the first to present. Wynn won the coin toss and decided to present third. Mohegan will be presenting second.
- 4:33 p.m. Meeting adjourned.

### **List of Documents and Other Items Used**

1. Massachusetts Gaming Commission January 9, 2014 Notice of Meeting and Agenda

2. Massachusetts Gaming Commission December 13, 2013 Meeting Minutes
3. Massachusetts Gaming Commission December 16, 2013 Meeting Minutes
4. 205 CMR Section 133 Voluntary Self-Exclusion Regulations DRAFT
5. Massachusetts Gaming Commission Vendor Advisory Team Outline
6. January 2, 2014 Massachusetts Gaming Commission Memorandum Re: Category 2 Small Business Capacity Building Funds Request
7. 205 CMR Section 134 Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives and Labor Organizations Regulations DRAFT
8. 205 CMR Section 101.00 Adjudicatory Proceedings DRAFT
9. 205 CMR Section 112 Required Information Applicant Cooperation DRAFT
10. January 9, 2014 Small Business Impact Statement
11. Massachusetts Gaming Commission Proposed Organizational Chart January 6, 2014
12. Massachusetts Gaming Commission Proposed Internet Forum Agenda
13. January 6, 2014 Massachusetts Gaming Commission Memorandum Re: Regulation for Cost Assessment (with attachments)
14. Massachusetts Gaming Commission Category 2 Gaming License DRAFT
15. January 9, 2014 Massachusetts Gaming Commission Presentation – Gaming Lab Recommendation
16. Massachusetts Gaming Commission Slot Machine Regulation – DRAFT Framework
17. December 29, 2013 Massachusetts Gaming Commission Memorandum Re: December 5 Trip Report Addendum
18. December 5, 2013 Massachusetts Gaming Commission Memorandum Re: Gaming Laboratory Operations Review – Trip Report and Recommendations

/s/ Catherine Blue  
Catherine Blue  
Assistant Secretary